CL 12/22/97

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STAFF REPORT: REGULAR CALENDAR
COASTAL DEVELOPMENT PERMIT

APPLICATION NUMBER: **A-3-SLO-97-40**

APPLICANT: **COUNTY OF SAN LUIS OBISPO, ENGINEERING DEPARTMENT**

PROJECT DESCRIPTION: Wastewater treatment system, including treatment plant, rapid infiltration ponds for treated effluent disposal, and a collection system consisting of pump/lift stations, force main and gravity main pipelines. The project also includes a total of over 100 acres of sensitive habitat acquisition, preservation, and restoration to mitigate for the biological impacts attributable to the development of the wastewater treatment system.

PROJECT LOCATION: San Luis Obispo County Service Area 9, which includes the communities of Baywood, Los Osos, and Cuesta-by-the-Sea, within the Estero Planning Area of the South Bay Urban Area of San Luis Obispo County. The treatment plant will be located at the southeast corner of the South Bay Boulevard and Pismo Street intersection, and the rapid infiltration ponds or gravity wells for the disposal of treated effluent will be located approximately 500 feet south of Highland Drive, between the extensions of Broderson Drive and Doris Drive.

LOCAL APPROVALS: San Luis Obispo County Development Plan/Coastal Development Permit D950245D

FILE DOCUMENTS: San Luis Obispo County certified Local Coastal Program; San Luis Obispo County Development Plan/Coastal Development Permit D950245D; Final Supplemental Environmental Impact Report for the CSA 9 Wastewater Treatment Facilities, February 1997; Los Osos Wastewater Study Task G Report on Detailed Evaluation of Alternatives, July 1995; San Luis Obispo County Local Coastal Program Amendment File No. 1-90; Final Supplemental Environmental Impact Report - CSA 9 Wastewater Treatment

Facilities, September 1989; Second Addendum Environmental Impact Report - CSA 9 Wastewater Treatment Facilities, October 1989; Addendum Environmental Impact Report - County Service Area No. 9 Wastewater Treatment Facilities, December 2, 1987; Final Environmental Impact Report - County Service Area No. 9 Wastewater Treatment Facilities, August 1987; U.S. Fish and Wildlife Service Draft Recovery Plan for the Morro shoulderband snail and four plants from San Luis Obispo County (Morro manzanita, Chorro Creek bog thistle, Indian Knob mountainbalm, and Pismo clarkia), September, 1997; Draft Evaluation of Effluent Disposal at the Proposed Broderson Recharge Site, November 21, 1997; Los Osos/Baywood Park Comprehensive Resource Management Plan, November 24, 1997.

PROCEDURAL NOTE

On July 9, 1997, the Coastal Commission determined that an appeal of the Coastal Development Permit approved by the County of San Luis Obispo for the subject project raised a substantial issue with respect to project's conformance with the County's certified Local Coastal Program. As set forth by Section 13115(b) of the California Code of Regulations, the next step is for the Commission to consider the merits of the project in a De Novo hearing.

This staff report has been prepared for the De Novo hearing on the project, which has been continued from the July 1997 Commission meeting. Because the "substantial issue" question of the appeal was resolved at the July hearing, and the Commission must now consider the full merits of the project, the staff report has been formatted as a regular calendar permit item rather than an appeal.

At this stage in the process, the procedures for the Commission action on this project are the same as if the coastal development permit application had been submitted directly to the Commission. However, pursuant to Section 30604(b) of the Coastal Act, the standard of review is the San Luis Obispo County certified Local Coastal Program. In addition, because components of the project are located between the nearest public road and the sea, the public access and public recreation policies contained in Chapter 3 of the Coastal Act also apply (Coastal Act Section 30604(c)).

SUMMARY OF STAFF RECOMMENDATION

The staff recommends that the Commission **conditionally approve** the coastal development permit requested by the County of San Luis Obispo for the Los Osos wastewater treatment project. The Commission has long been concerned about the threats to coastal resources from inadequate handling of sewage in the area; as reflected by the Central Coast Regional Water Quality Control Board's prohibition against the installation of new septic systems within the proposed project's service area, a wastewater treatment system for this area is necessary to protect the water resources of the State of California. The improved treatment of wastewater that will result from project implementation is expected to reduce the amount of nitrogen, bacteria, and other pollutants that enter groundwater supplies and the adjacent Morro Bay National Estuary, consistent with Coastal Act policies 30230 and 30231.

The recommended conditions of approval are designed to ensure project compliance with the requirements of the San Luis Obispo County certified Local Coastal Program, particularly regarding the protection of environmentally sensitive habitat areas. Specifically, they require further consideration of project alternatives that may avoid and/or minimize impacts on biological resources, and the implementation of specific measures to effectively mitigate project impacts on sensitive habitat areas. In addition, the recommended conditions of approval ensure that, within the coastal zone, only development conforming with the San Luis Obispo County certified LCP can be served by the project.

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I. STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

Approval with Conditions.

The Commission hereby **grants** a permit for the proposed development, subject to the conditions below, on the grounds that the development, as conditioned, will be in conformity with the provisions of Chapter 3 of the Coastal Act and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. STANDARD CONDITIONS

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.

2. Expiration. If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.

4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.

5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.

6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.

7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. SPECIAL CONDITIONS

1. Limits of Approval.

a. Facilities: The approval of this permit is limited to the construction and operation of the wastewater treatment facilities approved by the County of San Luis Obispo County on May 6, 1997, described on pages 10 - 12 of this staff report, subject to the following special conditions. Other than normal repair and maintenance as defined in Section 30610 (d) of the Coastal Act, any modifications to any approved project components or any additional components within the coastal zone shall require a separate coastal development permit or an amendment to this permit.

PRIOR TO COMMENCEMENT OF CONSTRUCTION, the permittee shall submit, for Executive Director review and approval, or determination that an amendment is required, final plans (100% submittal) for all elements of the project (collection system, treatment plant, and disposal facilities). Final plans for the treatment plant shall: eliminate those facilities at the southern portion of plant associated with the Stage II expansion (additional clarifier and equalization basin); relocate the chainlink fence along the southern boundary of the treatment plant as close as possible to the clarifiers; and, include any other revisions that would reduce site coverage

and result in a more compact treatment plant facility. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION OR INSTALLATION OF ANY FACILITIES ASSOCIATED WITH STAGE II OF THE TREATMENT PLANT, the permittee shall submit for Coastal Commission review and approval, or determination that an amendment is required, final plans for Stage II of the treatment plant, which minimize site coverage to the greatest degree feasible and conform with the requirements of Special Condition 3, below.

b. Service Area: The service area for the approved facilities is limited to the service area illustrated by Exhibit 3 of this staff report, with the exception of the three areas located outside of the Urban Service Line designated by the San Luis Obispo certified Local Coastal Program (LCP) for the South Bay Urban Area (please see Exhibit 3). PRIOR TO THE ISSUANCE OF THE PERMIT, the permittee shall submit, for Executive Director review and approval, a revised service area map which eliminates all parcels beyond the designated Urban Service Line from the project service area.

Future additions to the service area within the coastal zone shall require a separate coastal development permit or an amendment to this permit, and must be proceeded or submitted concurrently with an LCP amendment that incorporates the proposed service area expansion within the Urban Service Line designated by the LCP. The permittee shall not cause any property outside of the authorized service area to be assessed for benefits received, nor enter into any agreement to serve any properties outside of the service area, until a coastal development permit or amendment to this permit for an expanded service area has been approved.

c. Allocation of Wastewater Treatment Capacities: Because the approved project has been sized to accommodate buildout within the South Bay Urban Area Urban Reserve Line allowed by the San Luis Obispo County certified Local Coastal Program, no allocation program has been proposed or established. However, should an allocation program that sets priorities for connections to wastewater treatment services be proposed in the future, such a program must be approved by the Commission either through an amendment to this permit or through incorporating such a program into the Local Coastal Program (LCP) through the LCP amendment process.

2. No Guarantees of Development Approvals. Approval of this permit, or any method of financing the project utilized by the County (e.g., the established assessment program), does not guarantee Coastal Commission or local government approval of any new or intensified uses within the service area. All new development proposals must be reviewed for consistency with the San Luis Obispo County certified Local Coastal Program and/or California Coastal Act, as applicable; such review shall consider, among other issues, the environmental impacts associated with the installation of lateral connections necessary to tie into the approved collection system. WASTEWATER TREATMENT SERVICE SHALL ONLY BE PROVIDED TO DEVELOPMENTS THAT HAVE OBTAINED THE REQUIRED COASTAL DEVELOPMENT APPROVALS, IN A MANNER CONSISTENT WITH SUCH APPROVALS.

PRIOR TO THE ISSUANCE OF THE PERMIT, the permittee shall submit, for Executive Director review and approval, a public notice to all property owners of record within the service area that includes a copy of this condition, and an explanation of its effect upon the ability to obtain wastewater treatment service for future development. Said notice shall be mailed to all

property owners within the service area PRIOR TO THE COMMENCEMENT OF CONSTRUCTION.

3. Project Phasing. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittee shall submit, for Executive Director review and approval, the revised service area map required by Special Condition 1.b., which shall also illustrate the following revision to the proposed project phasing: the three large parcels at the southern end of the service area known as the Morro Palisades (please see Exhibit 3) shall be served by Phase II of the project rather than Phase I.

PRIOR TO THE COMMENCEMENT OF CONSTRUCTION OR INSTALLATION OF ANY FACILITIES ASSOCIATED WITH STAGE II OF THE TREATMENT PLANT, the permittee shall submit, for Coastal Commission review and approval, a project status report which documents: the operational effectiveness of Phase I of the project; actual levels of wastewater treatment and disposal provided during Phase I; and, any changes in land use designations or expected development within the project service area (especially within the Morro Palisades properties) that would allow for a reduction in Stage II treatment plant capacities. Any opportunity to reduce the Stage II capacity of the treatment plant, based upon actual flows or changed land use circumstances documented by the approved project status report, shall be implemented by the permittee, and reflected in the submittal of final plans for Stage II of the treatment plant required by Special Condition 1.a..

4. Implementation of the Least Environmentally Damaging Project Alternatives. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittee shall submit, for Executive Director review and approval, a final report that: analyzes the feasibility of utilizing wells for effluent disposal; compares the environmental impacts of utilizing wells versus rapid infiltration ponds; and, documents the acceptability of utilizing wells by the State Water Resources Control Board, Central Coast Regional Water Quality Control Board, and State Department of Health. This report shall be reviewed and approved by the San Luis Obispo County Board of Supervisors prior to being submitted for Executive Director review and approval. If the approved report concludes that the use of wells for effluent disposal is feasible, acceptable to the regulatory agencies responsible for the protection of water quality, and will minimize or avoid impacts on environmentally sensitive habitat areas, wells, rather than rapid infiltration ponds, shall be implemented as the approved method for effluent disposal. Under such circumstances, revised final plans for the effluent disposal component of the project, which locate the gravity wells outside of sensitive habitat areas to the greatest degree feasible, shall be submitted for Executive Director review and approval PRIOR TO THE COMMENCEMENT OF CONSTRUCTION.

5. Compliance with Local Conditions of Approval. All 74 conditions of San Luis Obispo County Coastal Development Permit/Development Plan D950245D (attached as Exhibit 1) become conditions of this permit; however, the terms of this permit shall supersede the conditions of local approval in any instance where the interpretation of a local condition of approval conflicts with the conditions of this permit. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittee shall provide, for Executive Director review and approval, evidence that those conditions requiring action prior to the commencement of work have been signed-off by the appropriate County official, accompanied by the documentation or plans prepared pursuant to such conditions as applicable. Evidence of subsequent condition compliance must also be submitted to the Executive Director at the

required stage. In the event that the County officials do not exercise such authority, the permittee shall submit condition compliance materials to the Executive Director for review and approval.

6. Biological Mitigation Plan. PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittee shall submit, for Executive Director review and approval, two copies of a final biological mitigation plan that incorporate the biological mitigation criteria contained in the local conditions of approval and described in the mitigation proposal submitted by the County entitled "Draft Proposal for Mitigation of Impacts to Endangered Species Habitat from the Construction of the Los Osos Sewer and Resulting Future Residential and Commercial Development" dated 12/11/97. Any revisions to the biological mitigation criteria contained in this proposal, based on a reduction in biological impacts that may be achieved through the use of gravity wells rather than rapid infiltration ponds for effluent disposal pursuant to Special Condition 4, must be approved through an amendment to this permit.

The biological mitigation plan shall also contain monitoring and maintenance provisions to ensure the long term success of the mitigation measures. This shall include specific performance standards developed in coordination with the Department of Fish and Game and U.S. Fish and Wildlife Service, and shall be conducted over a five year period commencing at project completion, with a minimum monitoring frequency of one inspection every four months. AT THE CONCLUSION OF THE FIVE YEAR MAINTENANCE AND MONITORING PERIOD, the permittee shall submit, for Executive Director review and approval, a report which either: documents the successful implementation of the mitigation measures; or, provides for an extended monitoring and maintenance program, including appropriate corrective actions, which shall be implemented until successful implementation of the mitigation measures has been achieved.

Submittal of the biological mitigation plan shall be accompanied by written evidence that the plan has been reviewed and approved by the California Department of Fish and Game and the U.S. Fish and Wildlife Service, or evidence that such approvals are not required. Submittal of the biological mitigation plan shall also be accompanied by either: evidence that the County has secured the mitigation sites that meets the established criteria for mitigation; or, a binding agreement with a qualified agency or organization, which establishes a procedure for the agency or organization to effectively implement the proposed mitigation with the necessary financing from the County. Such an agreement shall be subject to Executive Director review and approval PRIOR TO THE ISSUANCE OF THE PERMIT, and evidence of the acquisition of the proposed mitigation sites shall be provided for Executive Director review and approval PRIOR TO THE COMMENCEMENT OF CONSTRUCTION.

7. Relocation of Sensitive Species. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, AND ON A DAILY BASIS DURING EARTH WORK, a qualified professional biologist shall survey the portions of the treatment plant and rapid infiltration pond sites subject to disturbance for Black legless lizards and Morro shoulderband snails, utilizing raking, coverboards, or other biologically acceptable method. Any Black legless lizards or Morro shoulderband snails discovered shall be relocated by the project biologist to a suitable habitat nearby that is not subject to construction disturbance.

8. Other Approvals. PRIOR TO THE COMMENCEMENT OF CONSTRUCTION, the permittee shall submit, for Executive Director review and approval, evidence of the following authorizations and project approvals, or evidence that no such approvals are required:

a. Regional Water Quality Control Board: NPDES Construction Activity Stormwater Permit, Stormwater Pollution Prevention Plan, and Waste Discharge Requirements for any dewatering activities.

b. Department Of Fish and Game: Memorandum of Understanding and Management Agreement pursuant to Section 2050 et seq. of the California Fish and Game Code.

c. U.S. Fish and Wildlife Service: Completed Section 7 Consultation and associated mitigation program.

d. Any easement or encroachments permits required to undertake project construction.

If compliance with any of the other approvals required for the project involves revisions to the project description or plans submitted to the Commission, or requires additional plans, such changes shall be submitted PRIOR TO THE COMMENCEMENT OF CONSTRUCTION for Executive Director review and approval, or determination that an amendment is required.

9. Water Conservation Devices. All existing development within the coastal zone to be connected to the proposed project shall be provided with water conservation kits - at a minimum tank capacity reducers for all toilets and flow restrictors or aerators for all faucets and showerheads. This kit shall be provide by the County of San Luis Obispo, and verification that this has been accomplished shall be submitted to the Executive Director prior to connection to the project.

IV. FINDINGS AND DECLARATIONS

A. Project Information

1. Background

The town of Los Osos was laid-out in the late 19th Century, with hundreds of small lots intended for summer homes and retreats; many of these lots are only 25 feet in width and 125 feet in length. As the resident population increased from approximately 600 in 1950 to the current level of approximately 14,272, so did the number and intensity of septic systems.

In the late 1970's, the Central Coast Regional Water Quality Control Board (RWQCB) began to observe high levels of nitrate in the shallow groundwater underlying Los Osos. Ongoing studies confirmed that some nitrate levels exceeded the Maximum Concentration Limit for Nitrogen of 10 mg/L, and that bacteria levels were in excess of Basin Plan limits. The RWQCB correlated this problem with increases in population and the number of onsite wastewater systems, and determined that the groundwater in the Los Osos water basin was being degraded by the use of individual septic systems. As a result, the RWQCB adopted Order 83-13, which established a discharge moratorium in the area that became effective in 1988. Since that time, new construction or major expansion of existing buildings has been effectively prohibited, and is currently dependent upon the County providing a solution to the groundwater degradation problem.

The subject wastewater treatment project is intended to provide such a solution. Additionally, the proposed project seeks to utilize the treated wastewater to recharge the groundwater basin, which provides water to the South Bay communities of San Luis Obispo County. This is intended to protect the long-term integrity of groundwater basins within the coastal zone, as required by the LCP's Policies for Coastal Watersheds.

Since the County initiated plans to construct a wastewater treatment facility in 1987, the project has undergone various revisions and updates. There have been 5 environmental reviews conducted pursuant to the California Environmental Quality Act (CEQA) for this project, as well as numerous technical reports and investigations conducted by County Engineering staff and their consultants. Alternative project designs and locations have been considered throughout the project's history, as discussed in detail on pages 14 - 24 of this report.

The wastewater treatment project has also been subject to a great deal of local opposition. One such challenge has been the assertion that septic systems are not the cause of the high levels of nitrates detected in groundwater, and a wastewater treatment plant is unnecessary. It is important to note that the Central Coast RWQCB and the State Water Resources Control Board have identified the need for septic systems to be replaced with a wastewater treatment facility to prevent further groundwater degradation. Under Section 30412(b) of the Coastal Act, the Coastal Commission is prohibited from taking any action in conflict with any determination by the State Water Resources Control Board or any California regional water quality control board in matters relating to water quality. Therefore, it is beyond the scope of the Commission's review to question the State Board and RWQCB's determination that a wastewater treatment facility is needed.

As set forth by Coastal Act Section 30214 (c), the Commission is limited to reviewing the following aspects of "treatment work" projects in the coastal zone: the siting and visual appearance of the treatment works; the geographic limits of service areas and the capacity of the treatment works to allow for phasing of development and use of facilities in a manner consistent with the Coastal Act; and, development projections utilized to determine the sizing of the treatment works.

Most recently, the project, as approved by the County of San Luis Obispo Board of Supervisors was appealed to the Coastal Commission. In July, 1997, the Commission determined that the appeal raised a substantial issue with respect to the project's conformance with the provisions of the San Luis Obispo County Local Coastal Program (LCP) protecting environmentally sensitive habitat areas. This is an appropriate issue for the Commission to address, as it relates to the siting of a treatment works.

Since that time, staff members of San Luis Obispo County, The U.S. Fish and Wildlife Service, the Department of Fish and Game, and the Coastal Commission have been working together in an attempt to resolve the habitat impacts of the proposed project. In coordination with these parties, the County has recently proposed a biological mitigation plan to ensure that project impacts to environmentally sensitive habitat areas will be effectively mitigated where such impacts can not be avoided. This proposal is described and analyzed on pages 25 - 31 of this report.

2. Project Location and Description

The proposed project is located approximately 2 miles south of the City of Morro Bay, in the Los Osos Valley of western San Luis Obispo County. The Los Osos Valley is bounded by Morro Bay to

the west and northwest, Park Ridge to the northeast, and the Irish Hills to the south. The project area includes the unincorporated communities of Los Osos, Baywood Park, and Cuesta-by-the-Sea, adjacent to Morro Bay State Park and Montana de Oro State Park. (See Exhibit 2 for a location map). Primary land uses in the area include residential, limited commercial, open space and agricultural uses.

The proposed project consists of a wastewater collection system, treatment plant, and treated effluent disposal facility to serve that portion of County Service Area No. 9 within the septic tank prohibition area defined by RWQCB Resolution 83-13. The proposed service area, and the location of the project components, are illustrated by Exhibit 3 (attached). In addition, the proposed project includes mitigation measures to offset the impact of the project on biological resources. These project components and their locations are more specifically described below.

a. Collection System

The proposed wastewater collection system consists of approximately 50 miles of gravity flow sewer pipe, 23,000 linear feet of low pressure sewer pipe, and 17,000 linear feet of sewer force main. Six below ground "lift stations" will distribute collected wastewater to collection basins, where it will flow by gravity either to another lift station, or to a pump station that will pump wastewater to the treatment plant. The two pump stations required for the project include on-site generators to provide emergency power.

The proposed collection system would be constructed at one time, but individual connections would occur in three phases. Phase 1 encompasses the majority of the prohibition area, generally defined as those areas with ground water levels of less than 30 feet below ground surface. Phase 2 hook ups to the collection system would take place two years after successful operation of the effluent disposal facilities; this area encompasses the remainder of the RWQCB prohibition area. Phase 3 includes areas of development with relatively large lots that currently comply with Regional Water Quality Control Board guidelines for on site septic systems. Sewering of these phase III properties is deferred until a later undefined date (1997 Supplemental EIR, pages 3-3 - 3-5).

b. wastewater treatment plant

The wastewater treatment plant is proposed to be constructed in two stages. The first stage will provide an average dry weather flow (ADWF) of 1.32 million gallons per day (mgd) and a peak wet weather flow (PWWF) of 4.18 mgd. Stage II, representing the currently planned facility buildout, would provide for an ADWF of 2.03 mgd and a PWWF of 5.23 mgd. This ultimate capacity of the treatment plant is based upon the expected buildout of the South Bay Urban Area allowed by the LCP. An analysis of the proposed capacities consistency with the quantity of development allowed under the certified LCP is provided on pages 32 - 36 of this report.

The proposed location of the treatment plant is on an undeveloped 10 acre site at the eastern terminus of Pismo Street, east of South Bay Boulevard, bordered by Los Osos Junior High School to the north, undeveloped land to the east, and residential neighborhoods west of South Bay Boulevard. This area is currently designated "Residential Suburban" by the Estero Plan portion of the San Luis Obispo certified LCP, intended to provide for suburban scale residential development on 1 to 5 acre parcels. Other non-residential uses, including wastewater treatment plants, are also allowed within this designation. Areas approximately one quarter of a mile northeast of the

proposed treatment plant site are designated as Sensitive Resource areas as a result of the riparian habitat values associated with Los Osos Creek.

Construction of the treatment plant and associated facilities would cover approximately 7 acres of the 10 acre site (see Exhibit 7). The remaining 3 acres are proposed for sensitive habitat preservation and restoration.

The proposed treatment process is a "Sequencing Batch Reactor" (SBR) system. This is a secondary level treatment process designed to remove nitrogen, biochemical oxygen demand (BOD), and suspended solids from incoming wastewaters. Following this secondary treatment process, the treated wastewater is centrifuged, and the separated water is pumped to the effluent disposal facility, and the solids are hauled either to a Class 1 landfill or sold for agricultural purposes in accordance with standards established by the San Luis Obispo County Department of Environmental Health and the U.S. EPA. Approximately 60 cubic yards per week of sludge is anticipated to be generated. According to the project engineer, this equates to approximately one truck load per day. 1.3 million gallons per day of treated effluent is expected to be pumped to the effluent disposal facility.

c. effluent disposal/groundwater recharge component

A primary component of the project is to dispose of treated wastewater in a manner which recharge's the groundwater basin upon which the affected communities are dependent for water supply. As approved by the County, disposal of the secondarily treated wastewater is to take place in Rapid Infiltration Ponds located approximately 500 feet south of Highland Drive between the extensions of Broderson Drive and Doris Drive (referred to as the "Broderson Site"), south and uphill of a residential area. This area is currently designated for residential single family use, although public facilities are allowed.

The principal behind the Rapid Infiltration Ponds is that the secondarily treated wastewater effluent (i.e., the remaining liquids after the solids or sludge has been removed) would percolate through permeable soils to groundwater, during which additional removal of nitrogen and other remaining constituents of the wastewater would be treated as the septage percolates through the soil matrix. Four of these ponds, measuring approximately 310 feet by 140 feet, would be constructed, at a setback distance of 200 feet from the residential parcels to the north of the site and 100 feet from the parcels to the west, one of which is an existing equestrian facility. The total footprint of the infiltration ponds is approximately 14 acres, and the proposed site is comprised of two 40 acre parcels totaling 80 acres; the remaining 26 acre portion of the lower parcel, and the entire upper 40 acre parcel is proposed for habitat preservation and restoration. The layout of the Rapid Infiltration Ponds is illustrated by Exhibit 8.

Although this method of effluent disposal was approved by the County in May, 1997, the Board of Supervisors also directed County staff to investigate the feasibility of utilizing wells, rather than percolation ponds, in order to address community concerns regarding the use of the ponds. The initial results of this evaluation, and its relevance to the Commission's review of the project, is addressed in detail on pages 18-20 of this report.

d. biological mitigation

The project incorporates mitigation measures for impacts to biological resources that will result from the direct impacts associated with facility construction. In addition, the County proposes to include mitigation for secondary biological impacts attributable to development of sites containing sensitive habitat values facilitated by construction of the project.

Proposed mitigation for the direct impacts of the project include: preserving the 66 acre remainder of the disposal site (or "Broderson" site) in a protected open space state, with approximately 2 acres of habitat restoration occurring in the currently disturbed area immediately south of the ponds; and, preservation of the 3 acres of the treatment plant site (or "Pismo" site) that will not be disturbed by treatment plant construction, which includes the restoration of 1.4 acres of this area that is currently dominated by non-native veldt grass. An additional area of native plant restoration totaling approximately 1 acre will occur in the areas immediately surrounding the treatment plant facilities.

The County also proposes to purchase 40 acres of coastal dune scrub habitat as additional mitigation for both the direct and indirect impacts of the project on biological resources. According to the draft mitigation proposal dated 12/11/97 submitted by the County (attached as Exhibit 9), between one and two acres of this acquisition area would be dominated by Dune Lupine, in order to mitigate for project impacts on habitat of the Morro blue butterfly. Although the specific site(s) for this mitigation have not yet been selected, the County has established criteria regarding the conditions of the acquisitions site(s): they must be large parcels, with dune scrub habitat of good condition, and contiguous with other open space areas. The criteria for biological mitigation areas that will be acquired and restored are more specifically described by the County's Condition of Approval No. 29, and are expected to complement current efforts to establish a greenbelt around Los Osos.

An analysis of the adequacy of the proposed mitigation measures, as compared to the requirements of the San Luis Obispo County certified LCP, is provided on pages 22 - 28 of this report.

B. LCP Consistency:

1. Environmentally Sensitive Habitat Areas

a. location:

LCP Requirement: Avoid Locating Public Facilities in Sensitive Area Where Feasible

Section 23.08.288 of the San Luis Obispo County Coastal Zone Land Use Ordinance (CZLUO) specifically regulates Public Utility Facilities. Part d. of this ordinance states:

> **Limitation on use, sensitive environmental areas.** Uses shall not be allowed in sensitive areas such as on prime agricultural soils, Sensitive Resource Areas, Environmentally Sensitive Habitats, or Hazard Areas unless a finding is made by the applicable approval body that there is no feasible location on or off site of the property. Applications for Public Utility Facilities in the above sensitive areas shall include a feasibility study, prepared by a qualified environmental professional approved by the Environmental Coordinator. The feasibility study shall include a constraints analysis, and analyze alternative locations.

In the case of the subject project, "feasibility" not only includes the ability to appropriately treat and dispose of wastewater, but to do so in a manner that will recharge the groundwater basin. Policy 1 for Coastal Watersheds of the Coastal Plan Policies component of the certified LCP requires that the long term integrity of groundwater basins, and Policy 11 from the same LCP section mandates that new development maximize groundwater recharge.

Analysis

The first test of project compliance with LCP Section 23.08.288 is determining whether or not the project is located in a sensitive area. Because the treatment plant site and the effluent disposal both support special status plant and animal species, it needs to be determined if these sites should be considered as Sensitive Resource Areas and Environmentally Sensitive Habitats. The LCP defines such areas as follows:

> Sensitive Resource Area: Means those identifiable and geographically bounded land and water areas within the coastal zone of vital interest and sensitivity, pursuant to Section 23.01.043c(3) of this title. [Section 23.01.043c(3) includes: special marine and land habitat areas, wetlands, lagoons, and estuaries mapped and designated as Environmentally Sensitive Habitats in the Local Coastal Plan; areas possessing significant recreational value, including any "V" (Visitor Serving designation as shown in the Land Use Element and areas in or within 100 feet of any park or recreation area; highly scenic areas which are identified as Sensitive Resource Areas by the Land Use Element; archaeological sites referenced in the California Coastline and Recreation Plan or as designated by the State Historic Preservation Officer; Special Communities or Small-Scale Neighborhoods which are significant visitor destination areas as defined by Chapter 23.11 of this title; areas that provide existing housing or recreational opportunities for low-and moderate income persons; and, areas where divisions of land could substantially impair or restrict coastal access.]
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> Environmentally Sensitive Habitats: A type of Sensitive Resource Area where plant or animal life or their habitats are either rare or espécially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and development. They include wetlands, coastal streams and riparian vegetation, terrestrial and marine habitats and are mapped as Land Use Element combining designations.

Although one might argue that the above definitions apply to only those areas that are currently mapped by the LCP as SRA or ESH, (which is not the case for the treatment plant and disposal sites), such an interpretation would be totally at odds with the intent of these policies and the clear direction of Coastal Act objectives. It would be poor public policy and planning to contend that an accurate delineation of all sensitive habitats can be accomplished at a specific point in time, due to the many variables that can affect the type and location of such resources over time. The above LCP definitions taken in context of the overall LCP, assume a robust mapping system that would be continually updated to reflect current, on-the-ground conditions. This is clearly not the case, as the County's existing SRA maps have not been updated since January, 1989. Furthermore, the LCP is silent on what to do in those instances where environmentally sensitive habitats are found at a particular site, but they have not yet been mapped. The only

rational response in such situations is to treat those existing habitats under the policies designed for environmentally sensitive habitats. Such an interpretation is clearly warranted in the instance of the subject project; numerous environmental documents prepared for the project have documented the presence of many sensitive species and habitats at both the proposed treatment plant location and the effluent disposal site, as described below.

The treatment plant site supports three primary ecological communities considered sensitive by the California Department of Fish and Game (DFG): Coastal Scrub, Chaparral, and Coast Live Oak Woodland. The coastal scrub community is the most dominant plant community on the site, with Dune Lupine Scrub occupying approximately the central one-third of the site, blending with Heather Goldenbush Coastal Scrub to the South. Live Oak woodland, along with Monterey Cypress and Monterey Pine trees, are located within the east and northeast portion of the site. Morro Manzanita, listed as federally threatened, occupies the eastern edge of the site; other chaparral communities represented by Chamise - Wedgeleaf Ceanothus are located within the southwestern portion of the site. Non-native Veldt Grass forms a grassland within a western portion of the site.

The native plant communities on the treatment plant site provide suitable habitat for numerous special status plant and animal species. Morro Manzanita and Monterey spineflower (federally listed as threatened), as well as Sand Almond and rare non-vascular plants (lichens) have been found on the site, while other special status plant species are expected to occur. The Morro Shoulderband Dune Snail (federally endangered), Black legless lizard (proposed as federally endangered), Monarch Butterfly (habitat considered sensitive by DFG), and Morro Blue Butterfly are also expected to utilize the site.

The 80 acre site proposed for effluent disposal supports various Chaparral, Coastal Scrub, and Live Oak Woodland habitats. Special status plant and animal species that are expected to occur on the site, include: Blochman Leafy Daisy, Indian Knob Mountainbalm, San Luis Obispo Wallflower, Morro Manzanita, and Sand Almond; and, Morro Bay Kangaroo Rat, Morro Shoulderband Dune Snail, Morro Blue Butterfly, Monarch Butterfly, Black Legless Lizard, and California Spotted Owl (which may use the area for foraging due to the presence of its primary prey, the Dusky-Footed Woodrat). This site is within the "Critical Habitat" for endangered Morro Bay Kangaroo Rat identified by the U.S. Fish and Wildlife Service, and is also within a "Conservation Planning Areas" proposed by U.S. Fish and Wildlife Service in the draft Recovery Plan for the Morro Shoulderband Snail and Four Plants (Morro Manzanita, Chorro Creek Bog Thistle, Indian Knob Mountainbalm, and Pismo Clarkia) from San Luis Obispo County.

Based on the identified sensitivity, rarity, and value of habitat at both the treatment plant site and the disposal site, they are considered to be both Sensitive Resource Areas and Environmentally Sensitive Habitats, as defined by the San Luis Obispo County LCP. The next step in evaluating project conformance with LCP Section 23.08.288 is to determine whether or not alternative locations, on or off site of the property, could feasibly accommodate the project.

A February, 1997 Supplemental Environmental Impact Report prepared for the project analyzed three alternative locations for the treatment plant, as well as an alternative to the effluent disposal sites proposed in 1987. The results of this analysis indicate that the original site for the treatment plant proposed in 1987, known as the Turri Road site, was environmentally superior by a very slight margin. The Turri Road site includes prime agricultural soils, as well as wetlands, and is the furthest distance from the service area; however, it was specifically

designated to accommodate the wastewater treatment plant in a 1990 amendment to the LCP approved by the Commission.

Due to significant increases in project costs associated with increased pumping distances, environmental impacts associated with pipeline creek crossings, and the LCP's directive to protect prime agricultural lands, the County selected the currently proposed Pismo site for the treatment plant, rather than the Turri Road site. Because the Pismo Site was selected to ensure the economic feasibility of the project, and because the environmental impacts are generally equivalent to those associated with the Turri site, this selection is consistent with the directives of LCP Section 23.08.288. The other potential treatment plant location evaluated by the 1997 Supplemental EIR (referred to as the Cordoniz site) posed greater environmental impacts than either the Turri or Pismo sites. Due to the fact that the entire Pismo site contains sensitive habitat values, alternative site locations to avoid impacts to such resources are not available.

Another potential site for wastewater treatment purposes that has recently been suggested is a 54 acre site in the middle of the developed portion of Los Osos, known as the Williams Brothers parcel. Whether or not there would be environmental benefits of utilizing this site when compared to the proposed Pismo site is questionable, due to the fact that is also known to support coastal dune scrub and Morro Shoulderband Snail Habitat. In addition, the acceptability of locating the treatment system in the center of the community raises concerns due to the compatibility of such a use with numerous residential developments in close proximity.

All of the Williams Brothers site and most of the Pismo site is surrounded by developed areas, and, as a result, their preservation is not considered to be high priorities for the long term conservation of sensitive species in the Los Osos area. In light of these facts, there it does not appear that locating the treatment plant at the Williams Brothers site, rather than the Pismo site, would be environmentally superior for wastewater treatment purposes.

With respect to effluent disposal, the project evaluated in 1987 proposed to utilize both a discharge along Los Osos Creek during dry weather, as well as Rapid Infiltration Ponds during wet weather. Although the discharge of treated effluent to the creek was considered superior from a groundwater recharge standpoint, there were potentially significant environmental impacts associated with this element of the project (e.g., creek crossings, loss of riparian habitat) the resolution of which were deferred to a later date. The extent of Rapid Infiltration Pond development was not affected by the inclusion of the creek disposal because during wet weather, it would be necessary to dispose all of the treated wastewater in the Rapid Infiltration Ponds.

In the 1987 EIR for the project, the Rapid Percolation Ponds were proposed in a generalized location just east of the currently proposed Broderson disposal site, in an area referred to as Site 6 (or "Morro Palisades"), which is designated as "essential habitat" for the endangered Morro Bay Kangaroo Rat by the U.S. Fish and Wildlife Recover Plan for this species. This site was selected after four alternative percolation sites, referred to as the Los Osos Creek Valley sites and Cemetery Mesa sites (two potential disposal sites at each) were rejected due to inadequate percolation rates and inappropriate geologic conditions (!987 EIR, p. VII-25). Additional sites for wet weather disposal facilities considered and rejected by the 1987 EIR included areas along the eastern side of the Los Osos Community and west of Los Osos creek, undeveloped areas in western Los Osos generally north of Los Osos Valley Road, and areas

west of Pecho Road and east of the southern end of Morro Bay State Park. These sites were rejected due to high groundwater levels, inappropriate geologic conditions, proximity to Morro Bay, the presence of significant habitat values, and/or other reasons (1987 EIR, p. VII-30 - VII-31); these findings were also confirmed in a subsequent alternatives investigation performed in 1995, known as the Task G report (p. B1-11).

In subsequent efforts to determine the best specific location for the Rapid Infiltration ponds, the County found that impacts to sensitive habitat areas would be reduced by relocating the ponds westward of Site 6 to the currently proposed Broderson site, outside of the area identified as essential Kangaroo rat habitat by the U.S. Fish and Wildlife Service. In addition, the County found that the high permeability of the soils at this location, and sufficient depths to groundwater, would allow for the entirety of the effluent to be disposed of at the Broderson site, eliminating additional costs and environmental impacts associated with creek disposal. The County has also determined that disposal of treated effluent using Rapid Infiltration Ponds at the Broderson site would effectively recharge the groundwater supply, as the water would percolate to the underlying aquifer.

According to the County Engineer, locating the ponds to a more disturbed area used for equestrian purposes west of Broderson was also considered, but rejected on the basis that groundwater recharge potential would be significantly reduced; the further west the recharge site is located, the more likely it would be for the discharged effluent to flow towards the Bay, rather than towards the east where it would have a greater recharge affect upon the groundwater basin. The ponds are proposed to be sited in the lower portion of the site, with a 200 foot setback from the residences bordering the northern portion of the site as recommended by the 1997 Supplemental EIR. This is considered to be the most disturbed portion of the site due to its proximity to developed areas and the presence of veldt grass, an exotic invasive species detrimental to native habitats. The 200 foot setback area is proposed to be restored and preserved as native dune scrub habitat.

With respect to other potential locations for effluent disposal, it has been suggested that ongoing groundwater modeling studies being conducted by Woodward Clyde consultants for the Southern California Water Company, may result in the identification of additional sites that would have the necessary characteristics to accommodate the treated effluent, in a manner that would effectively recharge the groundwater basin. The purpose of this groundwater modeling study is to evaluate, update, and enhance a model of the Los Osos Groundwater Basin developed by the U.S. Geological Service (USGS) in 1988. On September 5, 1997, the most recent product of this effort, a draft report entitled Los Osos Groundwater Model Update and Post Audit Analysis was released. According to this document, the primary objective is to update, and evaluate the groundwater model previously developed by the USGS, and convert data to enhance computer applications for groundwater management needs. While the report recognizes the use of treated effluent to recharge the groundwater basin is a management issue related to the long term yield of the groundwater basin, it did not address the issue as whether or not there may be an equally or better suited site for effluent disposal and groundwater recharge than the site proposed by the County. Given the numerous locations for effluent disposal previously considered by the County, and the unique characteristics required for an appropriate disposal site, it is unlikely that the groundwater modeling study will lead to the identification of a better site.

Conclusion

As required by CZLUO Section 23.08.288, the applicant has appropriately analyzed the constraints and feasibility of alternative project locations that would avoid sensitive habitat areas. The results of these analyses support a finding that there is no feasible location on or off site of the properties designated for the wastewater treatment plant and Rapid Infiltration Ponds that would reduce impacts to sensitive habitats and still achieve the LCP directive to maximize groundwater recharge. The project is therefore consistent with CZLUO Section 23.08.288.

b. Siting and Design:

LCP Requirement: Design Projects to Minimize Impacts on Sensitive Resources

In addition to considering alternative locations that avoid sensitive habitat areas, other policies and ordinances contained in the LCP call for projects to be designed and sited in a manner which avoids or minimizes impacts to sensitive habitat areas. These include the following Coastal Plan Policies for Environmentally Sensitive Habitats:

> Policy 27: Protection of Terrestrial Habitats. Designated plant and wildlife habitats are environmentally sensitive habitat areas and emphasis for protection should be placed on the entire ecological community. Only uses dependent upon the resource shall be permitted within the identified sensitive habitat portion of the site.
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> Development adjacent to environmentally sensitive habitat areas and holdings of the State Department of Parks and Recreation shall be sited and designed to prevent impacts that would significantly degrade such areas and shall be compatible with the continuance of such habitat areas.
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> Policy 33: Protection of Vegetation. Vegetation which is rare or endangered or serves as cover for endangered wildlife shall be protected against any significant disruption of habitat value. All development shall be designed to disturb the minimum amount possible of wildlife or plant habitat.

Analysis

As previously established, the treatment plant site and the effluent disposal site are environmentally sensitive habitat areas, and therefore subject to the above policies. The first requirement of Policy 27 is that the proposed use be dependent upon the identified sensitive habitat that will be impacted.

Although the effluent disposal facilities are not dependent upon the specific habitat resources of the proposed disposal site, they are dependent upon the unique geologic resources of this site. After extensive analysis, the proposed effluent disposal facilities location is the only site that the County has been able to identify as having the geologic characteristics necessary to effectively accommodate the treated effluent that will be generated by the project, in a manner that will result in the recharge of the groundwater basin. As previously noted, LCP Policies for Coastal Watersheds call for the protection of groundwater basins, and maintaining groundwater levels. To this end, the project has been designed to utilize the treated wastewater to recharge the underlying aquifer, and is dependent upon the proposed site to accomplish this LCP directive. The unique geologic characteristics of the site, upon which the project is dependent, includes

high depth to groundwater, adequate percolation rates, and the absence of impermeable layers that would prevent the disposed effluent from traveling vertically.

Similarly, the location of the treatment plant is not fully consistent with Policy 27 because this type of facility is not dependent upon the habitat resources found on the proposed site. However, the habitat values at the treatment plant site are diminished by the fact that the site is surrounded by development on three sides, and is therefore a fragmented habitat that has limited value towards the long term survival of the species found on the site. Developing the treatment plant at this location will also avoid greater environmental impacts associated with alternative locations, including pipeline creek crossings, the loss of prime agricultural land, impacts to wetlands, and the disturbance of environmentally sensitive habitats with more significant habitat value. The project is also dependent upon the proposed treatment plant location, as this is the least environmentally damaging site in close enough proximity to the service area and disposal areas to be feasible.

Based upon these factors, and the fact that the wastewater treatment project is necessary to avoid significant adverse impacts to important groundwater resources and the extensive environmentally sensitive habitat areas within the Morro Bay National Estuary that would result from continued use of septic systems throughout Los Osos, the project is generally consistent with the resource dependent requirements of Policy 27.

The second requirement of Policy 27, and the standard established by Policy 33, is that projects within and adjacent to environmentally sensitive habitat areas be designed to minimize the disruption of habitat values. In the case of the subject project, there may be alternative designs and technologies for the treatment of wastewater and the disposal of treated effluent that could reduce project impacts on sensitive habitat areas, as discussed below.

1) Use of Wells for Effluent Disposal:

Subsequent to the development of plans to utilize the proposed Rapid Infiltration Ponds for effluent disposal, the concept of utilizing wells, rather than ponds, was advanced. The use of wells for effluent disposal may have several potential advantages when compared to ponds: by avoiding the need for surface impoundments, neighborhood concerns regarding the potential for an unplanned release of effluent to the downstream urban community would be avoided; potential odors from the surface impoundment could be avoided; and, the disruption of environmentally sensitive habitats at the disposal site would be reduced.

In recognition of these potential benefits, the County Board of Supervisor's, on May 6, 1997, required County staff and their consulting engineers to further investigate the feasibility of utilizing wells rather than ponds for effluent disposal. However, in order to avoid additional delays to the project, the Board approved the project with the use of the ponds for effluent disposal, and required that the well investigation be brought back for the Board's consideration at a later date.

On December 1, 1997, the Commission staff received a copy of the Draft Evaluation of Effluent Disposal at the Proposed Broderson Recharge Site. This report will be presented to the County Board of Supervisor's at its January, 1998 meeting. The draft report concludes that the use of wells for effluent disposal is technically feasible, but identifies that although the wells would cost approximately $500,000 less than the ponds, overall project costs would be increased by

$1,435,480 due to the recommended upgrade to tertiary treatment and disinfection to prevent clogging and biofouling of the wells, and a conservative estimate of increased operating costs resulting from the anticipated need to repair and replace the wells. Another important variable regarding the feasibility of the wells is their acceptability to regulatory agencies such as the Department of Water Resources, and the State and Regional Water Quality Control Boards; this has not yet been determined.

The report estimates that 23 continuously utilized wells would be necessary to accommodate the 1.3 million gallons per day of treated wastewater flow, and recommends the installation of twice this number (46 wells) to address variables in predicted flow rates, maintenance requirements, and other performance contingencies. The report further recommends that the wells be separated by 150 feet based upon an observed 70-foot radii of wetted area surrounding the wells inferred from the recently conducted infiltration tests.

Although a detailed analysis comparing the difference in impacts of the wells versus the ponds to habitat areas at the discharge site has not been undertaken, some preliminary estimates can be calculated. The County engineer has estimated that a 30 foot strip would be required for each row of wells on the site, including a maintenance corridor, and that up to 60 wells are required to adequately serve the project during wet weather flows. With the same setbacks from adjacent properties as proposed for the percolation ponds, the 1110 foot width of the disposal site would allow 7 wells per row, at the recommended separation of 150 feet; 8.6 rows of wells would be required for 60 wells. At a width of 30 feet and length of 1050 (7 wells x 150 foot separation) per row, each row would have a footprint of 31,500 square feet (or .72 acre); 8.6 rows would result in a total site disturbance of 270,900 square feet, or approximately 6.2 acres. This final calculation represents a reduction of 55%, (or 7.8 acres) of site disturbance when compared to the 14 acre footprint anticipated for the Rapid Infiltration Ponds. Further reductions in site disturbance would be achieved if the number of wells can be reduced.

In addition to decreasing the amount of site coverage required for effluent disposal, the use of wells has the potential to further reduce impacts to sensitive habitat areas at the disposal site if it is possible to reduce the 200 foot setback from the residences bordering the southern portion of the site. This setback, which was recommended by the 1997 Final Supplemental Environmental Impact Report for the project based on the need to provide an adequate buffer between the residences and the ponds, represents the most disturbed portion of the disposal site. Because the above ground storage of effluent would be eliminated through the use of wells, a reduction in this setback would seem appropriate.

Based upon the best information currently available, it appears that the use of wells for effluent disposal is both technically feasible and environmentally preferable. However, the economic feasibility of this alternative, and the acceptability of the conformance of this method of disposal with state health regulations, has yet to be confirmed. The total project cost is estimated at $72 million. The County Engineer has given a preliminary indication that the approximate $1.5 million increase in project costs associated with the use of wells will be feasible to accommodate; this will be confirmed when this option is presented to the County Board of Supervisors at its January meeting. (Commission staff will report the results of that meeting at the Commission's January meeting.)

Regarding conformance with state health regulations, the issue is whether or not the use of wells for effluent disposal would constitute a groundwater "recharge" project, and therefore be

subject to additional requirements that may be economically and/or technically infeasible for the County to comply with. Although the project as currently proposed will result in the incidental recharge of groundwater, it is not regulated as a "recharge" project by the Department of Health Services. The Department of Health Services has requested the County to provide additional information in order to determine if the use of wells will be regulated as a planned groundwater recharge project. Given the additional level of treatment associated with the use of wells, and the maintenance of an adequate depth to groundwater, RWQCB staff has preliminarily indicated that the use of wells for effluent disposal would be acceptable.

At this point, the Commission finds that the wells represent the preferable disposal option in light of the County's certified LCP. In order to comply with LCP directives to pursue the least environmentally damaging project alternative, and address the outstanding variables regarding the feasibility of utilizing wells for effluent disposal, Special Condition 3 requires the permittee to submit a final report that:

- analyzes the feasibility of utilizing gravity wells for effluent disposal;
- compares the environmental impacts of utilizing gravity wells versus rapid infiltration ponds; and,
- documents the acceptability of utilizing gravity wells by the State Water Resources Control Board, Central Coast Regional Water Quality Control Board, and State Department of Health Services.

This report must be reviewed and approved by the San Luis Obispo County Board of Supervisors prior to being submitted for Executive Director review and approval. If the approved analysis concludes that the use of gravity wells for effluent disposal is feasible, acceptable to the regulatory agencies responsible for the protection of water quality, and will minimize or avoid impacts on environmentally sensitive habitat areas, gravity wells are required to be implemented as the approved method for effluent disposal. Under such circumstances, the Executive Director will review revised final plans for the effluent disposal component of the project, to ensure that the wells are located outside of sensitive habitat areas to the greatest degree feasible.

2) "Solutions Group" Alternative:

A citizens group known as the "Solutions Group", organized to address community concerns regarding the wastewater treatment project being pursued by the County, has recently proposed an alternative project design. In summary, this alternative proposes to:

- replace septic tanks in areas of the community with less than 30 feet to groundwater with Septic Tank Effluent Pump (STEP) systems. STEP systems pump liquids to a treatment facility, and act as a holding tank for solids that would be removed periodically and trucked to the treatment facility;
- utilize an Advanced Integrated Wastewater Ponding system to treat wastewater generated from the STEP systems. As opposed to the County proposed mechanical method of treating wastewater, this method relies upon biological processes to treat wastewater. Such

systems are successfully being utilized in California communities such as St. Helena and Bolinas;

- establish a Septic System Maintenance/Management Program throughout the entire community that would include protocols for the upgrade and proper maintenance of existing septic tanks; and,

- dispose of treated wastewater by utilizing it for the irrigation of public spaces, discharging it to Los Osos Creek, and allowing it to percolate to the upper aquifer in the general area of the Broderson site through the use of gravity wells, percolation basins, leach field, infiltration chambers, and/or other methods revealed during on-going studies.

This alternative also proposes to harvest groundwater from low lying areas of the community that experience periodic flooding as a result of high groundwater levels, and utilize this water for both domestic supply and groundwater recharge purposes. The conceptual plans incorporate additional public improvements at the treatment site, including playing fields, a government center, housing, and medical offices.

In its attempt to address a wider range of community needs and concerns, the Solutions Group alternative has been entitled "The Los Osos/Baywood Park Comprehensive Resource Management Plan - A Plan by and for the Community". Composed of professionals from throughout the community, this plan represents a well thought out approach to addressing the area's groundwater, drainage, and water supply needs. The Commission has received numerous letters in support of this alternative, not only because it is viewed as a more creative and comprehensive solution, but because it is claimed to be significantly less expensive than the project proposed by the County.

Notwithstanding the valiant efforts of the Solutions Group and the merits of their proposed alternative, there are many unresolved issues which preclude the Commission from concluding that this is a feasible, environmentally superior alternative, at this point in time. These outstanding issues are discussed below.

- Is this alternative adequate to address the groundwater degradation problem?

A potential shortcoming of the proposed alternative is retaining septic systems as the method of wastewater treatment in all areas of the Community with more than 30 feet to groundwater. The need for a community wide wastewater treatment system has been catalyzed by problems associated with the increasing number of septic systems within the Los Osos valley. While this problem may be exacerbated by existing systems that may be in poor condition or malfunctioning, it is unclear if upgrading and repairing such systems, combined with the use of the proposed STEP system in areas of the community with less than 30 feet to groundwater, will adequately address this problem. Preliminary indication from Regional Water Quality Control Board staff is that this would be an inadequate solution, as reflected by their letter of December 22, 1997, attached as Exhibit 10.

- Is this alternative financially feasible?

While the economical feasibility of a project is typically not considered a Coastal Act issue, the proposed project is a needed public project with limited financial resources. Any additional

financial burden placed upon the limited budget of this project, which is already in many people's opinion too costly to be affordable to the community, threatens the viability of the project. As a result, the financial feasibility of project alternatives is a factor to be considered.

An assessment district to finance the project proposed by the County has been established and in effect since 1991. The alternative project proposed by the Solutions Group would likely require a new assessment, subject to a two-thirds majority of voter approval, due to the revised service area. Furthermore, because this alternative includes a significantly reduced service area for treatment service (only those areas with less than 30 feet to groundwater), the number of people that would directly benefit from the project, and who could therefore be assessed to pay for wastewater treatment facilities, would also be significantly reduced. Other potential financial problems associated with this alternative include the costs associated with the administration of the Septic System Maintenance/Management Program. According to the County engineer, there is the potential for significant legal fees in order to gain legal entry onto private property for the enforcement of the proposed program, which have not been calculated into the expected cost of this alternative.

- Will this alternative would result in less impacts to environmentally sensitive habitats than the County's project?

The use of an Advanced Integrated Wastewater Ponding System for wastewater treatment requires a greater area of land than the Sequencing Batch Reactor system proposed by the County, even with the reduced service area proposed by this alternative. It is anticipated that the treatment system proposed under this alternative would require 25 acres, while the treatment system proposed by the county, including all associated development at the treatment plant site, would have a footprint of approximately 7 acres.

Additional potential environmental impacts associated with the Solution's Group alternative are the proposed discharge of treated effluent to Los Osos creek, and the proposed harvesting of groundwater from the upper aquifer in low-lying areas of the community. With respect to the proposed creek discharge, possible environmental impacts requiring further analysis include: the loss of riparian habitat resulting from the construction of the discharge facility; and, biological effects of changes in creek water quantity and quality, especially during accidents and emergency events, as well as associated impacts to the Morro Bay Estuary and special status species such as the Southwestern Pond Turtle, Red-Legged Frog, and Southern Steelhead. However, there may also be some beneficial impacts associated with increased flows during dry weather, although such beneficial impacts would be limited by the fact that flows generated from the project would are prohibited by the RWQCB from directly entering the Morro Bay estuary.

While some of the environmental impacts associated with creek disposal were analyzed in the 1987 EIR for the project, it was acknowledged that environmental impacts associated with this component of the project would need to be reevaluated when the final creek disposal site was identified (1987 EIR, p. V-27 - V-28); in addition, neither the Red Legged Frog or Southwestern Pond Turtle were listed as endangered or threatened at the time that the 1987 EIR was prepared. Regarding the proposed harvesting of high groundwater, potential impacts on sensitive riparian, wetland, and estuarine habitats resulting from decrease freshwater inflow into Morro Bay would need to be thoroughly analyzed.

On the other hand, the smaller service area and reduced amount of treated effluent requiring disposal associated with the Solutions Group alternative may, however, offer an opportunity to reduce impacts to sensitive habitats when compared to the County project. It is estimated that approximately 10 acres of percolation basins would be utilized to dispose of treated effluent under this alternative, as compared to 14 acres of Rapid Infiltration Ponds and associated development under the County project; both of these facilities would be located at the disposal site currently proposed by the County (the Broderson site). It is assumed that any reduction in site disturbance associated with the potential use of wells for effluent disposal under the County's proposal would result in a proportional reduction in site disturbance under the Solutions Group alternative, which could also utilize wells rather than percolation basins.

The Solutions Group alternative would also reduce the amount of sludge generated by the treatment process. The method of sludge disposal proposed by the County, which involves hauling sludge to agricultural fields and/or a landfill, will not, however, have an adverse impact on environmentally sensitive habitats.

As a result of the many outstanding issues described above, this alternative cannot be considered a feasible option at this point in time. Nor can it be concluded that this alternative would minimize impacts on environmentally sensitive habitat areas when compared to the project currently proposed by the County. Should these outstanding issues be resolved in a manner which documents the feasibility of the Solutions Group alternative, and its consistency with applicable LCP standards, an amendment to this permit could be pursued.

3) other alternatives considered:

In addition to the location and design alternatives previously discussed, additional alternatives have been considered by the County throughout the history of this project, in an effort to both reduce project costs and minimize impacts on environmentally sensitive habitat areas. These additional alternatives are summarized below.

The no project alternative was not considered acceptable, as it would not resolve the septic system prohibition imposed by the Regional Water Quality Control Board or the water quality degradation attributable to continued use of septic systems in the area. The no project alternative would also forego the opportunity to utilize treated wastewater to recharge the local groundwater supply, and might increase pressure to develop outside of the prohibition zone, which could have an adverse impact on several sensitive plant and animal species (1987 EIR, p. VII-1).

The 1987 EIR also analyzed a reduced capacity alternative. The EIR concluded that such an alternative may reduce, but not avoid impacts to biological resources. This alternative was previously rejected because it would not provide an equivalent level of groundwater recharge, and the reduced number of residents that would share the cost did not make this an economically attractive alternative (1987 EIR, p. VII-3). However, current project plans include a revised service area that is limited to the RWQCB prohibition zone. Revisions to the assessment district formed to finance this project were required to accomplish this change, and although the total amount of treated wastewater that can be utilized for groundwater recharge purposes has been reduced, this reduction also minimizes the amount of sensitive habitat that will be impacted by the required effluent disposal facilities.

Other project alternatives rejected in 1987 include a modified water source, which would not address the degradation of groundwater or comply with the Regional Water Quality Control Board's order; and, use of contaminated groundwater for agricultural purposes, which was deemed infeasible based upon extraction and pumping costs, the potential for seawater intrusion, further groundwater degradation, and impacts to a freshwater marsh area along the southern fringe of Morro Bay (1987 EIR, p. VII-4 - VII-5).

The 1987 EIR also evaluated alternative project components. With respect to collection systems, conventional gravity systems, pressure sewer systems (including septic tank effluent pumping, or "step" and grinder pump systems), variable-grade gravity systems, and combination systems were considered. The combined use of conventional gravity and pressure collection systems were selected from an environmental, feasibility, and cost standpoint (1987 EIR, p. VII-5 - VII-10). Regarding treatment system alternatives, the 1987 EIR analyzed a regional treatment system at the Morro Bay-Cayucos treatment plant, a central community treatment system (proposed project), and neighborhood subsystems. Treatment at Morro Bay was rejected based on increased project costs and failure to recharge groundwater, while neighborhood subsystems was rejected because of increased project costs and community opposition (1987 EIR, p. VII-10 - VII-112).

Alternative disposal systems contemplated by the 1987 EIR included ocean disposal, rapid infiltration (percolation ponds), agricultural utilization, and a combination of disposal alternatives including aquaculture treatment and wetland disposal. The ocean outfall alternative was rejected due to higher costs, unknown environmental consequences, and the failure to recharge groundwater supplies. The alternative of utilizing treated wastewater for agricultural purposes was rejected because it would only be feasible during the dry portion of the year, the long term commitment of an adequate number of agricultural operators could not be guaranteed, and it would require more advanced levels of treatment. The use of aquaculture as an alternative treatment process, where water plants such as duckweed or water hyacinth are cultivated in ponds through which wastewater is passed, was rejected because of potential unreliability with regard to nitrate removal, the need for approximately 18.4 acres of additional land area, and the potential for exotic aquatic plants to invade native wetland systems (1987 EIR, p VII-14 - VII-21).

In a 1989 Supplement to the 1987 EIR (1989 SEIR), San Luis Obispo County reexamined the potential use of on-site wastewater management systems, and the establishment of a wastewater management district to oversee necessary septic system improvements and maintenance, similar to the alternative recently proposed by the Solutions Group. According to the 1989 SEIR, this alternative "had been rejected by the County and affected state and federal agencies as early as 1978. However, because of community concerns, it was reexamined by the Engineering Department and has been included in this Supplement." The County Engineering Department rejected this alternative because: it would require special legislation; continued effluent disposal from septic tanks within the Los Osos groundwater basin is specifically prohibited by the RWQCB; the financial burden of a maintenance district over the life of the project would be more expensive than a conventional sewer system; and, the County would become liable for all discharges in the district and for enforcing compliance by individual property owners. As previously noted in the discussion of the Solutions Group alternative, these issues, as well as others, remain unresolved.

In 1995, the County conducted a more detailed evaluation of alternatives for managing wastewater in Los Osos, in which more than 40 alternatives were considered. This County sponsored investigation, known as the "Task G Report", identified alternative wastewater management technologies, and evaluated them on a technical merit and cost basis. The objective of this effort was to develop alternative system plans that would reduce nitrate contamination of groundwater at a lower cost than the project proposed in 1987. This report concluded that the preferred plan was to adopt a conventional wastewater system for all areas of the community. However, the citizen-based Technical Advisory Committee participating in the review of alternatives objected to this conclusion. The report did not document any opportunities to minimize project impacts on environmentally sensitive habitat areas through the use of alternative technologies.

Conclusion

Throughout the history of the wastewater treatment project, numerous alternative technologies and designs have been considered. Most recently, the use of wells for effluent disposal rather than the proposed Rapid Infiltration Ponds has been documented as a potentially feasible alternative that appears to reduce impacts on environmentally sensitive habitats. To achieve consistency with LCP Policies 27 and 33 for Environmentally Sensitive Habitat Areas, Special Condition 3 requires the project to utilize wells rather than Rapid Infiltration Basins if the questions of economic feasibility and conformance with Department of Health standards can be resolved, and the environmental benefits can be confirmed, to the satisfaction of the San Luis Obispo County Board of Supervisors and the Executive Director.

While the alternative proposed by the Solutions Group appears to have components that are worthy of further consideration, the overall feasibility of this alternative, and its effect upon environmentally sensitive habitats, involves a much greater degree of uncertainty than just the replacement of the Rapid Infiltration Ponds with effluent disposal wells. As a result, requiring further pursuit of this alternative is unwarranted at this time. However, in light of the tremendous amount of community support for this alternative, further consideration of the Solutions Group alternative by the San Luis Obispo County Board of Supervisors would be appropriate. Should the local government decide to incorporate components of the Solutions Group alternative into the wastewater treatment project, the County could pursue such changes through an amendment to this permit.

c. biological mitigation:

LCP Requirement: No Significant Impact to Environmentally Sensitive Habitats; Ensure Biological Continuance of Sensitive Species

When proposed projects are located within or adjacent to environmentally sensitive habitats, the LCP requires that the development must not have a significant adverse impact on such habitats, must allow for the biological continuance of the habitat, and must provide for the maximum feasible mitigation. As previously noted, LCP Policy 33 for Environmentally Sensitive Habitats requires that vegetation which is rare or endangered, or serves as cover for endangered wildlife, must be protected against any significant disruption of habitat value. Other such LCP provisions include:

- Policy 1 for Environmentally Sensitive Habitats, which requires that "New development within or adjacent to locations of environmentally sensitive habitats (within 100 feet unless sites further removed would significantly disrupt the habitat) shall not significantly disrupt the resource...".

- Policy 2 for Environmentally Sensitive Habitats, which requires "As a condition of permit approval, the applicant is required to demonstrate that there will be no significant impact on sensitive habitats and that proposed development or activities will be consistent with the biological continuance of the habitat. This shall include an evaluation of the site prepared by a qualified professional which provides a) the maximum feasible mitigation measures (where appropriate) , and b) a program for monitoring and evaluating the effectiveness of mitigation measures where appropriate."

- CZLUO Section 23.07.170a(1), which requires that permit applications for projects within or adjacent to Environmentally Sensitive Habitat "identify the maximum feasible mitigation measures to protect the resource and a program for monitoring and evaluating the effectiveness of the mitigation measures":

- CZLUO Section 23.07.170b., which requires that approvals of projects within or adjacent to environmentally sensitive habitats be accompanied by a findings that "there will be no significant negative impact on the identified sensitive habitat and the proposed use will be consistent with the biological continuance of the habitat", and "the proposed use will not significantly disrupt the habitat".

- Standards for environmentally sensitive habitat areas established by CZLUO Section 23.07.170d include "(1) New development within or adjacent to the habitat shall not significantly disrupt the resource" and "(4) Development shall be consistent with the biological continuance of the habitat".

Analysis

1) biological impacts of the project:

Under the LCP requirements identified above, the wastewater treatment project must mitigate for its unavoidable impacts to environmentally sensitive habitats to a degree that will ensure that the impacts of the project will not result in a significant adverse impact to the affected habitats, or jeopardize their biological continuance. The first step in confirming compliance with this requirement is to document the impacts to environmentally sensitive habitats that will result from project implementation.

The treatment plant and associated facilities will result in a total site disturbance of 6.9 acres on a 10 acre parcel. 6.7 acres of the disturbed area is considered to be environmentally sensitive habitat, as it provides suitable habitat for the federally endangered Morro Shoulderband Snail, Morro Bay Kangaroo Rat, and Indian Knob Mountainbalm, as well habitat for other special status species including the Morro Blue Butterfly, Black Legless Lizard, and Monarch Butterfly. This habitat is comprised of 1.4 acres of Chamise - Wedgeleaf Ceanothus chaparral, 0.7 acres of coastal scrub habitat dominated by Heather Goldenbush, 2.9 acres of coastal scrub habitat dominated by Dune Lupine, and 1.7 acres of Veldt Grass grassland which, although non-native, has been found to contain shells of the Morro Shoulderband Snail at this location.

Under the County's current proposal, a total of 14 acres of the effluent disposal site will be disturbed by the construction of the Rapid Infiltration Ponds and associated infrastructure. 11.3 acres of the area to be disturbed is considered environmentally sensitive habitat; this includes 0.1 acre of Chamise - Wedgeleaf Ceanothus chaparral, .2 acre of Black Sage scrub, 8.1 acres coastal scrub habitat dominated by Heather Goldenbush, and 2.9 acres of coastal scrub habitat dominated by Dune Lupine. These areas provide suitable habitat for the Morro Bay Kangaroo Rat, Morro Shoulderband Snail, Morro Blue Butterfly, Monarch Butterfly, Black Legless Lizard, California Spotted Owl (which may use this area to forage for Dusky-Footed Woodrats), and numerous special-status vascular plant species.

Some of the indirect impacts to environmentally sensitive habitats that will result from the project stem from the fact that by providing a solution to the septic tank moratorium established by the RWQCB, the wastewater treatment project will remove an impediment to growth and facilitate future development in the septic tank prohibition area that may contain sensitive habitat. While this may be the case, the San Luis Obispo County certified LCP anticipates development in the area that will be serviced by the project, and contains provisions to ensure that such development will take place consistent with the protection of environmentally sensitive habitats. The current effort to update the Estero Area Plan being undertaken by the County includes programs to improve the protection of sensitive habitats throughout the Los Osos area, such as a transfer of development program, clustered subdivisions and changes in zoning densities.

Given the fact that there is a certified LCP in place for the area that will be serviced by the project, the Commission must rely upon the LCP and the local coastal development permit processes to resolve the biological impacts of future development, rather than require the wastewater treatment project to mitigate these impacts. It is more appropriate for the entities responsible for future development to provide the biological mitigation required by the LCP rather than requiring a public project to provide such mitigation. Notwithstanding this finding, the County's mitigation proposal includes measures to offset the indirect biological impacts of the project in order to address concerns expressed by the U.S. Fish and Wildlife Service and the Department of Fish and Game, as discussed below.

2) proposed biological mitigation:

In order to mitigate the direct biological impacts of the project, the County proposes to preserve the remaining 2.9 acres of the treatment plant (Pismo) site, and the 66 acres of the effluent disposal (Broderson) site as open space habitat conservation areas. This includes restoration of the portion of the Broderson site between the Rapid Infiltration Ponds and the homes along Highland Avenue as native dune scrub habitat, with the exception of an established stand of Eucalyptus tress which provide overwintering habitat for the Monarch butterfly and will therefore be preserved, as well as restoration of the undeveloped portion of the treatment plant site. Proposed restoration and management measures have been described by the mitigation proposal as including native species that make up coastal scrub habitat (especially Dune Lupine for the benefit of the Morro blue butterfly), and the control of invasive species (12/11/97 Draft mitigation proposal, p. 13).

A comparison of project impacts to the proposed mitigation is provided in the following table:

Type of Habitat	Acreage of Disturbance - Pismo Site	Acreage of Preservation - Pismo Site	Acreage of Disturbance - Broderson Site	Acreage of Preservation - Broderson Site
Chamise - Wedgeleaf Ceanothus Chaparral	1.4	2.3	0.1	0.2
California Sagebrush - Black Sage Scrub	0	0	0.2	0.4
Coastal Scrub Habitat Dominated by Heather Goldenbush	0.7	0.01	8.1	3.5
Coastal Scrub Habitat Dominated by Dune Lupine	2.9	1.4	2.9	2.8
Non-Native Veldt Grass Grassland: - Morro shoulderband snail habitat	1.7	0.1		
- not Morro shoulderband snail habitat			0.5	1.8
Windrow (Eucalyptus Trees) - Monarch Butterfly Habitat	0	0	1.1	2.4
Coast Live Oak Forest/Manzanita	0	0	0.7	± 60
TOTALS (does not include non-native veldt grass that does not provide habitat for the Morro shoulderband snail)	6.7	3.81	13.1	± 69.3

In addition to the biological mitigation proposed at the treatment plant site and the effluent disposal site described above, the County has proposed to acquire 40 acres of good coastal scrub habitat in large parcels that are contiguous with other open space areas and proposed for protection by U.S. Fish and Wildlife Service in the Recovery Plans for the affected listed species. According to the mitigation proposal, this acquisition is intended to mitigate for direct and indirect project impacts to sensitive habitats. However, as previously discussed, the Commission is not requiring the project to mitigate for indirect impacts to environmentally sensitive habitats, as such mitigation will be required through the coastal development permit process. Therefore, the Commission has applied the entirety of the County's mitigation proposal towards mitigation for the loss of environmentally sensitive habitat that will directly result from the construction and operation of the wastewater treatment plant and effluent disposal facilities. Impacts to such habitats from future development will be subject to future coastal development review and approval, and must provide appropriate mitigation, consistent with LCP standards, independent of the mitigation provided through this permit.

3) adequacy of proposed mitigation:

In evaluating the adequacy of the proposed mitigation measures, it is necessary to analyze the degree to which the proposed mitigation will protect the same type of sensitive habitat that will be impacted (i.e., "like for like"), at an amount adequate to offset the loss of habitat that will result from project implementation, so that, overall, the project will not significantly disrupt the specific types of sensitive habitats that will be impacted by the project, or jeopardize their biological continuance.

In determining the appropriate size of a mitigation area, resource and regulatory agencies typically require additional acreage, beyond what will be impacted by a project, to account for interim habitat losses and functional capacity, the uncertain habitat values that will result from the mitigation over the long term, and to minimize the overall loss of habitat acreage. The area of mitigation, as compared to the area of impact, is commonly referred to as the "mitigation ratio".

In cases similar to the subject project, the Department of Fish and Game has recommended that unavoidable impacts to sensitive habitats of the Central Coast be mitigated by setting aside 3 acres or more of the same type of existing habitat, and restoring 1 acre of the impacted type of habitat for each acre lost, depending upon the habitat type (some projects may require greater amounts of acquisition and/or restoration depending upon the particular circumstances related to the feasibility of restoration). This is intended to ensure that if restoration is unsuccessful, the maximum amount of habitat lost over time does not exceed 25%; this habitat loss can be further reduced by increasing restoration requirements.

In the case of the subject project, the proposed on-site habitat preservation and restoration will not result in the protection of equivalent types and amounts of dune scrub habitat that will be impacted by the project. As illustrated by the previous table, 8.8 acres of coastal scrub habitat dominated by heather goldenbush will be impacted by the project, and 3.51 acres will be preserved; 5.8 acres of coastal scrub habitat dominated by Dune lupine will be impacted, and only 4.2 acres will be preserved. The remaining area proposed for preservation on the effluent disposal site (approximately 60 acres), although important habitat for the Morro Manzanita, does not provide "like for like" mitigation when compared to project impacts.

If the 4:1 "like for like" mitigation ratio recommended by the Department of Fish and Game was applied to this project, the preservation proposed at the treatment plant and effluent disposal sites would be short 3.5 acres of Chamise - Wedgeleaf Ceanothus chaparral habitat, 0.4 acres of California Sagebrush - Black Sage habitat, 31.69 acres of coastal scrub habitat dominated by Heather Goldenbush, and 19 acres of coastal scrub habitat dominated by Dune Lupine.

The additional 40 acres of dune scrub habitat proposed to be acquired by the County, and the restoration of 3 acres of currently disturbed habitat to dune scrub habitat, can however, adequately make up for these shortfalls. Although these mitigation measures, when combined with the habitat to be preserved at the treatment plant and effluent disposal sites, will not quite achieve a 4:1 mitigation ratio of like for like habitats (there will be a shortfall of approximately 5 acres of dune scrub habitat, 3.5 acres of chaparral habitat, and .4 acre of sage habitat to achieve such a ratio), the specific circumstances of the overall mitigation proposed will ensure that the project will not result in a significant disturbance to environmentally sensitive habitats, or jeopardize their biological continuance. While the ratio of dune scrub habitat preserved to dune scrub habitat impacted yields a ratio of roughly 3.3:1, the overall amounts of habitat preserved by the County's mitigation

proposal versus the amount of habitat impacted by the project yields a mitigation ratio of approximately 5:1.

The primary circumstance that supports the adequacy of the proposed mitigation, even though it falls short of a 4:1 like for like mitigation ratio, is the fact that the proposed mitigation will result in the preservation of higher quality habitat when compared to the quality of habitat that will be impacted. The quality of the habitat that will be impacted at the wastewater treatment project is diminished by the fact that it is surrounded on 3 sides by development, and as a result, represents a fragmented habitat area that has limited value towards the long term survival of the sensitive species found on the site. Similarly, the habitat that will be impacted by the installation of effluent disposal facilities on the lower portion of the Broderson site, while of higher quality than the wastewater treatment plant, is in close proximity to residential development, and is being adversely impacted by invasive plants.

In comparison, the upper portion of the effluent disposal (Broderson) site that will be preserved provides a larger habitat area further removed from existing development, in close proximity to State Parks property. As proposed, the 40 acres of coastal scrub habitat area to be acquired by the County will be a contiguous with other open space lands and within areas proposed for the protection by the U.S. Fish and Wildlife Service recovery plans for the affected species. As a result, concerns regarding the quality of habitat provided by mitigation sites, which may warrant higher mitigation ratios in other cases, have been appropriately addressed. When compared to the 14.6 acres of dune scrub habitat that will be disturbed by the project, the acquisition of 40 acres of high quality dune scrub habitat, combined with the preservation of 7.71 acres of dune scrub habitat and restoration of approximately 3 acres of dune scrub habitat onsite, will ensure that the project will not have a significant adverse impact on environmentally sensitive habitats or jeopardize their biological continuance.

It is also notable that the project will result in the preservation of approximately 60 acres of Coast Live Oak Forest and Manzanita, most of which is the federally listed Morro Manzanita, that is currently designated by the LCP for residential development. While the project will not directly impact Morro Manzanita, the preservation of this area will benefit the biological continuance of this sensitive species, and is expected to be utilized by some of the sensitive animal species impacted by the project. The value of this preservation, however, will be somewhat dependent upon the future use of adjacent parcels that are currently open space habitat areas, but zoned for residential development.

4) additional measures required

While the County's mitigation proposal is adequate in concept, the specific steps that will be followed in the implementation of the proposed mitigation measures, such as the selection of the 40 acre mitigation site, and the maintenance and monitoring provisions that will be undertaken to ensure the long term success of the proposed habitat preservation, have not been adequately addressed.

Special Condition 6 therefore requires that the County submit a final mitigation plan, for Executive Director review and approval, which contains specific monitoring and maintenance provisions to ensure the long term success of the mitigation measures, developed in coordination with the Department of Fish and Game and U.S. Fish and Wildlife Service, to be

conducted over a five year period commencing at project completion, with a minimum monitoring frequency of one inspection every four months.

To ensure the long-term success of the proposed mitigation, this condition also requires that at the conclusion of the five year maintenance and monitoring period, the permittee must submit a report which either: documents the successful implementation of the mitigation measures; or, provides for an extended monitoring and maintenance program, including appropriate corrective actions, which shall be implemented until successful implementation of the mitigation measures has been achieved to the satisfaction of the Department of Fish and Game and the Executive Director.

With respect to the selection and acquisition of the proposed 40 acre off-site mitigation area, Special Condition 6 requires that the submittal of the biological mitigation plan be accompanied by evidence that the County has secured a mitigation site that meets the established criteria for mitigation; or, a binding agreement with an agency or organization qualified to effectively implement the required mitigation. The latter option is intended to allow for the County to pursue an agreement that would allow the U.S. Fish and Wildlife Service, or other qualified agency or organization, to implement the proposed mitigation, which would be financed by the County. Under this option, the Executive Director would have to review and approve such an agreement prior to the issuance of the permit, and evidence that the proposed mitigation sites have been acquired would have to be provided prior to the commencement of construction.

Additional measures to further minimize impacts to sensitive resource present at the treatment plant and effluent disposal construction sites are required by Special Condition 6. This condition requires a qualified biologist to relocate any Black legless lizards or Morro shoulderband snails that observed within the construction areas to a suitable habitat nearby that is not subject to construction disturbance. This condition is commonly utilized by the Commission to prevent adverse impacts to Black legless lizards, and is appropriate to utilize in this instance to minimize project impacts to sensitive resources, as directed by the LCP. Transplanting of sensitive plant species within the construction areas is already required by the local conditions of approval, which have been incorporated into this permit.

Finally, Special Condition 7 requires evidence of other agency approvals, including authorizations from the U.S. Fish and Wildlife Service, and the California Department of Fish and Game, to ensure that the project complies with state and federal endangered species acts.

Conclusion

Additional information is required to ensure that the biological mitigation proposed by the County will prevent the project from having a significant adverse impact on environmentally sensitive habitats, or jeopardize their biological continuance. This includes the exact location of the mitigation sites, specific measures for carrying out the proposed mitigation, and for ensuring the long term success of the mitigation, as well as evidence of compliance with state and federal regulations protecting endangered species. In addition, the relocation of sensitive species that may be impacted by project construction, is also necessary to minimize project impacts on sensitive resources. As a result the Special Conditions described above have been attached to this permit, and will ensure project conformance with the LCP policies protecting environmentally sensitive habitat areas previously identified.

2. Project Capacities and Service Area

An important issue relevant to the Commission's review of "treatment work" projects in the coastal zone, pursuant to Coastal Act Section 30214 (c), is the geographic limits of service areas and the capacity of the treatment works to allow for phasing of development and use of facilities in a manner consistent with the Coastal Act; and, development projections utilized to determine the sizing of the treatment works.

In the case of the subject project, the San Luis Obispo County certified LCP regulates the intensity of new development, and specifies those areas that are eligible to receive wastewater treatment service. The proposed projects consistency with these standards is analyzed below.

LCP Requirements

Local Coastal Plan Policy 2 for Public Works states:

> New or expanded public works facilities shall be designed to accommodate but not exceed the needs generated by projected development within the designated urban reserve lines. Other special contractual agreements to serve public facilities and public recreation areas beyond the urban reserve line may be found appropriate.

The implementing ordinance for the above policy, Section 23.04.430 of the CZLUO, states:

> A land use permit for new development that requires water or disposal of sewage shall not be approved unless the applicable approval body determines that there is adequate water and sewage disposal capacity available to serve the proposed development, as provided by this section. Subsections a. and b. of this section give priority to infilling development within the urban service line [USL] over development proposed between the USL and URL [Urban Reserve Line]. In communities with limited water and sewage disposal service capacities as defined by Resource Management System alert Levels II or III:
>
> a. A land use permit for development to be located between an urban services line and urban reserve line shall not be approved unless the approval body first finds that the capacities of available water supply and sewage disposal services are sufficient to accommodate both existing development, and allowed development on presently-vacant parcels within the urban services line.
>
> b. Development outside the urban services line shall be approved only if it can be served by adequate on-site water and sewage disposal systems, except that development of a single-family dwelling on an existing parcel may connect to a community water system if such service exists adjacent to the subject parcel and lateral connection can be accomplished without trunk line extension.

Section 23.04.432 of the CZLUO states:

> To minimize conflicts between agricultural and urban land uses, development requiring new community water or sewage disposal service extensions beyond the urban services line shall not be approved.

The location of the urban service line and urban reserve line designated by the LCP for the South Bay Urban Area is illustrated by Exhibit 4, attached.

Other applicable LCP Polices for Public works include Policy 8, which states:

> Where existing or planned public works facilities can accommodate only a limited amount of new development, the following land uses shall have priority for services in accordance with the Coastal Act and be provided for in the allocation of services in proportion to their recommended land use within the service area.
>
> a. Uses which require location adjacent to the coast (coastal-dependent uses).
>
> b. Essential public services and basic industries vital to the economic health of the region, state, or nation including agriculture, visitor-serving facilities and recreation.;

and Policy 9, which states:

> For any development that constitutes a treatment works (PRC 30120), issuance of a permit shall be consistent with the certified LCP and PRC 30412 and shall address the following aspects of such development:
>
> a. The siting and visual appearance of treatment works within the coastal zone.
>
> b. The geographic limits of the service area within the coastal zone which is to be served by the treatment works and the timing of the extension of services to allow for phasing of development consistent with the certified LCP.
>
> c. Projected growth rates used to determine the sizing of treatment works.

Analysis

The LCP provisions cited above regulate both the capacity and service area of new wastewater treatment projects, and sets priorities regarding connections to wastewater treatment systems. Under these provisions, new wastewater treatment projects must be sized to serve the buildout within the Urban Reserve Line allowed under the LCP. However, wastewater treatment service can only be provided to development located within the Urban Service Line, and coastal dependent, visitor-serving, and recreation land uses have priority for connecting for such services . Projects located between the Urban Service Line and Urban Reserve Line are not eligible for wastewater treatment service until such a time that the LCP has been amended to include such properties within the Urban Service Line. In this way, treatment projects can be sized to accommodate full buildout within the Urban Reserve Lines, but the expansion of treatment services outside the Urban Service Line must take place only after such expansions have been determined to be consistent with the Coastal Act.

The vast majority of the proposed service area (Exhibit 3) is located with the Urban Service Line; however, a very small area at the southeast and southwest corners of the proposed service area, as well as a portion at the northern edge, is outside of the Urban Services Line, but within the Urban Reserve Line. As regulated by the LCP, providing wastewater treatment service to these areas will be dependent upon an amendment to the LCP which incorporates

these areas into the Urban Service Line. To maintain consistency with this LCP requirement, Special Condition 1.b. of this permit eliminates those areas located outside of the Urban Service Line from the approved project's service area. This condition also specifies that future additions to the service area within the coastal zone shall require a separate coastal development permit or an amendment to this permit, and must be proceeded or submitted concurrently with an LCP amendment that incorporates the proposed service area expansion within the Urban Service Line designated by the LCP.

With respect to the sizing of the project, the proposed wastewater treatment system is designed to accommodate the buildout allowed by the certified LCP within the South Bay Urban Area Urban Reserve Line, consistent with LCP Policy 2 for Public Works. To determine the capacity necessary to service the buildout of this area, a land use based methodology was used. This methodology derived Dwelling Unit Equivalent (DUE) projections according to the land use designations contained in the certified LCP, and applied a daily wastewater flow rate of 200 gallons per DUE. This flow rate is considered conservative by the project engineers, and was used to ensure that adequate treatment capacity was provided by the constructed facilities, consistent with the aforementioned policy.

The methodology used to determine the appropriate service capacity for the wastewater system assumes that the maximum intensity of development allowed under the LCP would be realized. Similarly, the assessment formed by the County to finance the project is based upon the assumption that the future development of currently vacant lots would occur at the maximum intensity allowed under current LCP land use designations. These assumptions do not account for the fact that maximum development intensities may not be realized due to constraints such as the presence of environmentally sensitive habitats that may be located upon a site proposed for development. As a result, a concern is raised that the assessments levied by the County creates expectations that maximum development intensities can be realized, regardless of other constraints that would need to be addressed through the coastal development process, and that may require a lower intensity of development.

To address this issue, Special Condition 2 clarifies that Commission approval of this permit, or any method of financing the project utilized by the County (e.g., the established assessment program), does not guarantee Coastal Commission or local government approval of any new or intensified uses within the service area, and that all new development proposals must be reviewed for consistency with the San Luis Obispo County certified Local Coastal Program and/or California Coastal Act, as applicable. This condition also requires that the permittee notify property owners within the service area of this condition, so that no false expectations regarding development potential result from this project.

The above condition will adequately address this issue throughout most of the proposed service area, which is primarily urbanized and composed of small lots that can not be further subdivided. There is one exception to this, however, in the southern portion of the service area. Three parcels totaling 112 acres, known as the Morro Palisades, is almost entirely comprised of significant environmentally sensitive habitat. This habitat area has been identified by the U.S. Fish and Wildlife Service as essential habitat for the Morro Bay Kangaroo rat, and is listed as a conservation planning area in the Draft Recovery Plan for the Morro shoulderband snail and four plants from San Luis Obispo County (USFWS, Sept., 1997). Based upon a current zoning designation for residential development at an intensity of between 3 and 5 units per acre, the property was originally assessed for 446.8 benefit units (one benefit unit is equivalent to one

residence), assuming a future development potential of 4 units per acre. According to the County Engineer, this assessment was recently reduced to 89 benefit units at the request of the property owner. However, the LCP has not been revised to reflect this reduction in future development. It is premature to conclude that either 89 or 446 residential units are allowable on this 3 parcel site, based upon LCP requirements to protect environmentally sensitive habitats.

As described earlier in this report, individual connections to the collection system will take place in phases, and the treatment plant will be constructed in two stages. The first phase of the collection system and the first stage of the treatment plant are designed to provide wastewater treatment service to those areas of the community most in need; the areas with less than 30 feet to groundwater. The Morro Palisades properties, however, which are adjacent to the proposed effluent disposal site, have a much higher depth to groundwater, but have been included within Phase I of the service area. This is especially unusual due to the fact that the areas down slope of the Morro Palisades are within Phase II of the service area. Addressing the negative effects of septic tanks serving existing development is the primary purpose of the treatment facility. Special Condition 3 of this permit therefore requires that the Morro Palisades be removed from the first phase of the project, but allows for these properties to be potentially served by the second phase.

As proposed, Phase II of the collection system would be constructed concurrently with Phase I, but connections to the system within the Phase II service area would be installed only after the successful operation of the effluent disposal facilities has been documented over a two year period. Stage I of treatment plant construction would include the site preparation necessary to accommodate the additional facilities associated with Stage II, and construction of the effluent disposal facilities would be sized to accommodate the total quantity of effluent that will be generated by project buildout.

In order to provide an opportunity to reduce the impacts to environmentally sensitive habitats associated with the construction of wastewater treatment facilities necessary to accommodate the second phase of the project, Special Condition 1.a.. limits initial project construction to those facilities necessary to accommodate Stage I of the treatment plant. As required by Special Condition 3, the buildout of the second stage of the treatment plant, to the extent currently proposed, is contingent not only upon the operational effectiveness of the first phase, but the actual service levels provided during the first phase, and any changes in land use designations or expected development intensities, that would allow for a reduction in project buildout. This will enhance opportunities to reduce project impacts on environmentally sensitive habitats, as a reduction in the capacity of the second stage of the plant would allow for reductions in the amount of habitat disturbed at the treatment plant site. The Commission will have the opportunity to review this issue prior to the construction of the second phase of the project pursuant to Special Conditions 1 and 3.

With respect to those land uses that have priority to receive wastewater treatment services under the LCP, the wastewater treatment project has been sized to accommodate the buildout allowed under the current LCP. As a result, there will be adequate capacity to serve Coastal Act priority uses such as coastal dependent, visitor serving, and recreational facilities, as required by LCP Policy 8 for Public Works. However, to account for the potential that at some point in the future an allocation program for remaining treatment capacities may be proposed to address other land use constraints (e.g., a limit on the number of new homes that can be constructed in order to comply with air quality standards), Special Condition 1.c. requires that

any such program be approved by the Commission either through an amendment to this permit or through amending such a program into the Local Coastal Program (LCP). This will ensure that any wastewater treatment capacity allocation program proposed in the future will be reviewed for conformance with the requirement to reserve capacities for priority uses.

Conclusion

The proposed wastewater treatment project has been appropriately sized to serve the maximum intensity of development allowed within the Urban Reserve Line by the San Luis Obispo County LCP, as required by LCP Policy 2 for Public Works. However, it is necessary to clarify that the approval of this permit, or the assessment utilized by the County to finance the project, does not guarantee any future development within the coastal zone, and that such development will be subject to coastal development permit review and approval.

With the exception of three small portions of the proposed service area indicated by Exhibit 3, the portion of the Community that will be served by the project is consistent with the Urban Service Line established by the LCP. The Special Conditions of this permit require the permittee to eliminate the areas outside of the Urban Service Line from the projects service area, in order to comply with CZLUO Section 23.04.432.

In addition, Special Condition 1.c. of the permit requires that any future wastewater treatment capacity allocation program be reviewed and approved by the Commission in order to ensure that such a program reserves an adequate amount of wastewater treatment capacity for Coastal Act priority uses, as required by LCP Policy 8 for Public Works.

Finally, Special Conditions 1 and 3 require that prior to constructing the second stage of the treatment plant, the Commission have the opportunity to review the status of the project, and, if appropriate, reduce the buildout of the project to meet actual land use needs. This will provide an opportunity to reduce project impacts on environmentally sensitive habitats, as required by the LCP policies previously identified in this report. Consistent with this objective, Special Condition 3 also requires that the most environmentally significant portion of the proposed service area, the Morro Palisades, be within Phase I of the project rather than Phase I. (This site also does not meet the criteria established for areas to be serviced by the first phase of the project). This required change will also achieve consistency with the stated intention that the first phase of the project will serve those areas with less than 30 feet to groundwater.

3. Water Resources

The proposed project has been initiated by the County, under the directives of the Regional Water Quality Control Board (RWQCB) and State Water Resources Control Board, in order to protect the water quality of the Los Osos groundwater basin. It has been developed in close consultation with the RWQCB, who fully endorse the project, and have urged its timely approval and implementation based on the need to resolve this long standing water quality issue. Other organizations, such as the Morro Bay National Estuary Program, have identified problems of high nutrients and bacteria levels within Morro Bay that are of concern to the long-term health of the estuary, and have resulted in a downgrading of the local shellfish harvesting areas. Protecting the quality of Morro Bay's coastal waters, marine habitats, and the Los Osos groundwater basin is clearly dependent upon the timely implementation of a solution to the wastewater treatment and disposal needs of the Los Osos community.

LCP Requirements

LCP Policy 1 for Coastal Watersheds states:

> "The long-term integrity of groundwater basins within the coastal zone shall be protected. The safe yield of the groundwater basin, including return and retained water, shall not be exceeded except as part of a conjunctive use or resource management program which assures that the biological productivity of aquatic habitats are not significantly adversely impacted."

Policy 2 for Coastal Watersheds states, in relevant part:

> "Groundwater levels and surface flows shall be maintained to ensure that the quality of coastal waters, wetlands and streams is sufficient to provide for optimum populations of marine organisms, and for the protection of human health."

Analysis

In order to maintain the safe yield of this basin, the project proposes Rapid Infiltration Ponds as a means of providing a return of water to the groundwater aquifer. The potential use of wells rather than infiltration ponds at this site will not reduce the amount of water returned to the groundwater aquifer, as the method of delivery to the groundwater basin (percolation) will remain the same. Hydrogeologic studies prepared for the County indicate that the disposed effluent will primarily go into the upper aquifer and produce a net basin balance. These reports further identify that some of this water will likely reach the lower aquifer, from which the community water supply is obtained.

The effectiveness of the proposed method of recharge has been a highly contested issue throughout the history of this project. One allegation is that the project does not comply with the above policies because it is a "discharge" project rather than a "recharge" project. The state Department of Health Services has developed draft regulations for "planned recharge" projects, which include stringent standards necessary to ensure that such projects do not adversely impact drinking water supplies and public health. The subject project is not intended to be a "planned recharge" project. Instead, the project has been designed as an discharge project that will indirectly result in the recharge of the groundwater basin. This will be achieved through the percolation of treated effluent through the permeable soils at the disposal site, and has been found to be an appropriate method of recharge by the Regional Water Quality Control Board.

Other allegations assert that the level of treatment to be provided by the project is not adequate, and will result in further degradation of the groundwater quality. Such contentions are in direct conflict with the conclusions reached by the RWQCB, who view this project as an opportunity to remediate the upper aquifer, which currently contains levels of nitrate and bacteria in excess of state drinking water quality and basin Plan standards. Such remediation will take place through the indirect recharge of the upper aquifer with the treated effluent generated by the project, the quality of which is regulated by the Waste Discharge Requirements established by the RWQCB for the project.

In considering this issue, it is important to note that the Coastal Commission is specifically prohibited from taking any action in conflict with any determination by the State Water Resources Control Board or any California regional water quality control board in matters relating to water

quality pursuant to Section 30412(b) of the Coastal Act. As a result, it would be beyond the Commissions authorized discretion to require a higher levels of treatment than those authorized by the Regional Water Quality Control Board for this project.

In achieving the LCP's directive to protect groundwater resources, as required by the above LCP policies, water conservation, as well as proper wastewater handling, is an important issue. In recognition of this, Special Condition 9 requires the County to provide water conservation kits, containing capacity reducers for all toilets and flow restrictors or aerators for all faucets and showerheads, for all existing development to be served by the project. (New development is subject to more stringent statewide plumbing standards which require the use of water conserving fixtures, and therefore would not benefit from such water conservation kits). This requirement will not only assist in maintaining the safe yield of groundwater resources, but may also assist in reducing the actual flow of wastewater such that Stage II capacities of the treatment plant may be reduced. As previously discussed, a reduction in treatment plant buildout will minimize project impacts on environmentally sensitive habitats, as required by the LCP.

Conclusion

The subject project, as approved by the County of San Luis Obispo, is a major step towards protecting and improving the water quality of the Los Osos groundwater basin and Morro Bay estuary, consistent with the objectives of LCP Policies for Coastal Watersheds. In addition, the indirect groundwater recharge that will result from the use of Rapid Infiltration Ponds or wells in disposing of the treated effluent will help maintain groundwater levels, and restore groundwater quality, consistent with the above LCP Policies. To enhance protection of the Los Osos groundwater basin, and to facilitate a potential reduction in the total amount of wastewater that needs to be treated (which would also minimize impacts to environmentally sensitive habitats resulting from the proposed buildout of Stage II of the treatment plant), Special Condition 9 requires that the County distribute water conservation kits to all existing development in the coastal zone that will be served by this project.

4. Other LCP Issues

Other LCP issues raised by this project, including the protection of archaeological resources, visual resources, and wetland habitats within 100 feet of the proposed collection system, have been appropriately addressed during local review of the project. The local conditions of approval , which effectively ensure protection of these resources consistent with LCP requirements, are incorporated into this permit by Special Condition 5 and attached as Exhibit 1.

C. Public Access and Recreation

Although the effluent disposal component of the project is approximately 1.5 miles inland of the ocean, it is located between the sea and the first through public road paralleling the sea, which in the southern portion of the Los Osos community is Los Osos Valley Road. As a result, the project must be analyzed for conformance with the public access and recreation policies of the Coastal Act pursuant to Public Resources Code Section 30604(c).

Due to its distance from the ocean, the project will not have any direct affect upon coastal access and recreation opportunities. However, by providing a solution to the water quality

problems resulting from the use of septic systems, the project will enhance and preserve opportunities for water-oriented recreational activities, consistent with Coastal Act Section 30220.

V. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures which would substantially lessen any significant adverse impact which the project may have on the environment.

San Luis Obispo County has conducted 5 environmental reviews pursuant to CEQA since the original wastewater treatment project was proposed in 1987. Most recently, the County Board of Supervisors approved and certified the February 1997 Final Supplemental Environmental Impact Report, which includes extensive mitigation measures to address the environmental impacts of the current project. These mitigation measures are attached to this report with the local conditions of approval as Exhibit 1.

Numerous project alternatives have been considered throughout the history of the project, as detailed on pages 14 - 24 of this report. In its review of these alternatives, the Commission has concluded that an alternative method of effluent disposal, involving the use of wells rather than the proposed Rapid Infiltration Ponds, may be a feasible alternative that would significantly reduce project impacts on environmentally sensitive habitats. As a result, further consideration of this alternative is required by Special Condition 4 of this permit, consistent with CEQA requirements to pursue the least environmentally damaging project alternative.

The Commission's review of this project has also identified additional mitigation measures and project revisions that are necessary to achieve project consistency with the San Luis Obispo County certified LCP, described throughout this staff report and required by the Special Conditions of approval. These mitigation measures, in conjunction with the mitigation measures adopted by the County of San Luis Obispo, ensure that the project, as conditioned, will not have a significant impact on the environment within the meaning of CEQA.

EXHIBIT M

COUNTY SERVICE AREA NO. 9 WASTEWATER TREATMENT FACILITIES COASTAL DEVELOPMENT PERMIT/DEVELOPMENT PLAN; ED96-002 (D950245D)

CONDITIONS OF APPROVAL & MITIGATION MEASURES

APPROVED DEVELOPMENT

1. This approval authorizes a community wastewater treatment plant located at the south east corner of South Bay Boulevard and Pismo Avenue, rapid infiltration ponds for treated effluent disposal located south of Highland Drive near Broderson Drive, and the collection system of pump/lift stations and force main and gravity main pipe.

2. All development shall be consistent with the approved site plans, landscape plans, floor plans, and architectural elevations.

PROJECT WIDE

3. Mitigation Monitoring and Reporting. Mitigation monitoring shall be accomplished using a coordinated team approach. The team shall consist of the Environmental Coordinator, the Planning Director, and the County Engineer. Mitigation monitoring shall be accomplished in a manner that ensures oversight of all phases of the project, in order to guarantee the implementation and success of all required project mitigation measures. As required by Article 9 of the County of San Luis Obispo Environmental Quality Act Guidelines, mitigation monitoring shall be at the direction of the Environmental Coordinator, who shall take the lead in coordinating the efforts of the County Engineer and the Planning Director.

   The County shall contract with an outside environmental monitoring consultant, whose functions will be to:

   1. Provide persons with expertise and experience in each of the following disciplines:

      a. Biological Resources
      b. Air Quality
      c. Drainage, Sedimentation and Erosion Control
      d. Cultural Resources
      e. Traffic

   2. Depending on the discipline,act as an independent and objective preparer, reviewer, and/or implementor of mitigation plans.

   3. Conduct in the field monitoring (including the preparation of required written reports) during and after the construction of the project.

EXHIBIT NO. 1
APPLICATION NO. A-3-SLO-97-40
Local Conditions

At the discretion of the Environmental Coordinator, the County may contract with certain individuals (e.g. archaeologist, biologist, erosion control specialist) to act as environmental monitoring team members, in lieu of including those disciplines in the contract with the outside environmental monitoring consultant.

4. **At approximately twelve months prior to the availability of sewer hookups,** the project proponent shall apply for Community Development Block Grant (CDBG) funding to assist with the cost of the individual sewer hookup for eligible, low income families.

5. [PEIR V-6] **Prior to commencement of construction,** a qualified soils engineer shall prepare grading and drainage plans designed to minimize erosion, sedimentation, and flooding potential during and after construction, in a manner consistent with Sections 23.05.034 - 036 of the Coastal Zone Land Use Ordinance, for review and approval by the Planning Director.

6. [PEIR V-6] **Prior to commencement of construction**, the County Engineer shall develop a plan for disposal of any excess excavated soil from the project as a part of final project design. The plan shall include the identification of a site or sites for placement of excess soil if it is not possible to otherwise use the material for fill on the project. **Prior to placement of any excess soils,** the County Engineer shall obtain all necessary permits for placement of excess soil at selected sites and shall consult with the Planning Director, the County Environmental Coordinator, the U.S. Fish and Wildlife Service, and the State Department of Fish and Game prior to final disposal site(s) selection.

7. [PEIR V-6] **During project construction**, all grading activities shall be consistent with the approved grading and drainage plans, and consistent with the requirements of Sections 23.05.034 - 036 of the Coastal Zone Land Use Ordinance.

8. [GEO-1] NPDES Construction Activity Storm Water Permit **During project construction**, appropriate Best Management Practices, as established in the project's NPDES Construction Storm Water Permit, shall be employed. Such measures may include, but are not limited to, temporary sand bagging, construction of berms, installation of geofabric, and revegetation of areas by hydroseeding and mulching. The NPDES permit shall apply to all proposed facilities. The Pollution Prevention Plan portion of the NPDES permit shall be reviewed and approved by the County Engineer and the RWQCB.

9. [GEO-2] UBC Seismic Zone 4 Design Requirements **As a part of project final design,** proposed facilities shall comply with UBC Seismic Zone 4 regulations, which provide for design of structures to withstand the maximum credible earthquake (M 7.0) within the project area.

10. [GEO-4][PEIR V-5] Erosion and Sedimentation Control Plan **As a part of project final design,** the County Engineer shall develop a long-term Erosion Control Plan. The plan shall include the treatment plant site, the pump station and force main locations, and the location of the rapid infiltration ponds. Additionally, the *1987 Final Program EIR* identified the need for long-term erosion control measures to be implemented at sewer lines not installed within roadways. The Erosion Control Plan shall identify erosion

Ex. 1, p.2

control practices to be utilized for typical facility design scenarios. These may include recompaction of soils, revegetation of disturbed areas, utilization of soil binding, or other methods for reducing long-term erosion. The Plan shall be reviewed and approved by the Planning Director in consultation with the Natural Resources Conservation Service, and shall be included in contractor bid and contract documents.

11. [WR-1] RWQCB Authorization **During project construction**, any discharges associated with dewatering activities shall be authorized by the Regional Water Quality Control Board through issuance of Waste Discharge requirements and individual permit, or under a general NPDES permit for construction activity.

12. [AQ-1(a)] Equipment Emission Control Measures. **During project construction**, the applicant shall fully implement California Best Available Construction Technology (CBACT) for the highest emitting piece of diesel-fired heavy equipment used to construct each major component of the proposed project. It is expected that tandem scrapers or tracked tractors would be the highest emitters. CBACT includes:

    a. Fuel injection timing shall be retarded two degrees from the manufacturer's recommendation.

    b. High pressure fuel injectors shall be installed in all engines.

    c. Reformulated diesel fuel shall be used on the project site.

    d. Ceramic coating of the combustion chamber

    e. Installation of catalytic converters

    In addition, Caterpillar pre-chamber, diesel-fired engines (or equivalent low NO_x engine design) shall be used in heavy equipment used to construct the project to further reduce NO_x emissions. These requirements shall be noted on the grading plan and listed in the contractor and subcontractor contracts. If implementation of such measures is not feasible within the time frame mandated for the proposed project, other vehicle fleets would be considered as alternatives, subject to APCD approval. At a minimum, if the above CBACT or an equivalent are not feasible for mitigation, all heavy equipment operation onsite should have the timing retarded 4 degrees.

13. [AQ-1(b)] Dust Control Measures. **During project construction**, dust generated by construction activities shall be kept to a minimum by full implementation of the following measures.

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

    b. During construction, water trucks or sprinkler systems shall be used to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this would include wetting down such areas in the morning and after

Ex. 1, p.3

work is completed for the day and whenever wind speed exceeds 15 mph.

c. Stockpiled earth material shall be sprayed as needed to minimize dust generation.

d. During construction, the amount of disturbed area shall be minimized, and onsite vehicle speeds should be reduced to 15 mph or less.

e. Exposed ground areas that are planned to be reworked at dates more than one month after initial grading should be sown with fast germinating native grass seed and watered until vegetation is established.

f. After clearing, grading, earth moving, or excavation is completed, the entire area of disturbed soil shall be treated immediately by watering or revegetating or spreading soil binders to minimize dust generation until the area is paved or otherwise developed so that dust generation will not occur.

g. Grading and scraping operations shall be suspended when wind speeds exceed 20 mph (one hour average).

h. All new roadways, driveways, and sidewalks associated with construction activities should be paved as soon as possible. In addition, building and other pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

14. [N-1(a)] Construction Hours. **During project construction**, and in accordance with the recommendations of the County's Noise Ordinance, construction activities shall be limited to 7 a.m. to 9 p.m. on weekdays, and 8 a.m. to 5 p.m. on weekends.

15. [N-1(c)] Equipment Use Procedures. **During project construction**, the following procedures shall be adhered to by the construction contractor: 1) all equipment powered by internal combustion engines shall be properly maintained and fitted with appropriate mufflers; 2) the contractor should use electric-powered (as opposed to diesel-powered) construction equipment whenever feasible; and 3) portable noise barriers shall be used around equipment areas and stationary noise sources.

16. [T-2(a)] [PEIR V-72] Traffic Control Plan. **Prior to the commencement of construction**, the County Engineer shall develop a Traffic Control Plan to identify appropriate construction scheduling and detour plans, including provision for alternative access routes to critical land uses (schools, fire stations, etc.) where necessary. Development and implementation of the plan shall include community representatives (appointed by the District 2 Supervisor), emergency service representatives, County staff and contractor representatives. The draft plan shall be presented to the community for review and comment. As part of this plan, the construction manager shall name and be responsible for a traffic control coordinator, whose job it will be to notify transit operators, emergency service providers, schools, and other agencies of road closures and delays. The coordinator shall ensure that adequate transportation routes for such services would be maintained during construction periods. The final Traffic Control Plan shall be reviewed and approved by the County Engineer prior to project implementation.

Ex. 1, P. 4

17. [T-2(b)] Public Notice of Construction. **During project construction**, the County Engineer shall notify the public of potential obstructions and alternative access provisions. This notification may be accomplished by posting signs near the construction area at least one week in advance of the commencement of construction. In addition, information signs shall be posted on Los Osos Valley Road and South Bay Boulevard, with a phone numbers to call with questions. Phone numbers should include the construction manager's office, County Engineering, and an emergency number where inquiries can be answered 24 hours a day. Alternative access provisions and parking shall be provided where necessary, with guide signs to inform the public. The project shall also provide alternative pedestrian facilities to avoid obstruction to pedestrian circulation.

18. [VR-1] Good Housekeeping. **Prior to commencement of grading activities** the County Engineer shall prepare a "good-housekeeping plan" for the project, to be reviewed and approved by the Planning Director. The plan shall include such information as designation of onsite locations for materials and equipment storage, schedule for debris removal, and proposed screening mechanisms.

19. [VR-2(a)] Project Design. **As part of project final design**, the project shall include elements (architectural treatments, graded berms, exterior materials, exterior color selection) that help the facility blend into the existing environment and provide as much compatibility with surrounding structures as possible. **Prior to commencement of grading activities** the final project design shall be reviewed and approved by the Planning Director in consultation with the community advisory committee.

20. [VR-5] Revegetation Plan. **Prior to the commencement of any site disturbance**, the County Engineer shall submit a Revegetation Plan using native materials for the pump and lift station sites to be reviewed and approved by the Planning Director. The plan shall include specific revegetation details (e.g. plant palette, number and size of plants to be used, etc.) for each of the lift and pump station sites. For pump station number 2, the Revegetation Plan shall include vegetative measure to provide screening of the generator. The generators shall also be screened and protected through structural means.

21. [PEIR V-58] **During all phases of construction**, a Cultural Resources Mitigation Program shall be implemented for the project. The program shall be reviewed and approved by the Environmental Coordinator and managed by a qualified archaeologist approved by the Environmental Coordinator. The program shall consist of measures to coordinate the management of cultural resources mitigation measures and applicable statutes with the construction of the project. The program shall include the following elements:

    a. Education: Instruction and training of construction supervisors and other personnel in the recognition of cultural resources, including training of field supervisors and construction personnel. May also extend into realm of public education (see #4 below).

    b. Scientific Investigations: Includes both archaeological and paleoenvironmental studies of archaeological deposits impacted by the project. Also includes

Ex. 1, p. 5

monitoring and mitigation/rescue work conducted during installation and construction of the system.

c. Documentation: Development of a more complete set of data for all impacted sites, including compilation of existing documents and coordination of scientific studies and educational projects.

d. Resource Protection and Public Enjoyment: Recognition and enhancement of the cultural resources through management policies and goals such as cultural and educational fairs, museums, tours, and popular publications.

e. [CR-1 (a)] Monitoring. Based upon the results of the Phase II Excavation and Data Recovery Program, all ground disturbance activities shall be monitored by a qualified archaeologist and Chumash Native American representative. All monitoring shall be detailed in monitoring reports filed with the Environmental Coordinator.

f. [CR-2(a)] Monitoring. In areas determined to be of high archaeological sensitivity, based on Phase I survey and/or Phase II findings and recommendations, implement CR-1(a) as necessary.

g. [CR-2(b)] Halt Work Order. Section 23.05.140 of the Coastal Zone Land Use Ordinance requires that: "In the event archaeological resources are unearthed or discovered during any construction activities, the following standards apply:

i Construction activities shall cease, and the Environmental Coordinator and Planning Department shall be notified so that the extent and location of discovered materials may be recorded by a qualified archaeologist, and disposition of artifacts may be accomplished in accordance with state and federal law.

ii In the event archaeological resources are found to include human remains, or in any other case when human remains are discovered during construction, the County Coroner is to be notified in addition to the Planning Department and Environmental Coordinator so proper disposition may be accomplished."

h. [CR-3(a)] Phase I Archaeological Investigation. **Prior to any ground disturbing activities**, a Phase I investigation shall be conducted by an archaeologist approved by the Environmental Coordinator for any construction location not subject to previous reconnaissance. The Phase I investigation shall include an archival records search at UC Santa Barbara. If the records search determines that the project site has not been subject to previous field reconnaissance or that the previous field reconnaissance is unacceptable by current professional standards, then the project site shall be surveyed by a qualified archaeologist. Based upon results of the Phase I Archaeological Investigation, implement measures CR-2(a) and CR-2(b) as necessary.

Ex. 1, p. 6

If results of the Phase I Investigation indicate that proposed facilities would impact known archaeological sites, then the following mitigation measures shall also be implemented:

i. [CR-3(b)] Avoidance of Impact. Redesign the facilities to avoid identified archaeological sites within the proposed disturbance area. Subsurface testing to determine the boundaries of these sites may be necessary to ensure that the impacts are avoided.

j. [CR-3(c)] Phase II Investigation. If avoidance is not feasible, then a Phase II investigation will be necessary to determine if the archaeological sites are significant as defined by CEQA. If a site is determined significant, a data recovery program should be implemented to recover a sample large enough to adequately characterize that portion of the site that will be destroyed by project implementation. A local Native American representative should be involved in any data recovery program. Any additional mitigation measures, including monitoring, will be based on the Phase II findings and recommendations.

22. [P-LU-2] Proposed High School and Park Planning. Treatment plant development on the Pismo site would remove the location for a possible high school and park shown in the Estero Area Plan. The school district indicated that they would not be building a high school in Los Osos because it is impractical to duplicate the facility in Morro Bay. During the area plan update, alternative school and park sites should be identified that meet the community's needs and the location criteria specified in the LCP Framework for Planning.

TREATMENT PLANT SITE

23. **As a part of project final design**, the primary structural elements of the buildings shall be no higher than 35 feet above average natural grade.

24. [PEIR V-53] **As a part of project final design**, and in consultation with the Regional Water Quality Control Board, the treatment plant shall provide for emergency storage of treated effluent in order to respond to potential seismic or other failure of the effluent force mains.

25. [GEO-3] Geotechnical Investigation **As a part of project final design**, a geotechnical investigation shall be completed by a qualified engineer. This geotechnical investigation shall include analysis of proposed treatment plant, pump station, and force main facilities, as determined necessary by the design team. The geotechnical investigation shall address the following issues:

Ex 1, p. 7

a. Design of facility foundations such that potential impact associated with onsite fault rupture would be reduced to the extent feasible. Design measures for rapid repair of facilities shall be identified as necessary.

b. The potential for liquefaction impacts at the Pismo Street site. The investigation should determine onsite ground water levels, and identify soil layers that could be

subject to liquefaction during a seismic event. The report should take into account existing ground water conditions, as well as increased ground water levels associated with project implementation. Specific measures, such as excavation/recompaction of foundation areas, long-term dewatering, or utilization of foundation piles should be identified as necessary to reduce potential impacts to a less than significant level.

c. The potential for settlement or lurching associated with seismic events. Specific measures, such as excavation/recompaction, should be identified as necessary to reduce potential impacts to a less than significant level.

d. [SEIR89 IV-10] The potential for disruption of force mains associated with fault rupture. Design measures for rapid repair of facilities shall be identified, as necessary.

The County Engineer shall review and approve the scope and findings of the geotechnical investigation, and shall review final project design to ensure incorporation of recommended measures.

26. [WR-3] Drainage Control and Sedimentation Plan **As a part of project final design**, a Drainage Control and Sedimentation Plan shall be developed, and shall include infrastructure to adequately control and convey flows generated by impervious surface areas onsite. The Plan shall be subject to review and approval by the Planning Director and County Engineer prior to implementation.

27. [WR-4] Non-Point Source Pollution The Drainage Control and Sedimentation Plan shall take into account non-point source pollution associated with proposed facilities, and shall include, to the extent feasible, design measures to control the quality of storm runoff generated onsite. These measures may include, but are not limited to, oil and grease traps, sediment traps, and bar screens. Additionally, sludge storage and loading areas should be provided with containment such that stockpiled materials are not subject to entrainment and discharge offsite during rains.

28. [P-BIO-1(a)] Agency Consulting/Permitting. **Prior to project construction**, the County Engineer shall secure authorization for the disturbance or take of sensitive species from both the U.S. Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG), consistent with the following:

a. Authorization for take by USFWS will require either a formal consultation with USFWS pursuant to Section 7 of the Federal Endangered Species Act (16 USC 1531 et seq.), or issuance of a Section 10(a)(1)(B) permit. Such a permit requires the development and implementation of a Habitat Conservation Plan (HCP). A framework for development of either a Section 10 HCP or Section 7 consultation & mitigation program is outlined in Mitigation Measure BIO-2.

Ex. 1, p.8

b. Authorization for take by CDFG would require a Memorandum of Understanding (MOU) and Management Authorization (MA) pursuant to Section 2050 et seq. of the California Fish and Game Code. Development of a MOU/MA would be

based upon the Section 7 or Section 10 USFWS consultations discussed above.

29. [P-BIO-1(b)] Additional Habitat Restored Pursuant to the requirements of the USFWS and CDFG permits, the County Engineer shall undertake the restoration of additional land, beyond that disturbed by project construction, into suitable habitat for the local species of concern identified in the 1997 Final Supplemental EIR. This will require securing land that has been disturbed and/or where exotic species have invaded to the exclusion of native species.

Acquisition. The land acquired should have the following qualities:

a. The land should be a parcel or group of parcels containing approximately 10 to 20 acres.

b. The land should be disturbed, but not developed, or otherwise in a state that is *not* a pristine native habitat; alternatively, the land could be in good condition relative to native habitats, but otherwise destined for development that would destroy the existing habitat. This may include land that is already owned or controlled by a resource agency such as California Department of Parks and Recreation.

c. The land should be capable of restoration to a native habitat. This would mean that the soils have not been removed or fill placed on the site that is unsuitable for the native plantings (other than small amounts). The land should be free of structures or debris, or capable of being cleared of any structures.

d. The land should have primarily aeolian sand deposits; be in a stabilized condition (not mobile); have an open canopy; and be of the appropriate aspect and other meteorological conditions.

e. The land should be held by the County or appropriate conservation organization in perpetuity with deeded guarantees of non-development or transfer (unless to another like organization). The protection of the land may allow for some passive public activities, such as hiking, scientific investigation, and low-impact educational activities.

Restoration. After securing the land, the County should restore the land so that it functions as suitable habitat for many of the local species of plants and wildlife whose existence is endangered or of concern. One of the benefits of this mitigation approach is that a single program will mitigate the impacts to all or most of the species described in the environmental setting section of the 1997 Final Supplemental EIR. Restoration of the land should include the following:

Ex. 1, p. 9

f. Removal of invasive exotic plant species. This may mean removal of all plants by grading, or a program of hand labor, depending upon the condition of the land. If the amount of invasives is relatively small, the work should be performed by hand so as to leave as much of the existing native vegetation intact as possible.

g. Removal of structures or debris.

h. Regrading of any unnatural mounds, holes or berms previously created on the site.

i. A planting program of a mixture of indigenous plant species that serve to restore the site and serve multiple species' needs, especially the Morro Blue Butterfly, Black Legless Lizard, and potential future re-introduction of the Morro Bay Kangaroo Rat. This will include Dune Lupin for the Morro Blue Butterfly. The final planting program should be developed in consultation with the CDFG and USFWS.

j. An ongoing maintenance and observation program. Ideally this would be established as part of the Morro Bay Estuary Program and/or in conjunction with Cal Poly (especially the Biology and Forestry and Natural Resources Departments).

30. [P-BIO-2(a)] Minimize Disturbance of Coastal Scrub, Chaparral, and Coast Live Oak Woodland Habitats Located Around the Perimeter of the Treatment Plant Site. **During project construction,** to the extent feasible, the amount of disturbance of land beyond the actual area of development shall be minimized. This can be accomplished by identifying minimum activity area required, and establishing a physical construction limit beyond which equipment and storage of material would not extend. **Prior to any site disturbance,** the County Engineer shall:

a. Clearly identify and mark the perimeter of the proposed treatment plant facility construction zone prior to and during construction onsite with highly visible temporary fencing.

b. Restrict the use of all heavy equipment, vehicles, and materials storage to areas located inside of the identified construction zone throughout the duration of construction.

c. Clearly identify and mark the proposed access route to the construction zone of the treatment plant facility, and limit all construction traffic to areas located within the identified access route.

31. [P-BIO-2(b)] Treatment Plant Buffer Area. **At the conclusion of construction of the proposed treatment plant,** the County Engineer shall direct the immediate revegetation of all areas located within or around the perimeter of the treatment plant facility that previously contained native vegetation and that were disturbed during construction. Revegetate only with appropriate indigenous native vegetation approved by the Environmental Coordinator. At a minimum, the structure and composition of habitats restored should reflect pre-project site conditions or better. Use only native vegetation for landscaping in areas located inside of the treatment plant facility. All exotics that escape cultivation should be removed on a regular basis. All plantings shall be grown from native parent stock collected onsite, and will be propagated by a native plant nursery specialist. In addition, the health and maintenance of all replacement vegetation shall be monitored by a qualified botanist for a period of not less than five years or until the new vegetation has been successfully establishment, whichever is greater.

Ex. 1, p. 10

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32. [P-BIO-2(c)] Treatment Plant Site Additional Land. **At the conclusion of project construction,** the additional land around the treatment plant site (that beyond the area disturbed) shall be enhanced in its ability to provide habitat for the native species of plants and wildlife that occur or may occur in the area, in a manner consistent with USFWS and CDFG permits..

33. [P-BIO-2(d)] Control Introduction of Invasive Exotic Plants. **As a part of final project design and during project construction,** the County Engineer shall implement the following measures to control the introduction of invasive exotic plants on site:

a. Use only clean fill material (free of weed seeds) within the construction zone of the proposed project.

b. Thoroughly clean all construction equipment prior to being moved onto and used at the site.

c. Prohibit planting or seeding of disturbed areas with nonnative plant species;.

d. Control the establishment of invasive exotic weeds in all disturbed areas.

34. [P-BIO-3(a)] Avoid or Minimize Disturbance of Special-Status Plants Located Within and Adjacent to the Perimeter of the Project Site Construction Zone. **Prior to and during construction,** the County Engineer shall implement the following measures to avoid or minimize unnecessary disturbance of special-status plants occupying the vicinity of the project site.

a. Retain a qualified botanist approved by the Environmental Coordinator to conduct focused surveys for special-status plant species during the appropriate flowering periods for the various species that are known to occur or have potential to occur within the construction zone of the project site, based on the presence of suitable habitat.

b. Clearly map and identify each individual or groups of special- status plants observed during the focused survey with highly visible flagging. Morro Manzanita located in the southern portion of the site should be marked with highly visible flagging and fencing and completely avoided.

c. Provide instruction to construction personnel on avoiding unnecessary disturbance of areas marked with flagging and fencing and identify the locations of all groups of special-status plants.

Ex. 1, p. 11

35. [P-BIO-3(b)] Transplant Individual Special-Status Plants Located Within the Construction Zone of the Treatment Plant Facility. **Following implementation of BIO-3(a),** individual special-status plants that are identified as occurring within the proposed construction zone for the treatment plant facility shall be identified. If it is determined by the botanist that avoidance or disturbance of the identified plants is not feasible, implement transplanting operations for the identified species. It should be noted that the success of transplanting is highly dependent on the specific taxon. Transplanting of some

species currently occupying the site may not be as successful as for others, or may fail entirely. Therefore, prior to implementing these operations, previous case studies should be researched to determine which plants are expected to have reasonable opportunities for survival following transplantation, and determine which techniques have been successful previously. If transplanting is then determined by a qualified botanist to be a viable option for some identified special-status plants, implement the following measures under the supervision of the botanist:

a. Avoid disturbance of the root system of each plant during transplanting.

b. A plant should only be moved to a habitat that contains site conditions similar to the location previously occupied by each plant.

c. As specified by the botanist and required by the Environmental Coordinator, closely monitor the success of each transplanted species.

36. [P-BIO-4(a)] Replace Suitable Morro Shoulderband Dune Snail Habitat. **At the conclusion of project construction,** and in a time frame and manner consistent with USFWS and CDFG permits, implement P-BIO-1(b), with a percentage of habitats created consisting of Coastal Scrub dominated by Heather Goldenbush. This percentage should be equivalent to the percentage of habitat disturbed. Implementation of this measure would replace habitats dominated by Heather Goldenbush, the host plant for the Morro Shoulderband Dune Snail, with habitats exhibiting similar species composition. Additionally, the non-native brown garden snail shall be controlled within mitigation areas due to its role as a potential competitor. Currently, there is not sufficient information available on the habitat requirements of the dune snail to ensure successful creation of suitable habitat for this species. Therefore, creating Coastal Scrub habitat with Heather Goldenbush as a dominant, is considered to only partially mitigate for loss of potential Morro Shoulderband Dune Snail habitat.

37. [P-BIO-5(a)] Replace Suitable Morro Blue Butterfly Habitat. **At the conclusion of project construction,** and in a time frame and manner consistent with USFWS and CDFG permits, implement P-BIO-1(b), with a percentage of habitats created consisting of Coastal Scrub dominated by Dune Lupine. This percentage should be equivalent to the percentage of habitat disturbed. Implementation of this measure would replace habitats dominated by Dune Lupine, the host plant for the Morro Blue Butterfly. To be successful, replacement habitat should be located adjacent to or within 1,000 feet of occupied habitat. It may be possible to use the same property for this and the prior mitigation measure provided the habitat meets the USFWS and CDFG standards.

Ex. 1, p. 12

38. [P-BIO-6(a)] Avoid unnecessary disturbance of Windrow Habitats Located Around the Perimeter of the Construction Zone. Implement the following measures identified for protecting Windrow Habitat in the vicinity of the project site:

a. **Prior to commencement of project construction,** place highly visible temporary fencing around the perimeters of the driplines of windrow areas near the treatment plant construction zone.

b. **During project construction,** avoid all soil disturbance, compaction, and grading activities within and adjacent to the associated dripline of windrow areas.

39. [AQ-2] Best Available Technology. **During project final design,** the project shall be designed to conform with energy efficiency requirements outlined in Title 24 of the California Code. To the extent feasible, design of the proposed project should incorporate best available technology for energy efficiency. Additionally, the project shall include:

a. Provide an on-site employee lunch room with refrigeration and food preparation (i.e., microwave) appliances to reduce daily trips to and from the treatment plant.

b. Use double pane windows in office areas where interior heating/air conditioning will occur.

c. Use energy efficient lighting where applicable.

40. [N-1(b)] Treatment Plant Location. **During project final design,** the treatment plant should be located as close to the center of the project site as possible. Special attention should be given to locating the plant away from the nearest residences, which are about 600 feet south and 800 feet west of the site's center. This would minimize potential impacts associated with project construction and site preparation.

41. [T-1(a)] Construction Routes. **During project construction,** construction vehicles at the treatment plant site shall avoid residential areas to the extent possible. Trucks shall access the site from the west, via Pismo Avenue, and not from the south, via Sage Avenue. The access route shall be clearly and continuously marked throughout the construction time frame.

42. [VR-2(b)] Landscaping Plan. **Prior to the commencement of construction,** submit a landscaping plan in conformance with section 23.04.186 that provides native, drought tolerant, vegetative screening (particularly for views from South Bay Boulevard and the adjacent school facility for the Pismo Site). Vegetative screening need not create a complete visual block, but provide a softening of the overall project design. The landscaping plan shall be reviewed and approved by the Planning Director in consultation with Los Osos Citizen's Advisory Committee and CSA-9.

a. The applicant shall provide parking for general use by the public on the northern portion of the site to the maximum extent possible consistent with conservation of archeological and biological resources as elsewhere conditioned in this report.

Ex. 1, p.13

43. [VR-3] Lighting Plan. **Prior to the commencement of construction,** submit a lighting plan in conformance with section 23.04.320 that includes specific elements designed to reduce glare and the spillage of light from the treatment plant site. At a minimum, the plan shall identify shielding measures for all lights to avoid glare and light spill-over onto adjacent properties and roadways. The Lighting Plan shall be reviewed and approved by the Planning Director prior to the commencement of grading activities.

RAPID INFILTRATION BASIN SITE

44. **As a part of final project design,** provision shall be made for a pedestrian and equestrian trail in conformance with county trail standards. Access for wheeled vehicles are restricted to that needed for facility maintenance.

45. **This permit authorizes** interpretive displays for sensitive site features that may be installed at a future time by a community organization.

46. **As a part of final project design,** site fencing shall provide for the required safety fencing immediately around the infiltration basins with perimeter fencing kept to the least visually intrusive designs available to control access.

47. **As a part of final project design and during project construction**, grading design shall use rounding and slope transition curves along with native vegetation to give the site a more natural appearance.

48. On-site lighting shall be limited to emergency use only and any such lighting shall meet the requirements of section 23.04.320 of the CZLUO.

49. [WR-6] [CW-1] Supplemental Analysis - Los Osos Creek Outfall Should utilization of Los Osos Creek as means of effluent disposal be proposed in the future, analysis to meet the requirements of CEQA shall be conducted as a Supplement under the Project Program, as provided for in Section 15168 of the State CEQA Guidelines. Quantification of impacts associated with implementation of this effluent disposal scenario would require assessment of water quality and flow regime alteration associated with the discharge of effluent to Los Osos Creek. Additionally, specific species surveys to identify the presence of sensitive species and potential secondary impacts would be required.

50. [RIP-BIO-1(a)] **Agency Consulting/Permitting. Prior to beginning construction on the rapid infiltration pond site,** implement P-BIO-1(a) and complete appropriate consultation and authorization with USFWS and CDFG.

51. [RIP-BIO-2(a)] Minimize Disturbance of Coastal Scrub, Chaparral, and Oak Woodland Habitats Located Around the Perimeter of the Infiltration Basin Site. **During project construction,** implement measures identified in P-BIO-2(a), along with the following measures identified for protecting Coast Live Oaks in the vicinity of the project site:

    a. **Prior to commencement of project construction,** place highly visible temporary fencing around the perimeters of the driplines of all Coast Live Oaks located near the treatment plant construction zone.

    b. **During project construction**, avoid all soil disturbance, compaction, and grading activities within and adjacent to the associated dripline of each individual Coast Live Oak.

52. [RIP-BIO-4(a)] Avoid or Minimize Disturbance of Special-Status Plants Located Within

Ex. 1, p. 14

and Adjacent to the Perimeter of the Rapid Infiltration Pond Site Construction Zone. Implement measures identified in P-BIO-3(a).

53. [RIP-BIO-4(b)] Transplant Individual Special-Status Plants Located With the Construction Zone of the Rapid Infiltration Pond Site. Implement measures identified in P-BIO-3(b).

54. [RIP-BIO-5(a)] Replace Suitable Morro Bay Kangaroo Rat Habitat at the Rapid Infiltration Pond Site. Implement measures identified in P-BIO-1(a), and replace with habitats similar to those existing on site prior to project implementation. The substrate, topography, and plant species composition should be similar to those habitats that currently exist at the project site and areas that are known to provide suitable habitat for Morro Bay Kangaroo Rat, such as in portion of the Essential Habitat area.

55. [RIP-BIO-5(b)] Conduct Pre-Construction Surveys For Morro Bay Kangaroo Rat at the Rapid Infiltration Pond Site. **Immediately prior to construction,** conduct surveys for Morro Bay Kangaroo Rat within the vicinity of the proposed rapid infiltration pond site, to determine if habitats are currently occupied and identify what protective measures, if any, should be implemented prior to construction.

56. [RIP-BIO-7] Replace Suitable Black Legless Lizard Habitat at the Rapid Infiltration Pond Site. Implement measures identified in P-BIO-1(a).

57. [RIP-BIO-8] Replace Suitable Morro Blue Butterfly Habitat at the Rapid Infiltration Pond Site. Implement P-BIO-1(a) 1(a), with a percentage of habitats created consisting of Coastal Scrub dominated by Dune Lupine. This percentage should be equivalent to the percentage of habitat disturbed. Implementation of this measure would replace habitats dominated by Dune Lupine, the host plant for the Morro Blue Butterfly.

58. [RIP-BIO-9(a)] Avoid unnecessary disturbance of Windrow Habitats Located Around the Perimeter of the Rapid Infiltration Pond Construction Zone. Implement the following measures identified for protecting Windrow Habitat in the vicinity of the rapid infiltration ponds:

    a. **Prior to commencement of project construction,** place highly visible temporary fencing around the perimeters of the driplines of windrow areas near the treatment plant construction zone.

    b. **During project construction,** avoid all soil disturbance, compaction, and grading activities within and adjacent to the associated dripline of windrow areas.

Ex. 1, p. 15

59. [PEIR V-69] **As part of project final design,** the percolation ponds shall be set back from the Bayview Heights Drive and Redfield Woods subdivisions a minimum of 200 feet.

60. [VR-6] [PEIR V-69] The rapid infiltration ponds shall be included within the Landscape Plan prepared for the proposed project. A low (10-15 foot) landscape screen shall be planted around the rapid infiltration ponds. The screen shall be planted with native

materials. Additionally, the earth berms around the ponds shall be vegetated with drought-resistant, native ground cover. The Landscape Plan shall include specific revegetation details (e.g. plant palette, number and size of plants to be used, etc.), and shall be reviewed and approved by the Planning Director prior to the commencement of grading activities.

61. [RIP-LU-2] Rapid Infiltration Pond Safety. The proposed rapid infiltration pond facility could present an attractive nuisance to nearby residents, particularly neighborhood children. Adequate safety measures must be incorporated into the development of this facility. Such measures could include fencing and alarms, as well as onsite emergency lifesaving equipment. Lighting, if it is used, should be designed to meet the requirements of CZLUO Section 23.04.320 so as not to result in visual impacts to adjacent residential development.

PUMP STATIONS

62. [P-PS-LU-3] Pump Station #2 Fuel Storage. Bulk fuel storage at pump station #2 shall be placed underground, or shall be provided by portable fuel tank(s). Portable fuel tanks, if used, shall be moved to the site only during actual emergency situations and exercises, and shall be removed within 24 hours after the conclusion of the emergency power need.

LIFT STATIONS

63. Lift station number 1. **As part of project final design,** the County Engineer shall ensure that all components of the lift station, including the construction buffers and fences will be a minimum of 50 feet from the upland edge of the riparian zone. The final design plans shall be reviewed and approved by the Environmental Coordinator.

64. Lift station number 3. **As part of project final design,** the County Engineer shall ensure that all components of the lift station, including fencing are locate in such a way as to not preclude future development of a community park/coastal access. The final design plans shall be reviewed and approved by the Planning Director.

65. Lift station number 7. **As part of project final design,** the County Engineer shall ensure that all components of the lift station, including the construction buffers and fences will be outside the driplines of adjacent oak trees. The final design plans shall be reviewed and approved by the Environmental Coordinator.

Ex. 1, p.16

COLLECTION SYSTEM AND FORCE MAINS

66. [SEIR89 IV-11] **During project construction,** a qualified geologist shall observe the trenching for the effluent force main in the vicinity of strand "B" of the Los Osos fault to verify that the rapid repair facilities are properly located, and shall accurately map and appropriately record the location of the fault. Such information shall also be kept on file at the County Engineering Department and made available to the public for review.

67. [T-2(c)] [PEIR V-72] Safe Trench Crossings. **During project construction,** safe, temporary pedestrian crossing of all excavations shall be provided for school children and

other pedestrians as necessary. All excavations shall be made safe for pedestrians when work is not being conducted in the immediate area.

68. [PEIR V-67] **Prior to the completion of construction,** all pipeline routes in areas of natural vegetation shall be restored using native plants in order to return the corridor to its original appearance. Restoration of pipeline routes shall occur in a manner consistent with revegetation efforts applied to the treatment plant and rapid infiltration pond sites as regards species composition, monitoring, use of qualified botanists, and compliance with State and Federal permitting requirements.

OPERATIONAL REQUIREMENTS

69. [GEO-7] Ground Water Monitoring **Post project implementation** monitoring of ground water levels shall continue for a minimum 2-year period following implementation of Phase I to ensure that basin response is consistent with the results of ground water modeling conducted for the proposed project. In the event that ground water levels exceed modeled parameters, and or intersect with soils zones identified as potentially liquefiable, discharge parameters shall be altered, in consultation with the Regional Water Quality Control Board, to ensure that ground water levels do not increase the potential for liquefaction within the Los Osos Area.

70. [PEIR V-27] **For the life of the proposed project,** and in the event that sludge from the treatment plant is sold, delivered, or disposed of to users or locations within the limits of the Los Osos ground water basin, the County Engineer shall advise the recipient that this use should replace existing nutrient sources (i.e., commercial fertilizers).

71. [WR-5] [PEIR V-27] Ground Water Monitoring Program **At the time of project implementation,** a Ground Water Monitoring Program shall be initiated to monitor and assess ground water conditions as rapid infiltration pond facilities are brought online and utilized over the long-term. This program shall include sufficient data recovery to determine the areal extent of ground water infiltration and its affect on ground water levels within the Los Osos area. The intent of this program shall be the maintenance of ground water levels to provide adequate effluent disposal, improvement of long-term ground water quality, maintenance of long-term basin yield, and avoidance of potential secondary impacts associated with high ground water levels, particularly within low-lying areas and along the bay fringe. These include potential secondary impacts to salt marsh habitat identified in Section 5.3 of the 1997 Final Supplemental EIR. The Ground Water Monitoring Program shall be developed by the Consulting Engineer, and shall be subject to review and approval by the County Engineer and the Regional Water Quality Control Board **prior to project implementation.**

Ex 1., p.17

72. [T-3(a)] Chemical Deliveries. **For the life of the proposed project,** chemical deliveries shall be routed to avoid sensitive receptors to the extent feasible.

73. [PUB-4] Hazardous Materials Management Plan. **Prior to operation of the project,** the County Engineer shall submit a Hazardous Materials Management Plan to the County of San Luis Obispo Health Department for review and approval. The plan shall identify hazardous materials utilized onsite and their characteristics; storage, handling and

training procedures; and spill contingency procedures. Additionally, the plan should address diesel fuel storage at the pump station sites.

74. [PUB-5] Emergency Response Plan. **Prior to operation of the project**, an Emergency Response Plan shall be developed for the proposed wastewater treatment plant and pump stations in coordination with the South Bay Fire Department. The plan shall address the following topics.

a. Hazardous materials handling, storage and application.

b. Hazardous material spill response.

c. Emergency release of untreated influent from the collection system or treatment facilities.

d. Emergency failure of treatment facilities, resulting in a release of untreated or partially treated effluent.

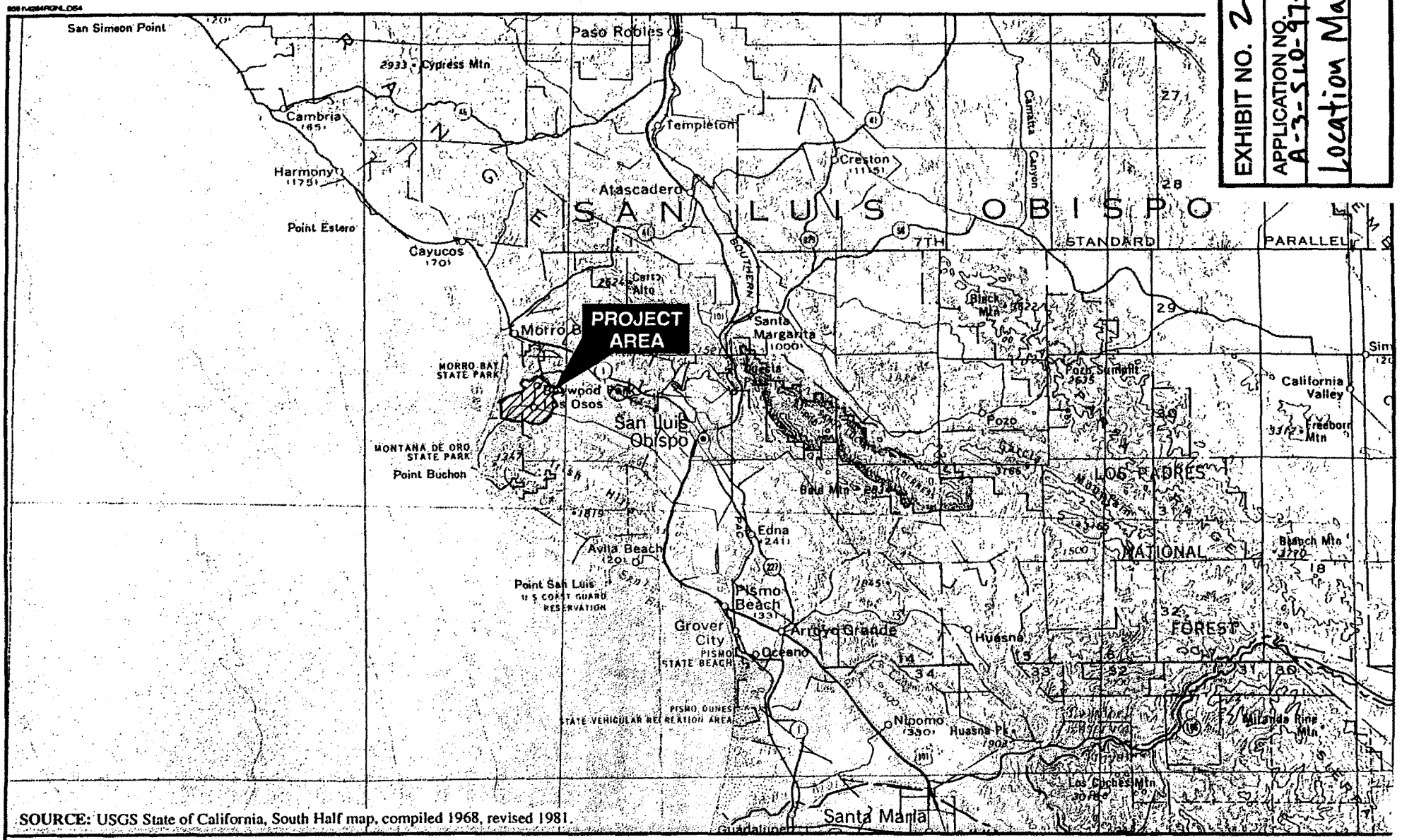
e. Personnel training.

f. Community notification.

g. Impacts on critical community facilities such as schools, public gathering areas, health care facilities, high occupancy structures, etc..

Ex. 1, P. 18

EXHIBIT NO. 2
APPLICATION NO. A-3-SLO-97-40
Location Map



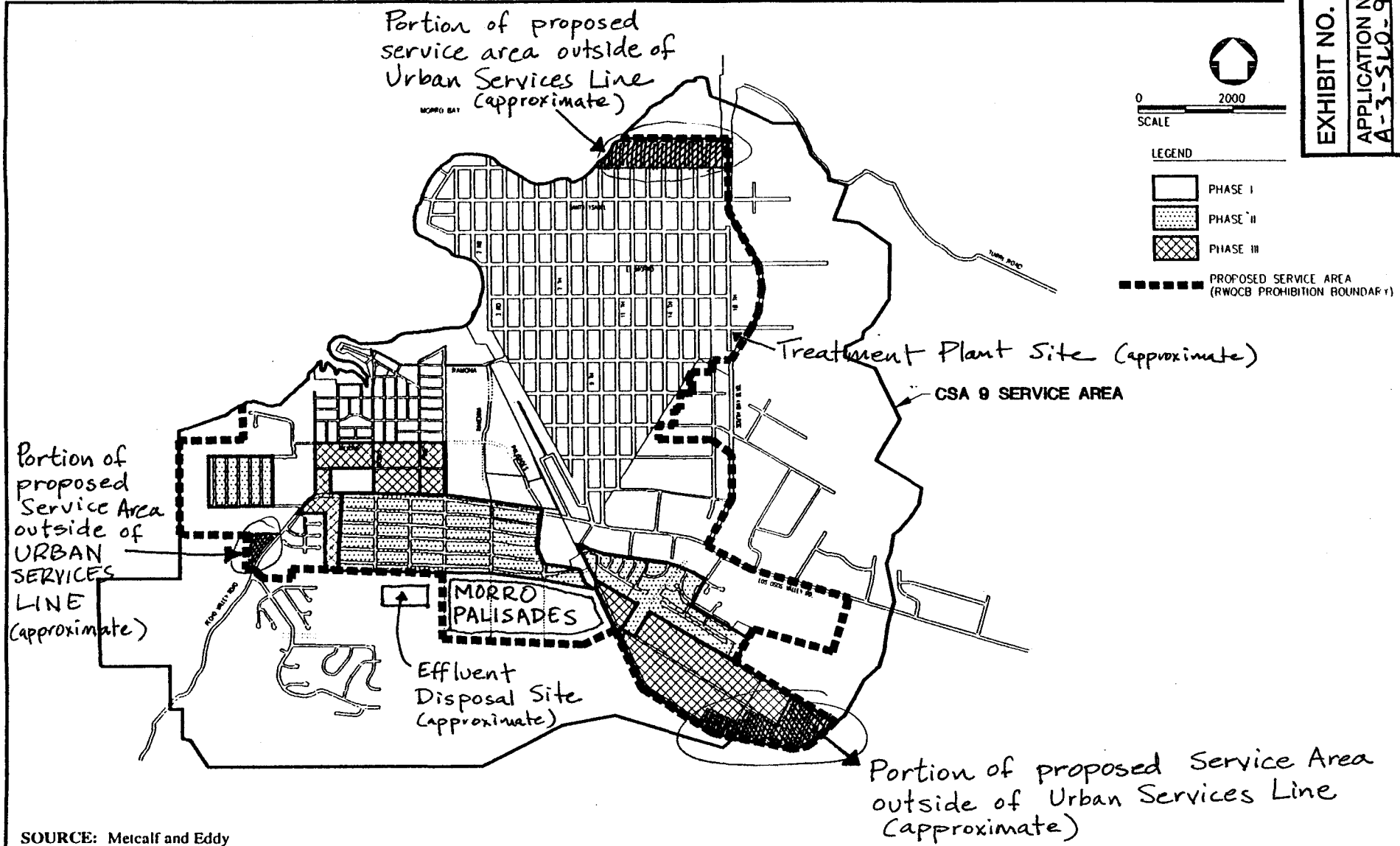
SOURCE: USGS State of California, South Half map, compiled 1968, revised 1981.

REGIONAL LOCATION

LOS OSOS SEWER
Environmental Review

Figure 3.2-1

FUGRO



SOURCE: Metcalf and Eddy

PROPOSED SERVICE AREA AND IMPLEMENTATION PHASING

LOS OSOS SEWER
Environmental Review

Figure 3.4-1

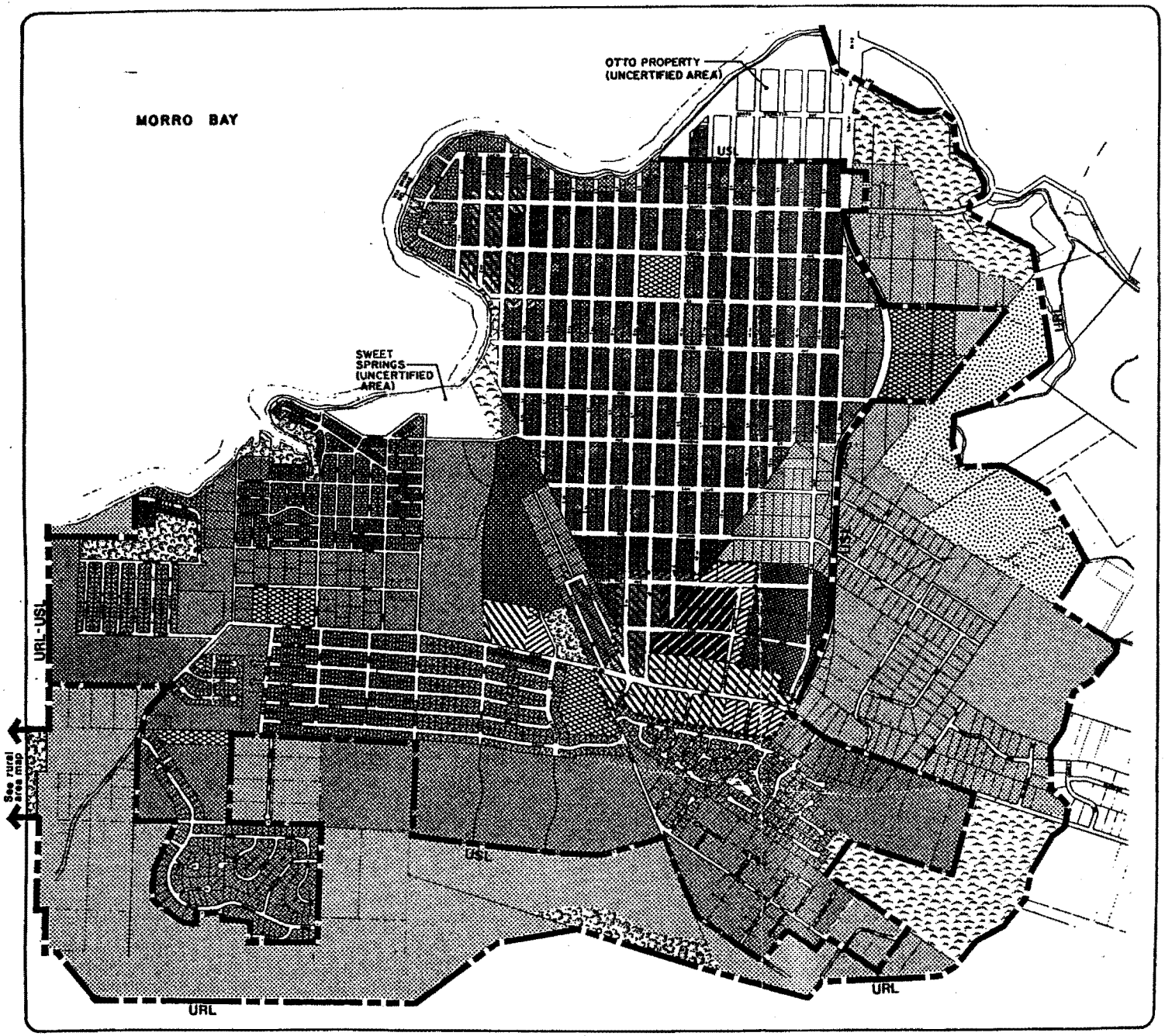


EXHIBIT NO. 4
APPLICATION NO. A-3-SLO-97-40
Land Use Categories

LEGEND

LAND USE CATEGO

- AGRICULT
- RURAL LA
- RECREATI
- RESIDENT
- RESIDENTIAL SUBURBAN
- RESIDENTIAL SINGLE FAMILY
- RESIDENTIAL MULTIPLE FAMILY
- OFFICE & PROFESSIONAL
- COMMERCIAL RETAIL
- COMMERCIAL SERVICE
- INDUSTRIAL
- PUBLIC FACILITIES
- OPEN SPACE

BOUNDARIES

- URBAN RESERVE LINE (URL)
- URBAN SERVICES LINE (USL)
- VILLAGE RESERVE LINE (VRL)
- PLANNING AREA
- CENTRAL BUSINESS DISTRICT

SCALE 0 1450'

NORTH N

NOTE:
This map is for reference purposes only. Official maps, showing precise property lines and land use category boundaries, are on file in the Planning Department.

SOUTH BAY

LAND USE CATEGORIES

San Luis Obispo County Planning Department
Revised: 12-5-75

9

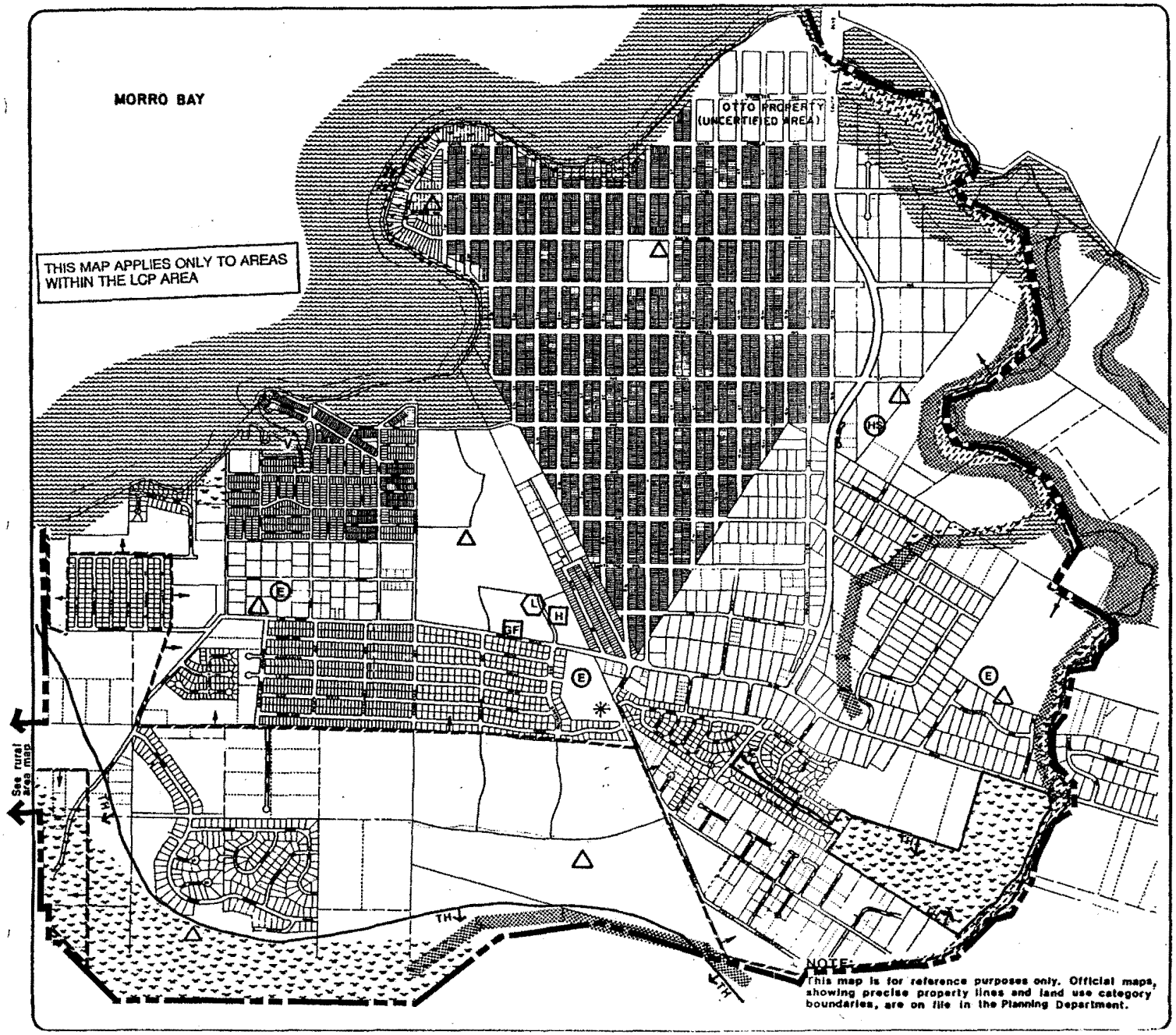


EXHIBIT NO. 5
APPLICATION NO. A-3-SLO-97-40
South Bay
Combining Designations

LEGEND

COMBINING DESIGNA

	AR	AII
	ARCH-SEN	AR SE
	GS	GE
	FH	FL
H	H	HI
EX	EX	ENERGY & EXTRACTIVE AREA
LCP	LCP	LOCAL COASTAL PLAN
V	V	VISITOR SERVING AREA
	SRA	SENSITIVE RESOURCE AREA

PROPOSED PUBLIC FACILITIES

- HS — HIGH SCHOOL
- JHS — JR. HIGH SCHOOL
- E — ELEMENTARY SCHOOL
- PARK
- POLICE OR PUBLIC SAFETY FACILITY STATION
- WT — WATER TREATMENT FACILITIES
- ST — SEWAGE TREATMENT FACILITIES
- SW — SOLID WASTE FACILITIES
- GF — GOVERNMENT FACILITY
- L — LIBRARY

SENSITIVE RESOURCE AREAS THAT ARE ALSO ENVIRONMENTALLY SENSITIVE HABITATS

- TH — TERRESTRIAL HABITATS
- COASTAL STREAMS AND RIPARIAN VEGETATION
- WETLANDS
- MARINE HABITAT

SCALE 0 1450'

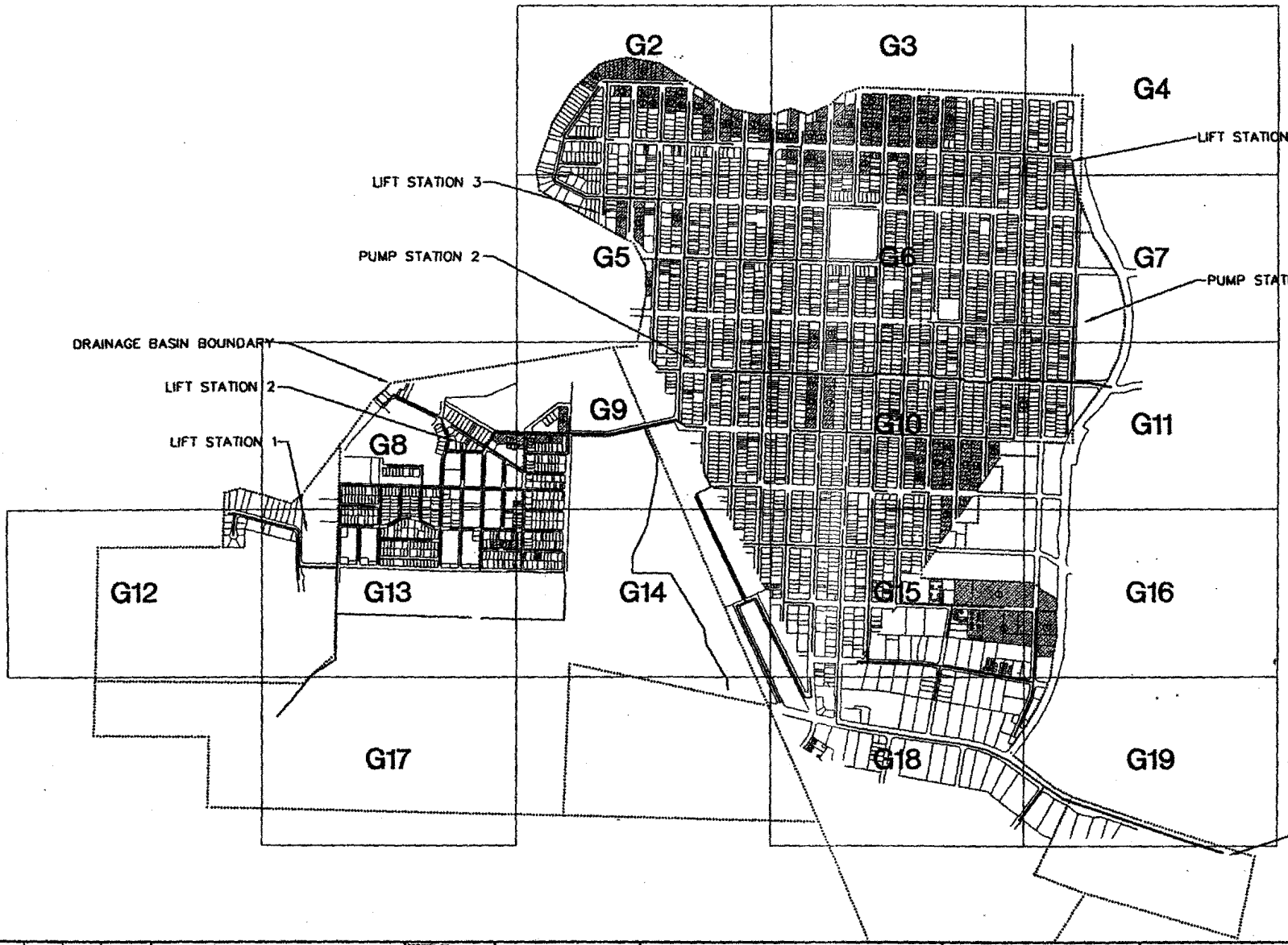
NORTH N

SOUTH BAY

COMBINING DESIGNATIONS

San Luis Obispo County Planning Department
Revised: 1-6-89

EXHIBIT NO. 6
APPLICATION NO. A-3-SLO-97-40
Collection System



NUMBER	DATE	MADE BY	CHECKED BY	REVISIONS DESCRIPTIONS
B	3/20/97	SEH		RET MAP GRID UPDATED
A	3/17/97	SEH		POTENTIAL GRINDER PUMP PARCELS IDENTIFIED

DESIGNED BY: RRH
DRAWN BY: SEH
CHECKED BY:

METCALF & EDDY

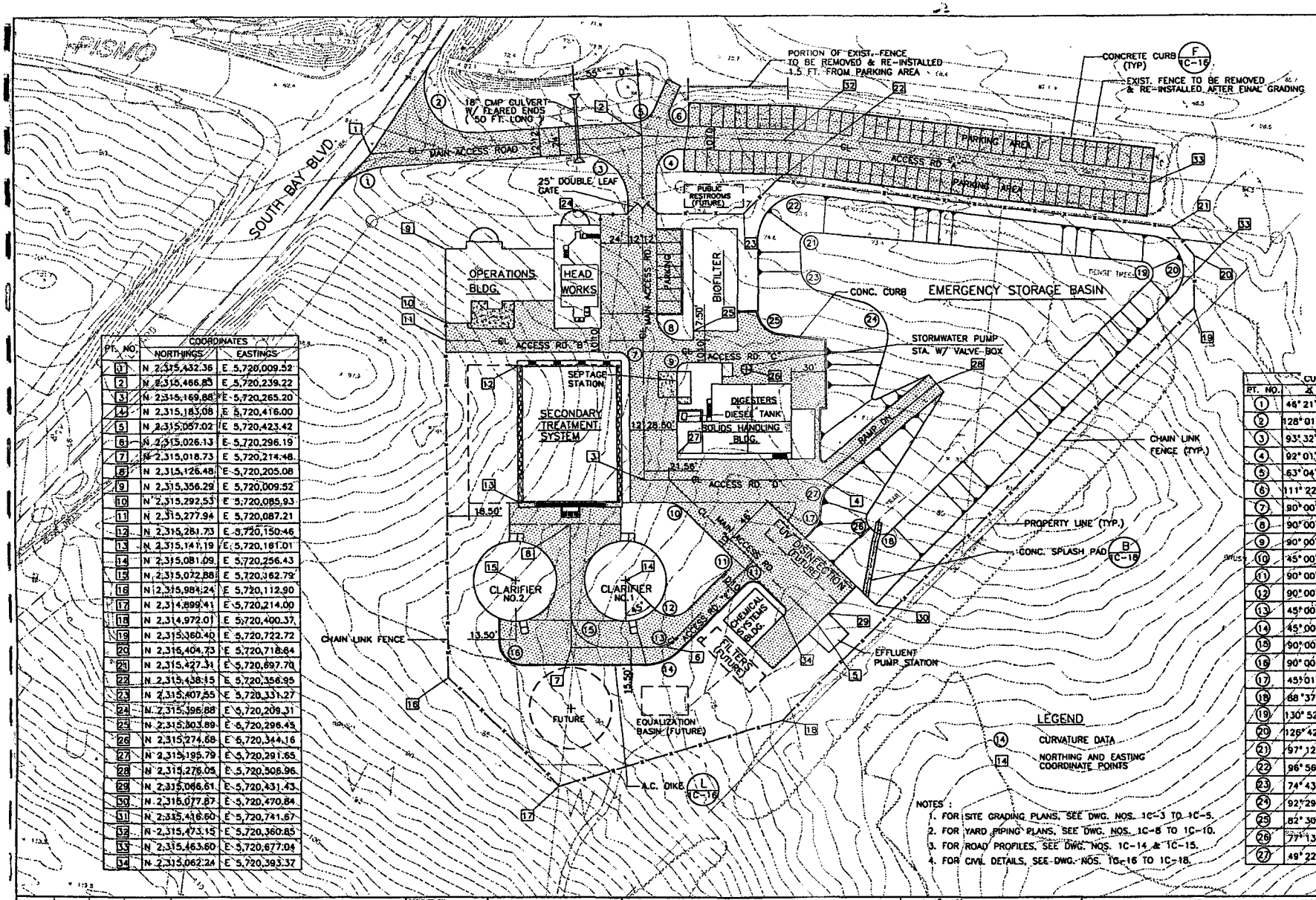
SCALE: HORIZ 0' 600' 1200'

SAN LUIS OBISPO COUNTY
SERVICE AREA NO. 9

OVERALL PLAN

JOB 18752
DWG. NO. G-1
SHEET ___ OF ___

EXHIBIT NO. 7
APPLICATION NO. A-3-SLO-97-40
Treatment Plant Plans



PT. NO.	COORDINATES NORTHINGS	EASTINGS
1	N 2,315,432.36	E 5,720,009.52
2	N 2,315,466.85	E 5,720,239.22
3	N 2,315,169.88	E 5,720,265.20
4	N 2,315,183.08	E 5,720,416.00
5	N 2,315,057.02	E 5,720,423.42
6	N 2,315,026.13	E 5,720,296.19
7	N 2,315,018.73	E 5,720,214.48
8	N 2,315,126.48	E 5,720,205.08
9	N 2,315,356.29	E 5,720,009.52
10	N 2,315,292.53	E 5,720,085.93
11	N 2,315,277.94	E 5,720,087.21
12	N 2,315,281.73	E 5,720,150.46
13	N 2,315,141.19	E 5,720,181.01
14	N 2,315,081.09	E 5,720,256.43
15	N 2,315,072.88	E 5,720,362.79
16	N 2,315,984.24	E 5,720,112.90
17	N 2,314,899.41	E 5,720,214.00
18	N 2,314,972.01	E 5,720,400.37
19	N 2,315,360.40	E 5,720,722.72
20	N 2,315,404.73	E 5,720,718.64
21	N 2,315,427.31	E 5,720,697.70
22	N 2,315,438.15	E 5,720,356.95
23	N 2,315,407.55	E 5,720,331.27
24	N 2,315,396.88	E 5,720,209.31
25	N 2,315,303.89	E 5,720,296.45
26	N 2,315,274.68	E 5,720,344.16
27	N 2,315,195.79	E 5,720,291.65
28	N 2,315,276.05	E 5,720,508.96
29	N 2,315,066.61	E 5,720,431.43
30	N 2,315,077.87	E 5,720,470.84
31	N 2,315,416.60	E 5,720,741.67
32	N 2,315,473.15	E 5,720,360.85
33	N 2,315,463.60	E 5,720,677.04
34	N 2,315,062.24	E 5,720,393.37

PT. NO.	Δ	R	T	Lc
1	46° 21'53"	80.00'	25.69'	48.55'
2	128° 01'08"	40.00'	82.05'	89.37'
3	93° 32'04"	40.00'	42.55'	65.30'
4	92° 01'30"	20.00'	20.72'	32.12'
5	63° 04'21"	20.00'	12.27'	22.02'
6	111° 22'05"	10.00'	14.65'	19.44'
7	90° 00'00"	10.00'	10.00'	15.71'
8	90° 00'00"	20.00'	20.00'	31.42'
9	90° 00'00"	8.00'	8.00'	12.56'
10	45° 00'00"	20.00'	8.28'	15.71'
11	90° 00'00"	10.00'	10.00'	15.71'
12	90° 00'00"	20.00'	20.00'	31.42'
13	45° 00'00"	30.00'	12.43'	23.56'
14	45° 00'00"	40.00'	16.57'	31.42'
15	90° 00'00"	30.00'	30.00'	47.12'
16	90° 00'00"	20.00'	20.00'	31.42'
17	45° 01'32"	27.00'	11.19'	21.22'
18	68° 37'41"	10.00'	9.76'	15.47'
19	130° 52'17"	10.00'	21.88'	22.84'
20	128° 42'09"	30.00'	59.78'	66.34'
21	97° 12'13"	10.00'	11.34'	16.97'
22	96° 56'39"	40.00'	45.17'	67.68'
23	74° 43'03"	20.00'	15.27'	26.08'
24	92° 29'45"	30.00'	31.34'	48.43'
25	82° 30'29"	20.00'	17.54'	28.80'
26	77° 13'15"	10.00'	7.99'	13.48'
27	49° 22'26"	25.00'	11.49'	21.54'

LEGEND
14 CURVATURE DATA
14 NORTHING AND EASTING COORDINATE POINTS

NOTES:
1. FOR SITE GRADING PLANS, SEE DWG. NOS. 1C-3 TO 1C-5.
2. FOR YARD PIPING PLANS, SEE DWG. NOS. 1C-6 TO 1C-10.
3. FOR ROAD PROFILES, SEE DWG. NOS. 1C-14 & 1C-15.
4. FOR CIVIL DETAILS, SEE DWG. NOS. 1C-16 TO 1C-18.

NUMBER	DATE	MADE BY	CHECKED BY	DESCRIPTIONS
B	7/25/97			75% PROGRESS SUBMITTAL
A	3/1/97			60% SUBMITTAL

REVISIONS

DESIGNED BY: E. Dela Cruz
DRAWN BY: E. Dela Cruz
CHECKED BY:

METCALF & EDDY

REG. PROF. ENGR. _____ DATE _____

SCALE: 1"=40'

SAN LUIS OBISPO COUNTY
County Service Area No. 9
WASTEWATER TREATMENT FACILITY
SITE PLAN

JOB J018757
DWG. NO. 1C-2
SHEET ____ OF ____

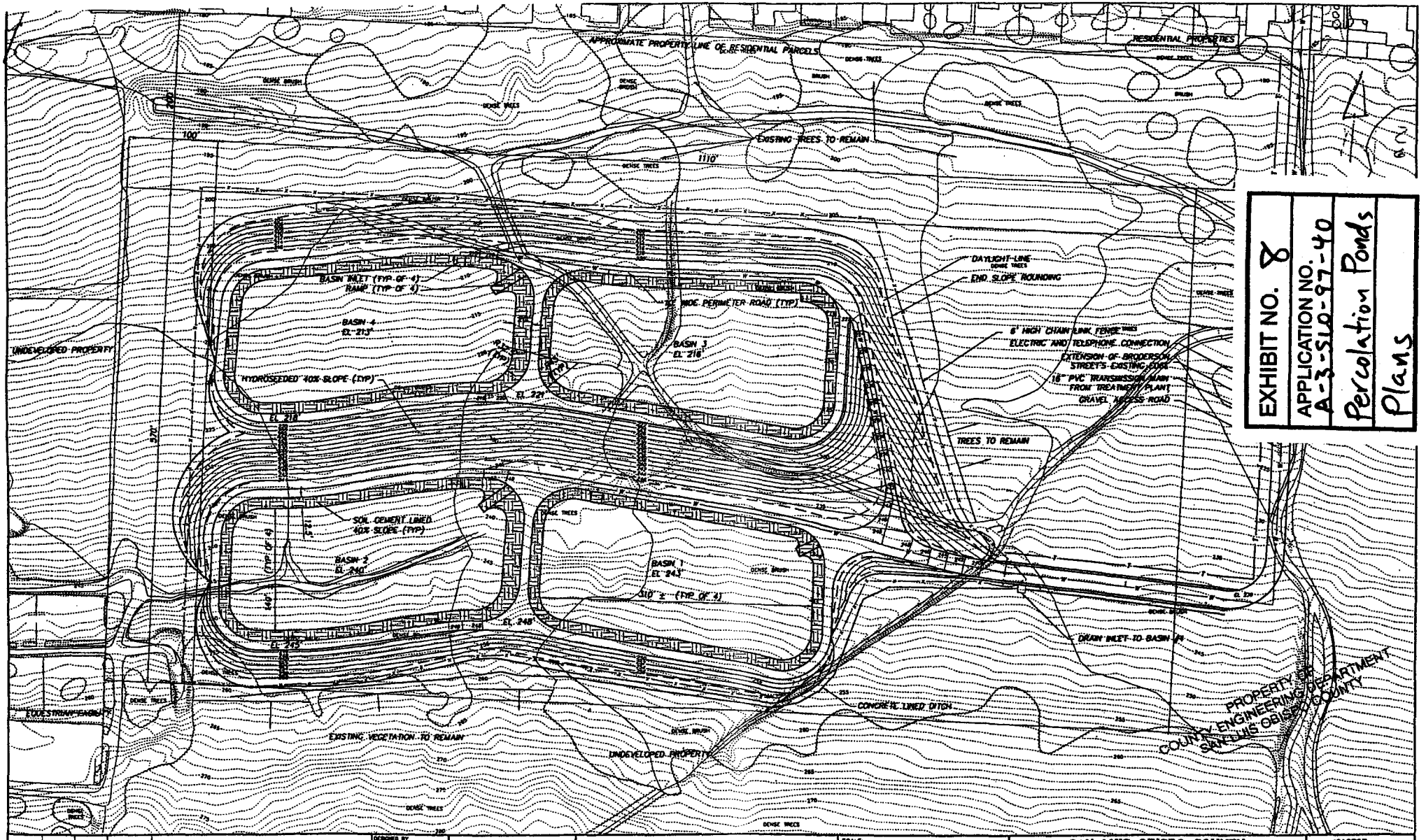


EXHIBIT NO. 8
APPLICATION NO. A-3-SLO-97-40
Percolation Ponds
Plans

NUMBER	DATE	MADE BY	CHECKED BY	DESCRIPTIONS
				REVISIONS

DESIGNED BY C.J.P
DRAWN BY C.J.P
CHECKED BY

M&E METCALF & EDDY

REG. PROF. ENGR. _____ DATE _____

SCALE: 1" = 50'
HALF SIZE DRAWING
UNLESS OTHERWISE NOTED OR SHOWN BY REPRESENTATION

SAN LUIS OBISPO COUNTY
SERVICE AREA NO. 9

INFILTRATION BASIN FACILITY
SITE PLAN

JOB JO18757
DWG. NO. _____
SHEET _____ OF _____

Draft Proposal for Mitigation of Impacts to Endangered Species Habitat from the Construction of the Los Osos Sewer and Resulting Future Residential and Commercial Development

INTRODUCTION

The County of San Luis Obispo (County), on behalf of Community Services Area #9, is planning the development of a wastewater treatment facility (sewer) for the community of Los Osos. The sewer is being built by order of the Regional Water Quality Control Board as a way of reducing nitrogen loading and other impacts to the ground water and the estuary.

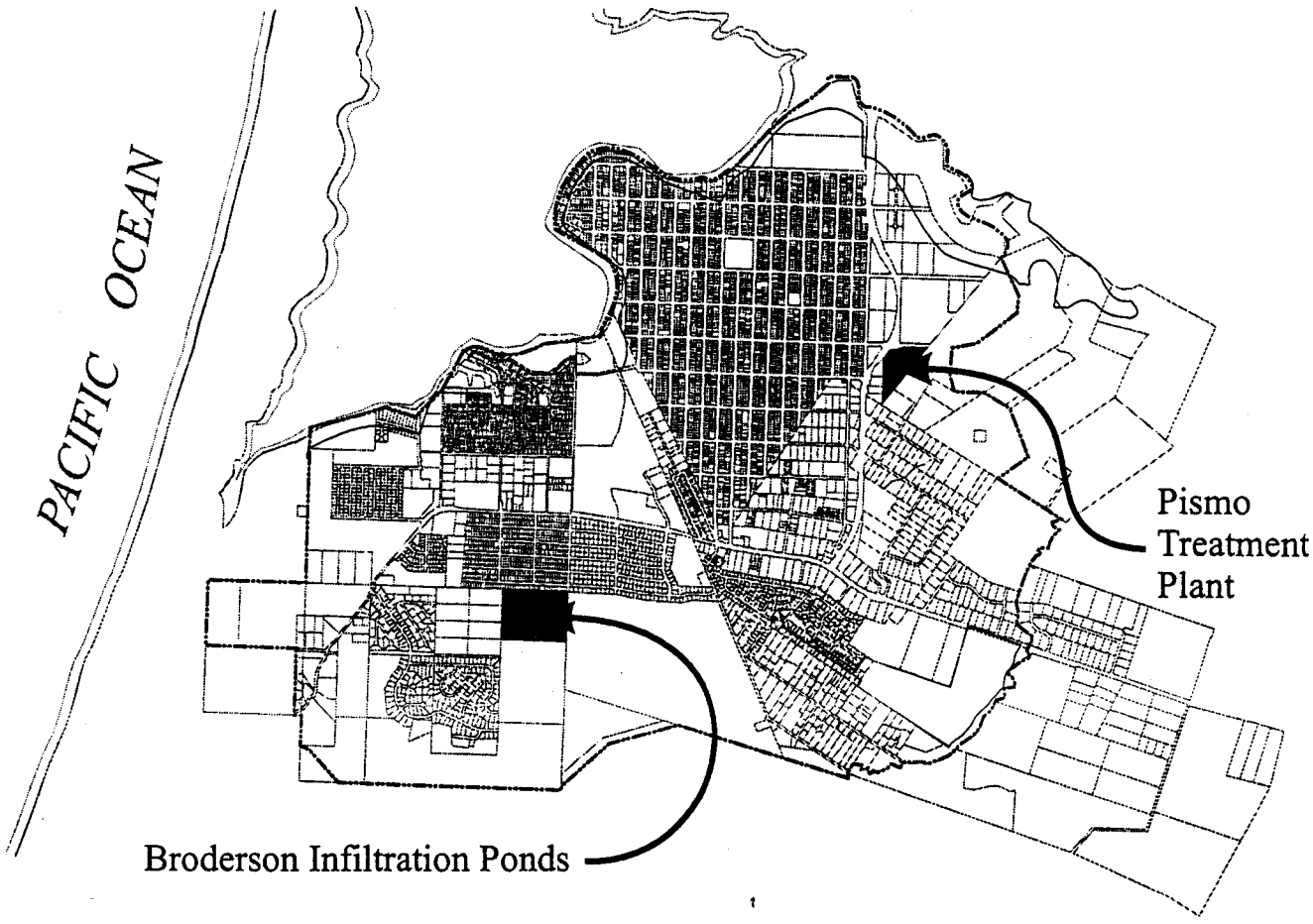
The three primary components of the sewer are the collection system, the treatment plant and the disposal facility. The Pismo site, located at the southeastern corner of the junction of South Bay Boulevard and Pismo Avenue, is the proposed location of the wastewater treatment plant. The Broderson site is located just south of Bayview Heights Drive near the southern extension of Broderson Avenue, and is the proposed location of the rapid infiltration pond facilities (See Figure 1).

Because development of the sewer will result in the loss of habitat for federally listed endangered species, the County must comply with the Endangered Species Act (ESA). Analysis and mitigation of the impacts is being done pursuant to §7 of the ESA, which requires consultation between the lead federal agency (in this instance the Environmental Protection Agency) and the U. S. Fish and Wildlife Service (FWS). Section 7 jurisdiction is appropriate for the sewer because money for its construction comes from the federal government. The purpose of this report is to discuss the mitigation measures proposed by the County for minimizing impacts to endangered species or species of concern, including the Morro shoulderband snail, Morro kangaroo rat, Black legless lizard, Morro blue butterfly, Indian knob mountainbalm, and Morro manzanita. Many of these measures were also reported in the environmental documentation of the project pursuant to the California Environmental Quality Act (CEQA).

The County is proposing to purchase 40 acres of land as mitigation for direct and indirect impacts of the project. This purchase and considerable additional mitigation measures are the subject of this proposal.

MITIGATION

The primary objective of the mitigation program is to protect viable areas of coastal scrub habitat. The need for mitigation for the sewer and its secondary impacts was based upon the existence of suitable habitats for the Morro shoulderband snail and other species at the treatment plant, disposal site and undeveloped parcels in Los Osos. The snail has been the primary primary focus in this investigation. However, all of the species of concern for this project exist within the same coastal scrub habitat as the snail. Therefore, as stated in the 1997 Final Supplemental EIR, mitigation for one species will provide protection for all. The butterfly is more specifically reliant upon the Blue Lupine, which is a plant within the coastal scrub habitat. The snail occupies a wide range of properties in Los Osos; evidence of the snail has been found at the Broderson site, the Pismo site,



Los Osos Sewer
Treatment Facilities

Treatment Facility

Los Osos Urban Reserve Boundary

.5 Mi
0 SCALE 1

Figure 1

Ex. 9, p. 2

all along Los Osos creek and in many of the small, interior parcels of Los Osos. The Kangaroo rat was investigated at both the Pismo and Broderson sites, and no evidence of habitation was found.[1] However, many of the areas of impact are suitable habitat for the Kangaroo rat. None of the known stands of Indian knob mountainbalm are located within areas potentially impacted by the construction of the sewer.

The County is proposing to purchase several acres of land (approximately 40) as compensation for loss of and disturbance to coastal scrub habitat. In addition to the purchase of land, the County has proposed a number of additional mitigation measures to further protect species of concern during construction and operation of the facility. The mitigation measures are from the EIR and from the Biological Opinion for the geotechnical testing on the Pismo and Broderson sites. Further, as part of the Estero Area Plan update, the County is proposing several programs that would protect these sensitive habitats, including a transfer of development credits program, cluster subdivisions and changes in zoning densities.

IMPACTS OF TREATMENT FACILITIES

Methodology

Both sites, Pismo and Broderson, were surveyed by biologists (on the ground and using aerial photographs), and the resulting maps of habitat types were put into a geographic information system (GIS). Acreage of different habitats were computed using GIS. The acreage shown in the tables below represent various plant communities and habitats. Not included are disturbed areas, roads and other areas which are not considered appropriate habitat. These latter areas constitute a very small portion of both sites.

Pismo Treatment Facility Site

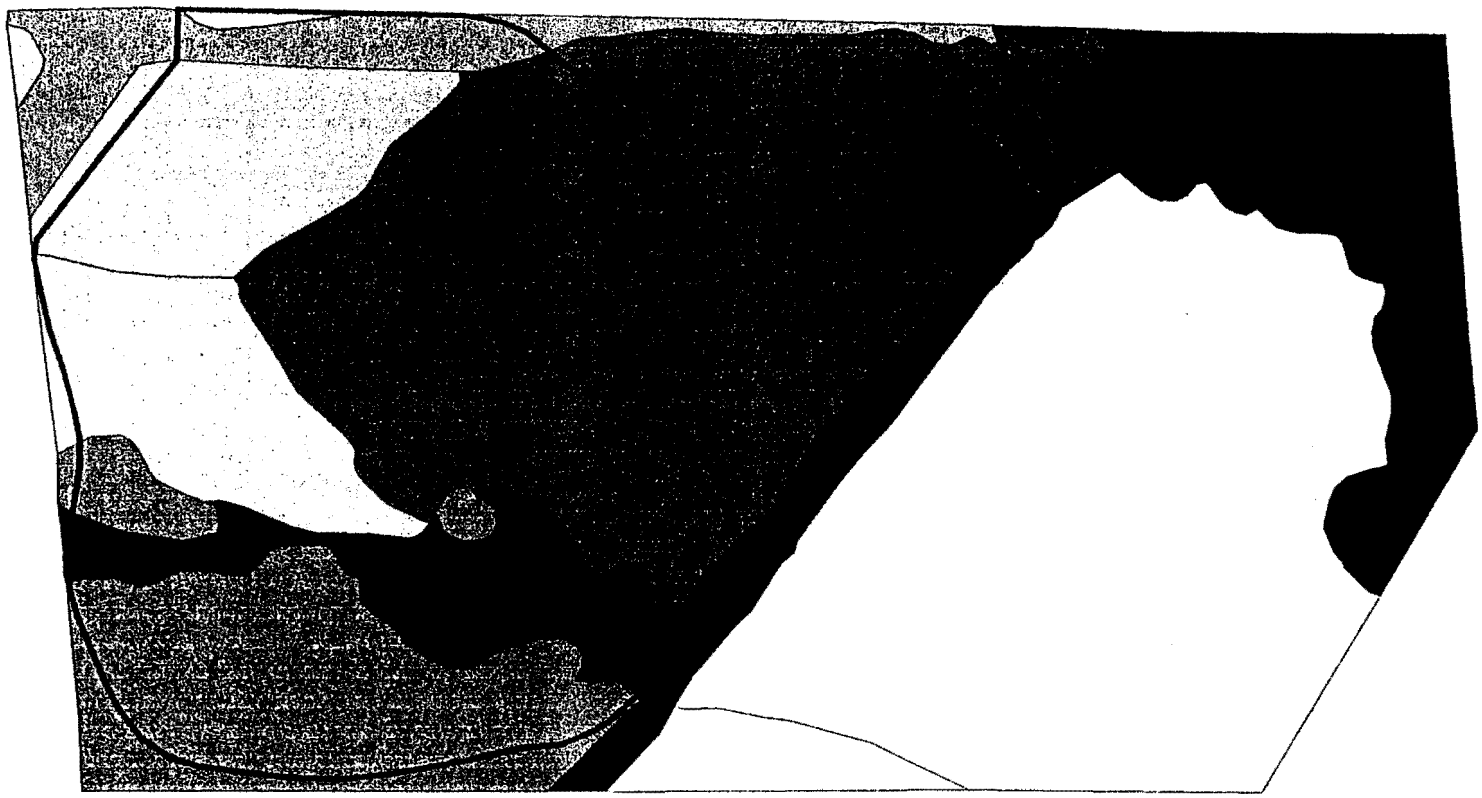
The treatment facility is proposed to be constructed on a triangular parcel of approximately ten acres, located near the southeast corner of the intersection of Pismo Avenue and South Bay Boulevard (See Figure 1). The treatment facility would eliminate 6.7 acres of habitat on the site. Mitigation would be required for this 6.7 acres (See Figure 2). There will be 3.8 acres of habitat remaining on the parcel which will not be disturbed by construction (see Table 1). Since 3.8 acres are protected on site, an additional 2.9 acres of habitat will need to be acquired elsewhere. This 2.9 acres will be acquired as part of a single 40 acre purchase that includes land for the Broderson site and the secondary impacts. A later discussion will explain how the purchase of a large parcel of comparable habitat obviates the need for a higher mitigation ratio.

Furthermore, 1.7 acres of the habitat lost is dominated by veldt grass. Since there were some shells in the veldt, it was included in the calculation of suitable habitat. It is not known whether the snails inhabited the veldt, or were brought there by predators.

Additional mitigation measures are proposed to protect and enhance the remaining area on the site. In addition, the County proposes to restore and protect additional area immediately surrounding the plant after construction, adding to the amount of habitat left.

[1] O'Farrell, Michael J., "Los Osos Sewer Project" Report on Survey for Kangaroo Rats, conducted May 13 through 15, 1997.

Site Location Map



Legend:

Heather Goldenbrush Coastal Scrub
California Sagebrush - Black Sage Scrub
Dune Lupine Scrub
Morro Manzanita Chaparral
Chamise Chaparral
Chamise - Wedgeleaf Ceanothus Chaparral
Coast Live Oak Forest
Arroyo Willow Series
Creekbed
Annual Grassland
Horsewood - Navarretia
Veldt Grass Grassland
Ruderal
Windrow
Landscaping
Developed
Site Boundary

Note: Legend includes habitat types that may not appear within the boundaries of this site.

PISMO AVENUE SITE HABITAT MAP

LOS OSOS SEWER
Environmental Review

Figure 2

FUGRO

Ex 9.4

Table 1: Habitat Acreage To Be Disturbed At Pismo Site

Habitat Impacted (acres)*	Description	Habitat Remaining (acres)
1.4	Chamise -- Wedgeleaf Ceanothus Chaparral	2.3
1.7**	Veldt Grass Grassland	.1
0.7	Heather Goldenbrush Coastal Scrub	.01
2.9	Dune Lupine Scrub	1.4
6.7	Remaining Habitat	**3.8**
	Net Loss (of which 1.7 is veldt grass)	**(2.9)**

Source: Fugro West, Inc.

* This is not the entire acreage of the area to be disturbed, but only that which is considered suitable habitat for the species of concern to this project.

** Note--Veldt is not suitable habitat, but the area did contain some shells

Table 2. Specific Mitigation From EIR For Pismo Site

SFEIR #	Impact	Mitigation	Acres	Status
P-BIO-1(a)	Loss of habitat for listed species	§7 consultation		ongoing
P-BIO-1(b)		Secure compensatory acreage	2.9	use of on-site area that is not in project and restoration of disturbed areas
P-BIO-2(a)	Site disturbance	Minimize--construction control		will prepare instructions for construction
P-BIO-2(b)		Restore disturbed areas—mix of native plants		will prepare restoration plan
P-BIO-2(c)		Improve add'l land around site		will prepare restoration plan
P-BIO-2(d)		Control invasive species		will prepare maintenance plan
P-BIO-3(a)	Disturbance to special status plants	Avoid & minimize disturbance --map		mapping complete—prepare construction plan
P-BIO-3(b)		Transplant sensitive plant species		prepare plan
P-BIO-4(a)	Loss of snail habitat	Replace habitat	2.9	net loss of snail habitat
P-BIO-5(a)	Loss of Morro Blue Butterfly habitat	Replace habitat	2.9*	net loss of butterfly habitat
P-BIO-6(a)	Loss of Monarch habitat	Avoid disturbance to windrow	0	owner has since cut down windrow

*Acreage for dune lupine based on dominance of species in area. The lupine is scattered amongst the entire northern half of Pismo.

Broderson – Percolation Ponds

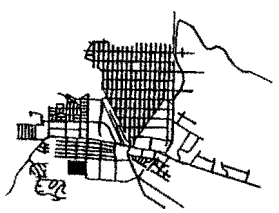
The County proposes to construct percolation ponds on an 80-acre parcel located south of Highland Avenue. The parcel contains snail habitat (live snails were found in the winter of 1997). Other species may inhabit the area as well, including the Black legless lizard and Morro blue butterfly. The southern portion of the site, up the hillside, is mostly live oak and manzanita. (See Figure 3 and Table 3). The ponds would impact 14 acres of the 80 acre parcel. Of these 14 acres, 11.3 are suitable habitat for the snail. Approximately 6.9 acres of similar habitat would remain on the site and be protected. Therefore, mitigation will be required to account for the net loss of approximately 4.4 acres of appropriate habitat and to protect the remaining area. In addition, the entire southern portion of the site will remain undisturbed. The County will leave the remaining 66 acres in a protected and open space condition. In addition, the County proposes to restore the area immediately south of the ponds.

Table 3: Habitat Acreage To Be Disturbed At Broderson Site

Habitat Disturbed (acres)*	Description	Habitat Remaining (acres)
.1	Chamise -- Wedgeleaf Ceanothus Chaparral	.2
.2	California Sagebrush – Black Sage Scrub	.4
8.1	Heather Goldenbush Coastal Scrub	3.5
2.9	Dune Lupine Scrub	2.8
11.3		**6.9**
	Net Loss	**(4.4)**
Other Acreage On Site		
.5	Veldt Grass Grassland (not included in total)	1.8
1.1	Windrow (monarch butterfly)	2.4
.7	Coast Live Oak Forest/Manzanita	60 +/-
	Total Remaining Acres (mostly Oak & Manzanita)	**66**

Source: Fugro West, Inc.

* This is not the entire acreage of the area to be disturbed, but that portion which is considered suitable habitat for the species of concern to this project.



Site Location Map

BRODERSON SITE HABITAT MAP

Legend:

- Heather Goldenbrush Coastal Scrub
- California Sagebrush - Black Sage Scrub
- Dune Lupine Scrub
- Morro Manzanita Chaparral
- Chamise Chaparral
- Chamise - Wedgeleaf Ceanothus Chaparral
- Coast Live Oak Forest
- Arroyo Willow Series
- Creekbed
- Annual Grassland
- Horseweed - Navarretia
- Veldt Grass Grassland
- Ruderal
- Windrow
- Landscaping
- Developed
- Site Boundary

Note: Legend includes habitat types that may not appear within the boundaries of this site.

0 200'

S OSOS SEWER
ironmental Review

Figure 3

Ex. 9, p. 7

Table 4. Specific Mitigation From EIR for Broderson

SFEIR #	Impact	Mitigation	Acres Lost	Status
B-BIO-1(a)	Loss of habitat for listed species (see below)	§7 consultation	11.3	ongoing
B-BIO-1(b)		Secure compensatory acreage	4.4	purchase add'l land, use of on-site area that is not in project and restoration of disturbed areas
B-BIO-2(a)	Site disturbance	Minimize--construction area		will prepare instructions for construction
B-BIO-2(b)		Restore disturbed areas—mix of native plants		will prepare restoration plan
B-BIO-2(b)		Improve add'l land around site		will prepare restoration plan
B-BIO-2(b)		Control invasive species		will prepare maintenance plan
B-BIO-3	Elevated groundwater	non-required		will monitor
B-BIO-4(a)	Disturbance to special status plants	Avoid & minimize disturbance --map		mapping complete—prepare construction plan
B-BIO-4(b)		Transplant sensitive plants		prepare plan
B-BIO-5(a)	Loss of habitat for Kangaroo Rat	Replace habitat	11.3	6.9 acres will remain—add'l 4.4 acres will be acquired
B-BIO-5(b)		Conduct surveys		First survey completed 6/97—need pre-construction survey
B-BIO-6(a)	Loss of snail habitat	Replace habitat	11.3	6.9 acres will remain—add'l 4.4 acres will be acquired
B-BIO-7	Loss of Black Legless Lizard Habitat	Replace habitat	11.3	6.9 acres will remain—add'l 4.4 acres will be acquired
P-BIO-8(a)	Loss of Morro Blue Butterfly habitat	Replace habitat	2.9*	2.8 acres will remain on the site
P-BIO-9(a)	Loss of Monarch habitat	Avoid disturbance to windrow	1.1	2.4 acres of windrow will remain on the site

* Acreage for dune lupine based on dominance of species in area. The lupine is scattered amongst the entire northern half of Broderson.

Secondary Impact Areas

Section 7 of the Endangered Species Act requires mitigation be developed for both the direct and indirect impacts of a qualifying project. The direct impacts, a loss of about 18 acres of habitat at the Pismo and Broderson sites, were discussed above. Indirect impacts (referred to as secondary

impacts) are defined, for the purposes of this project, as habitat that would be lost from development that could occur upon completion of the sewer facility. Much of Los Osos is currently under a moratorium imposed by the Regional Water Quality Control Board which would be lifted upon completion of the sewer.

Methodology

County Department of Planning and Building and the County Assessor's office assisted in the development of information regarding the number and acreage of parcels in Los Osos that were currently undeveloped within the sewer prohibition area. The objective was to determine how many new residential and commercial parcels might get developed if the sewer were constructed. Gaylene Tupen, biologist, visited every undeveloped parcel in Los Osos (692 parcels) and assessed their habitat type in accordance with a list of thirteen identified types (listed below). The methodology is contained in Attachment 2. Four of the thirteen types were considered suitable habitat for the snail (see Table 5).[2]

Table 5: Habitat Codes for Undeveloped (660) Lots of the Los Osos Sewer Service Area

Code	Type	Description	Habitat Suitable For Snail
1	Coastal Dune Scrub	Contains minimal or no evidence of previous site disturbance or occurrence of veldt grass.	Yes
2	Coastal Dune Scrub	Exhibits moderate amounts of previous site disturbance or occurrence of veldt grass.	Yes
3	Coastal Dune Scrub	Exhibits substantial previous or ongoing site disturbance and presence of veldt grass.	Yes
4	Iceplant/Sea Fig	Iceplant or sea fig occurs as sole or dominant plant species.	Yes
5	Coast Live Oak Woodland.	This is generally areas with stands of numerous contiguous trees.	No
6	Veldt Grass Grassland/Annual Grassland.	These areas are dominated by grass—most of them have been tilled or mowed in the past. Many of the habitats above has some veldt grass.	No
7	Disturbed/Ruderal	Ground surface significantly disturbed and contains a prevalence of ruderal species.	No
8	Agriculture	Recent cultivation	No
9	Landscaping	Planted, exotic vegetation, often adjacent to homes	No
10	Willow Scrub/Willow Woodland	Mostly adjacent to the creek and other wetlands	No
11	Developed	Buildings, paving, etc.	No
12	Fresh/Saltwater Marsh	Wetland areas	No
13	Coyote Brush Scrub		No

[2] The parcels were generally of mixed habitat, and many of the smaller ones were only partially suitable snail habitat. Nevertheless, these parcels were counted as though they were entirely suitable. This furthers the rationale for a reduced ratio of mitigation.

Small Parcels
Los Osos has 567 parcels, less than an acre in size, which could be built upon if the sewer were to be constructed. Of these, 172 contain habitat that may be suitable for snails (see Attachment 3). The total area of habitat located on small parcels is approximately 37 acres.

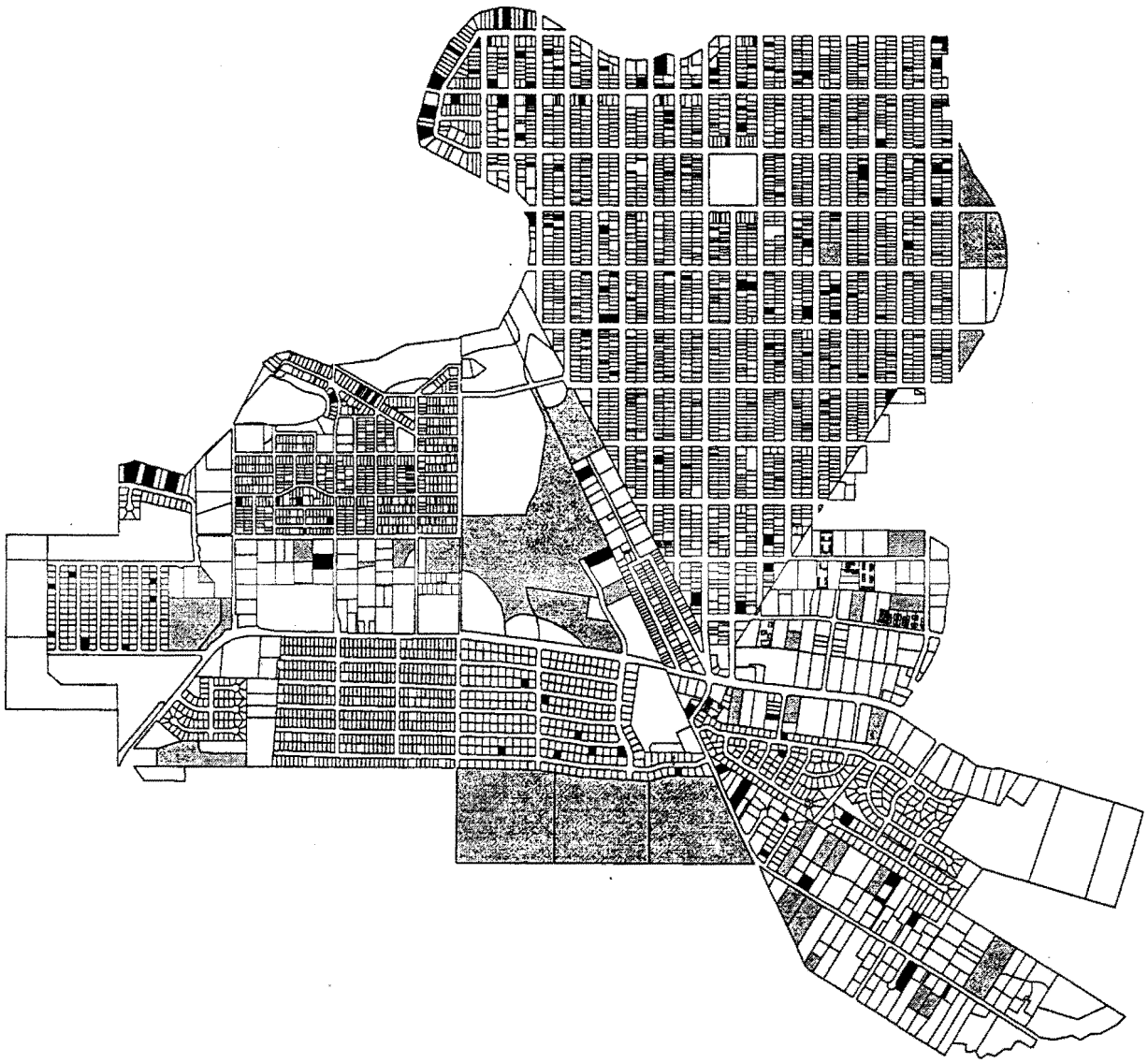
Given that these are very small parcels spread within a largely developed urban core, it is not likely that they represent significant habitat for the snail or other species compared to larger parcels located in the surrounds of Los Osos (See Figure 4). The habitat in the core of Los Osos is highly fragmented and less likely to support viable populations of the species than the larger parcels located just outside of the urbanized area. The County, therefore, proposes to mitigate the future loss of these small parcels at the rate of 1/3 acre of suitable snail habitat for every acre of combined small parcels to be developed.

Large Parcels
Los Osos has 86 parcels, greater than one acre in size, which could be built upon if the sewer were to be constructed. Of these, 38 contain habitat that may be suitable for snails (see Attachment 3, following). The assumption in the mitigation is that each of these parcels could presently support a single family dwelling in their current status. Although many of these could be further subdivided, it is the County's position that it would not be equitable to the citizens of Los Osos that they subsidize the larger parcel owner's potential for additional development. The owners of these larger parcels will need to purchase additional land (or otherwise mitigate habitat loss) in order to develop more intensely. The proposal is to allow for ½ acre of disturbed area on each of the 38 larger parcels (an amount of land considered reasonable for the development of a single family dwelling). The County's mitigation for larger parcels is, therefore, replacement of habitat for 19 acres of future development. The same ratio would apply to both residential and commercial zoned parcels. Again, if a property owner wanted additional development in excess of the ½ acre, they would need to participate individually in mitigation.

Morro Palisades. There are a few very large parcels that would be included in the inventory. Most notable is the property referred to as Morro Palisades which consists of 200+ acres and is located immediately east of the Broderson infiltration site. This parcel has for many years been the object of controversy and concern. The site is a natural for residential development. It has a gentle slope and would provide excellent views of Morro Bay and areas further up the coast. It is also designated as Kangaroo rat habitat. It is the largest privately held parcel in the FWS targeted recovery areas. It's populated with coastal scrub habitat that had the last confirmed sitings of the Kangaroo rat.

This issue relative to this parcel is whether the development of the sewer warrants full mitigation of potential impacts from the development of this site. The County contends that the site is valuable enough to be developed without reliance on the sewer. It could, like other large residential projects in the County, proceed with a package treatment plant. In fact, more than half of the property is outside of the sewer prohibition area, and could be developed with septic systems. Furthermore, the sewer presents only one of several impediments to the development of this parcel. It would require mitigation under CEQA, and the development of its own habitat conservation plan under §10 of the Endangered Species Act. The Regional Board order is an impediment to the parcel. However, given the significant necessary intervening requirements, the full development of the Morro

Los Osos Snail Habitat



Vacant Lots with Unsuitable Habitat, Developed Lots & Public Land (PF, OS, ROW)
Suitable Snail Habitat - Vacant less than 1 acre
Suitable Snail Habitat - Vacant greater than 1 acre

Source: County of San Luis Obispo Mapping Division, 1997; Crawford Multari & Clark Associates, 1997.

Figure 4

Ex 9, p 11

Palisades site in not a consequence of the sewer prohibition being lifted. Therefore, it is not appropriate for the project to bear the burden of that development's impacts. Further, larger developments will be in a better position to offer significant mitigation than to assess this cost upon the citizens of Los Osos.

PURCHASE OF ADDITIONAL LAND

Proposal. The County proposes to mitigate the loss of potential habitat resulting from the eventual development of the treatment facilities and the small and large parcels in Los Osos by purchasing land having at least **40 acres** of good coastal scrub habitat. Appropriate sites would be chosen from the area surrounding Los Osos. Final site determination would depend upon potential for sale and agreement with FWS. These sites are not discussed in this report. Given the sensitive nature of land negotiations, the County did not consider it prudent to identify specific candidate sites. If requested, however, the County is prepared to submit this information.

Quality of the purchased land. In order to meet the mitigation requirements proposed under CEQA and the Endangered Species Act, the land purchased would need to meet certain specifications. Since the loss of habitat to species of concern is coastal scrub, the 40 acres would need to be the same. More specifically, the scrub would need to contain between one and two acres dominated by Dune lupine, for the benefit of the Morro blue butterfly. The County proposes to meet the coastal scrub requirement and ensure that a significant population of Dune lupine exists.

Replacement ratio. In general, the County proposes to mitigate direct project impacts by purchasing land at a one acre to one acre ratio. This ratio is considered appropriate given the size of the parcel that would be acquired (approximately 40 acres) and the quality of parcels that are available. There are several parcels surrounding Los Osos which would fulfill the mitigation requirements of the sewer project. These include coastal scrub habitat that meet the criteria discussed amongst the participating agencies: large parcels, in good condition, contiguous with other open space (including adjacent publicly protected land). In fact, all candidate parcels are within the FWS areas proposed for protection in their recovery plan. In addition, these parcels have been identified and mapped for the San Luis Obispo Land Conservancy as part of an effort to establish a greenbelt around the community of Los Osos. This mapping has increased the confidence that the parcels have habitat suitable to provide mitigation at a 1:1 acre ratio, given their current condition and proximity to larger, protected lands.

AREA-WIDE MITIGATION

Estero Area Plan Update

The County is currently preparing a significant update of the Estero Area Plan, which is a portion of the County's General Plan. An entire section of the plan is devoted to a habitat conservation program, Section 6B. The program sets forth the County's proposal for maintaining appropriate habitat for the many rare and endangered species located in the area. The habitat conservation program is designed for the preservation of multiple species.

The proposed Estero Area Plan involves many requirements for future development. These include:

- Transfer of development credits. The TDC program will allow an owner of land to sell their development rights to the owner of another designated parcel. This allows the retention of economic value and the flexibility to save sites of significant habitat value.
- Cluster Developments. Developments in sensitive areas will be clustered in accordance with a proposed ordinance designed specifically to protective sensitive resources on parcels. The text of the cluster proposal is contained in Attachment 4.
- Specific policies designed to protect sensitive habitats.

Restoration, Long Term Management & Funding

The County of San Luis Obispo will maintain in perpetuity the areas surrounding the treatment plant (Pismo) and the infiltration ponds or wells (Broderson). The maintenance includes planting of native species that make up coastal scrub habitat (especially Dune Lupine for the benefit of the Morro blue butterfly). It will include funding to control invasive species from occupying the site. Revenues generated for the operation of the sewer will be marked for the habitat maintenance.

Property purchased by the County in addition to that for the facilities will be granted in fee to an organization capable of maintaining the site in its natural condition. This may be the Land Conservancy, the State Park, or a local group formed for greenbelt conservation.

Summary of Impacts and Mitigation

The construction of the sewer facilities at the Broderson and Pismo sites will result in the loss of approximately 18 acres of habitat appropriate for the Morro shoulderband snail and other species of concern. Future development of small parcels (less than one acre) with suitable habitat will total approximately 37 acres of suitable snail habitat. The County is proposing a 1:1/3 replacement ratio for these parcels, or approximately 12.3 acres of land purchased for mitigation. Future development could occur on 38 larger parcel of snail habitat. The County is proposing mitigating for ½ acre of land on each parcel, or a total of 19 acres.

Table 6: Summary of Proposed Mitigation

Impact Area	Mitigation Acres Required
Broderson	4.4
Pismo	2.9
Small Lots	12.3
Larger Parcels	19
Total	**38.6**

The County proposes to purchase and legally protect a total of approximately 100 acres of land. Of this, approximately 40 acres will be a separate parcel aside from that of the treatment plant or percolation pond locations. In addition, through its planning and regulatory functions, the County will work to protect the habitat of the many special status species in the Los Osos area.

Attachment 1

Mitigation Program
Supplemental Program EIR
CSA No. 9 Wastewater Treatment Facilities

PISMO

P-BIO-1.(a)Agency Consultation/Permitting. Project implementation would result in direct or indirect disturbance or potential take of several federal and state listed species. Project implementation would require authorization for this disturbance or potential take from both the U.S. Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG). Authorization requirements are outlined below:

- **USFWS.** Authorization for take by USFWS would require either a formal consultation with USFWS pursuant to section 7 of the Endangered Species Act, or a issuance of a section 10(a)(1)(B) permit. Such a permit requires the development and implementation of a Habitat Conservation Plan (HCP). A framework for development of either a Section 10 HCP or appropriate Section 7 mitigation program has been outlined in Mitigation Measure BIO-1(b).

- **CDFG.** Authorization for take by CDFG would require a Memorandum of Understanding (MOU) and Management Authorization (MA) pursuant to Section 2050 et seq. of the California Fish and Game Code. Development of a MOU/MA would be based upon the Section 7 or Section 10 USFWS consultations discussed above.

P-BIO-1.(b) Additional Habitat Restored. Restoration of the disturbed areas of the treatment plant site will not adequately mitigate the loss of habitat for the many species described in the setting and impact discussion of this section. One approach to mitigating this impact is the restoration of additional land into suitable habitat for the local species of concern in this report. This involves securing land that has been disturbed and/or where exotic species have invaded to the exclusion of native species.

Acquisition. The land acquired should have the following qualities:

- The land should be a parcel or group of parcels containing approximately 10 to 20 acres.
- The land should be disturbed, but not developed, or otherwise in a state that is *not* a pristine native habitat; alternatively, the land could be in good condition relative to native habitats, but otherwise destined for development that would destroy the existing habitat. This may include land that is already owned by controlled a resource agency such as California Department of Parks and Recreation.
- The land should be capable of restoration to a native habitat. This would mean that the soils have not been removed or fill placed on the site that is unsuitable for the native plantings (other than small amounts). The land should be free of structures or debris, or capable of being cleared of any structures.
- The land should have primarily aeolian sand deposits; be in a stabilized condition (not mobile); and have an open canopy; be of the appropriate aspect and other meteorological conditions.
- The land should be located in a relatively rural area, and an area that is not zoned for dense development, either residential or commercial. Ideal land that meets this criteria is located around the community of Los Osos in the area under study for the greenbelt program by the Land Conservancy.
- The land should be held by the County or appropriate conservation organization in perpetuity with deeded guarantees of non-development or transfer (unless to another like organization). The protection of the land may allow for some passive public activities, such as hiking, scientific investigation, and low-impact education.

Ex 9, p 14

Restoration. After securing the land, the County should restore the land so that it functions as suitable habitat for many of the local species of plants and wildlife whose existence is endangered or of concern. One of the benefits of this mitigation approach is that a single program will mitigate the impacts to all or most of the species described in the setting section. Restoration of the land should include the following:

- Removal of invasive exotic plant species. This may mean removal of all plants by grading, or a program of hand labor, depending upon the condition of the land. If the amount of invasives is relatively small, the work should leave as much of the existing native vegetation intact.
- Removal of structures or debris.
- Regrading of any unnatural mounds, holes or berms previously created on the site.
- A planting program of a mixture of indigenous plant species that serve to restore the site *and* serve multiple species' needs, especially the Morro Blue Butterfly, Black Legless Lizard, and potential future re-introduction of the Morro Bay Kangaroo Rat. This will include Dune Lupine for the Morro Blue Butterfly. The final planting program should be developed in consultation with CDFG and USFWS.

An ongoing maintenance and observation program. Ideally this would be established as part of the Morro Bay Estuary program and/or in conjunction with Cal Poly (especially the Biology and Forestry and Natural Resource departments).

P-BIO-2(a). Minimize Disturbance of Coastal Scrub, Chaparral, and Coast Live Oak Woodland Habitats Located Around the Perimeter of the Treatment Plant Site During Construction. Minimize, to the extent feasible, the amount of disturbance of land beyond the actual area of development. This can be accomplished by identifying minimum activity area required, and establishing a physical construction limit beyond which equipment and storage of material would not extend.

- Clearly identify and mark the perimeter of the proposed treatment plant facility construction zone prior to and during construction onsite with highly visible temporary fencing.
- Restrict the use of all heavy equipment and vehicles to areas located inside of the identified construction zone throughout the duration of construction.
- Clearly identify and mark the proposed access route to the construction zone of the treatment plant facility, and limit all construction traffic to areas located within the identified access route.

P-BIO-2(b). Treatment Plant Buffer Area. Restore Sensitive Habitats Disturbed During the Construction Phase of the Proposed Project. Following completion of construction of the proposed treatment plant, immediately revegetate all areas located within or around the perimeter of the treatment plant facility that previously contained native vegetation and that were disturbed during construction. Revegetate only with appropriate indigenous native vegetation. At a minimum, the structure and composition of habitats restored should reflect pre-project site conditions or better. Use only native vegetation for landscaping in areas located inside of the treatment plant facility. All exotics that escape cultivation should be removed on a regular basis. All plantings should be grown from native parent stock collected onsite, and will be propagated by a native plant nursery specialist. In addition, the health and maintenance of all replacement vegetation should be monitored for a sufficient duration and frequency to ensure successful establishment of the vegetation.

P-BIO-2(c). Treatment Plant Site Additional Land. The additional land around the treatment plant site (that beyond the area disturbed) should be enhanced in its ability to provide habitat for the native species of plants and wildlife that occur or may occur in the area.

P-BIO-2(d) Control Introduction of Invasive Exotic Plants. To control introduction of invasive exotic plants on site, implement the following measures during construction and incorporate into the design guidelines of the proposed treatment plant facility, as appropriate.

- Use only clean fill material (free of weed seeds) within the construction zone of the proposed project.
- Thoroughly clean all construction equipment prior to being moved onto and used at the site.

- Prohibit planting or seeding of disturbed areas with nonnative plant species;
- Control the establishment of invasive exotic weeds in all disturbed areas.

P-BIO-3(a). Avoid or Minimize Disturbance of Special-Status Plants Located Within and Adjacent to the Perimeter of the Project Site Construction Zone. Implement the following measures prior to and during construction to avoid or minimize unnecessary disturbance of special-status plants occupying the vicinity of the project site.

- Retain a qualified botanist to conduct focused surveys for special-status plant species during the appropriate flowering periods for the various species that are known to occur or have potential to occur within the construction zone of the project site, based on the presence of suitable habitat.
- Clearly map and identify each individual or groups of special- status plants observed during the focused survey with highly visible flagging. Morro Manzanita located in the southern portion of the site should be marked with highly visible flagging and completely avoided.
- Provide instruction to construction personnel on avoiding unnecessary disturbance of areas marked with flagging and identify the locations of all groups of special-status plants.

P-BIO-3(b). Transplant Individual Special-Status Plants Located With the Construction Zone of the Treatment Plant Facility. Following implementation of BIO-3(a), individual special-status plants that are identified as occurring within the proposed construction zone for the treatment plant facility should be identified. If it is determined that avoidance or disturbance of the identified plants is not feasible, implement transplanting operations for the identified species. It should be noted that the success of transplanting is highly dependent on the specific taxon. Transplanting of some species currently occupying the site may not be as successful as for others, or may fail entirely. Therefore, prior to implementing these operations, previous case studies should be researched to determine which plants are expected to have reasonable opportunities for survival following transplantation, and determine which techniques have been successful previously. If transplanting is then determined to be a viable option for some identified special-status plants, implement the following measures:

- Avoid disturbance of the root system of each plant during transplanting.
- A plant should only be moved to a habitat that contains site conditions similar to the location previously occupied by each plant.
- Closely monitor the success of each transplanted species.

P-BIO-4(a). Replace Suitable Morro Shoulderband Dune Snail Habitat. Implement BIO--1(a), with a percentage of habitats created consisting of Coastal Scrub dominated by Heather Goldenbush. This percentage should be equivalent to the percentage of habitat disturbed. Implementation of this measure would replace habitats dominated by Heather Goldenbush, the host plant for the Morro Shoulderband Dune Snail, with habitats exhibiting similar species composition. Additionally, the non-native brown garden snail should be controlled within mitigation areas due to its role as a potential competitor. Currently, there is not sufficient information available on the habitat requirements of the dune snail to ensure successful creation of suitable habitat for this species. Therefore, creating Coastal Scrub habitat with Heather Goldenbush as a dominant, is considered to only partially mitigate for loss of potential Morro Shoulderband Dune Snail habitat.

P-BIO-5(a). Replace Suitable Morro Blue Butterfly Habitat. Implement P-BIO-1(a), with a percentage of habitats created consisting of Coastal Scrub dominated by Dune Lupine. This percentage should be equivalent to the percentage of habitat disturbed. Implementation of this measure would replace habitats dominated by Dune Lupine, the host plant for the Morro Blue Butterfly. To be successful, replacement habitat should be located adjacent to or within 1,000 feet of occupied habitat.

Ex 9, p16

P-BIO-6(a). Avoid unnecessary disturbance of Windrow Habitats Located Around the Perimeter of the Construction Zone. Implement the following measures identified for protecting Windrow Habitat in the vicinity of the project site:

- Prior to commencement of project construction, place highly visible temporary fencing around the perimeters of the driplines of windrow areas near the treatment plant construction zone.
- Avoid all soil disturbance, compaction, compaction and grading activities within and adjacent to the associated dripline of windrow areas.

BRODERSON

RIP-BIO-1(a). Agency Consultation/Permitting. Implement P-BIO-1(a). Complete appropriate consultation and authorization with USFWS and CDFG.

RIP-BIO-2(a). Minimize Disturbance of Coastal Scrub, Chaparral, and Oak Woodland Habitats Located Around the Perimeter of the Treatment Plant Site During Construction. Implement measures identified in P-BIO-2(a), along with the following measures identified for protecting Coast Live Oaks in the vicinity of the project site:

- Prior to commencement of project construction, place highly visible temporary fencing around the perimeters of the driplines of all Coast Live Oaks located near the treatment plant construction zone.
- Avoid all soil disturbance, compaction, compaction and grading activities within and adjacent to the associated dripline of each individual Coast Live Oak.

RIP-BIO-4(a). Avoid or Minimize Disturbance of Special-Status Plants Located Within and Adjacent to the Perimeter of the Project Site Construction Zone. Implement measures identified in P-BIO-3(a).

RIP-BIO-4(b). Transplant Individual Special-Status Plants Located With the Construction Zone of the Treatment Plant Facility. Implement measures identified in P-BIO-3(b).

RIP-BIO-5(a). Replace Suitable Morro Bay Kangaroo Rat Habitat. Implement measures identified in P-BIO-1(a), and replace with habitats similar to those existing on site prior to project implementation. The substrate, topography, and plant species composition should be similar to those habitats that currently exist at the project site and areas that are known to provide suitable habitat for Morro Bay Kangaroo Rat, such as in portion of the Essential Habitat area.

RIP-BIO-5(b). Conduct Pre-Construction Surveys For Morro Bay Kangaroo Rat. Immediately prior to construction, conduct surveys for Morro Bay Kangaroo Rat within the vicinity of the proposed treatment plant facility, to determine if habitats are currently occupied and identify what protective measures, if any, should be implemented prior to construction.

RIP-BIO-7. Replace Suitable Black Legless Lizard Habitat. Implement measures identified in P-BIO-1(a).

RIP-BIO-8. Replace Suitable Morro Blue Butterfly Habitat. Implement P-BIO-1(a), with a percentage of habitats created consisting of Coastal Scrub dominated by Dune Lupine. This percentage should be equivalent to the percentage of habitat disturbed. This would replace Dune Lupine habitats, the host plant for the Morro Blue Butterfly.

RIP-BIO-9(a). Avoid unnecessary disturbance of Windrow Habitats Located Around the Perimeter of the Construction Zone. Implement the following measures identified for protecting Windrow Habitat in the vicinity of the rapid infiltration ponds:

- Prior to commencement of project construction, place highly visible temporary fencing around the perimeters of the driplines of windrow areas near the treatment plant construction zone.
- Avoid all soil disturbance, compaction, compaction and grading activities within and adjacent to the associated dripline of windrow areas.

Ex 9, p17

Attachment 2

Gaylene Tupen
Consulting Biologist

July 29, 1997

Chris Clark
Crawford, Multari & Clark Associates
641 Higuera Street, Suite 202
San Luis Obispo, CA 93401

Attention: Mr. Chris Clark

Subject: Occurrence of Potential Habitats for Morro Shoulderband Snail Located Within the Proposed Service Area of the Los Osos Sewer Project. Los Osos, California.

Dear Mr. Clark:

This letter provides a description of methods used for identifying potential habitats for Morro shoulderband snail (*Helminthoglypta walkeriana*) located within the proposed service area boundaries of the Los Osos Sewer Project. Identification of various habitats for Morro shoulderband snail within the service area boundaries was conducted using information gathered during the July 22 and 23, 1997 site visits, review of assessor's maps indicating undeveloped parcels (660) within the service area, and interpretation of recent aerial photographs. Specific methods used for identifying various habitats of undeveloped areas and determining the suitability of existing habitats for Morro shoulderband snails is described below.

Prior to commencement of the July 22 and 23, 1997 site visits, a numeric coding system for the various habitat types expected to occur within the service area was established. The coding system focused on the occurrence of habitats considered potentially suitable for Morro shoulderband snails. For the purpose of this study, potential habitat for Morro shoulderband snail was assumed to include any area containing a prevalence of vegetation characteristic of Coastal Dune Scrub communities. Various plants considered characteristic of Coastal Dune Scrub communities and that commonly occur in areas occupied by shoulderband snails include the following: heather goldenbush (*Ericameria ericoides*), black sage (*Salvia mellifera*), dune buckwheat (*Eriogonum parvifolium*), California sagebrush (*Artemisia californica*), dune lupine (*Lupinus chamissonis*), sea fig (*Carpobrotus chilensis*), iceplant (*Mesembryanthemum* spp.) and croton (*Croton californicus*). In addition, areas containing a prevalence of sea fig or iceplant were assumed to provide potential habitat for shoulderband snails, and were assigned a separate numeric code. The structure and composition of Coastal Dune Scrub communities of the Los Osos/Baywood park areas can vary considerably due to a variety of factors including the presence of invasive exotic species such as veldt grass (*Erharta calycina*) and previous or ongoing site disturbance, such as mowing or grading. Therefore, the coding system identifies three categories of Coastal Dune Scrub which range from areas containing little or no evidence of previous site disturbance or occurrence of veldt grass, to communities with substantial evidence

of previous or ongoing disturbance and occurrence of veldt grass or other invasive exotic species. Table 1 identified the habitat coding system followed during the site visits of the service area of the Los Osos sewer project. Various habitats considered potentially suitable for Morro shoulderband snail are identified with an "*".

TABLE 1
Habitat Codes for Undeveloped (660) Lots of the Los Osos Sewer Service Area

1. *Coastal Dune Scrub- Contains minimal or no evidence of previous site disturbance or occurrence of veldt grass.
2. *Coastal Dune Scrub- Exhibits moderate amounts of previous site disturbance or occurrence of veldt grass.
3. *Coastal Dune Scrub- Exhibits substantial previous or ongoing site disturbance and presence of veldt grass.
4. *Iceplant/Sea Fig - Iceplant or sea fig occurs as sole or dominant plant species.
5. Coast Live Oak Woodland.
6. Veldt Grass Grassland/Annual Grassland.
7. Disturbed/Ruderal -Ground surface significantly disturbed and contains a prevalence of ruderal species.
8. Agriculture
9. Landscaping/Planted Vegetation.
10. Willow Scrub/Willow Woodland.
11. Developed.
12. Freshwater Marsh/Salt Marsh.
13. Coyote Brush Scrub.

Using the assessor's map to locate all potential undeveloped lots within the service area, each identified lot was viewed from an adjacent right-of -way and an numeric code was assigned and subsequently identified on the map. Many lots observed contained a mosaic of habitat types or portions of the habitat types observed exhibited varying amounts of degradation. For the purpose of this study the numeric code assigned to any given lot was thereby based on the dominant vegetation type observed from the right-of-way and identified through review of the aerial photograph. Portions of various lots could not be viewed from adjacent rights-of-way due to in part to the size and configuration of the lots. In these instances, the vegetation type of areas that could not be observed was inferred from observations of existing adjacent vegetation and through the interpretation of aerial photographs.

The primary purpose of this study was to determine the amount of potential Morro shoulderband snail habitat located within the proposed sewer service area boundaries, including the amount of habitat that may be considered somewhat degraded but would potentially support shoulderband snails. Therefore, all lots within the service area that contained any plants characteristic of dune scrub communities were classified as Coastal Dune Scrub to ensure that all potential habitats for shoulderband snails were identified and quantified during the study.

Please contact me If you have any questions regarding the methods used for conducting this study.

Sincerely,

Gaylene Tupen

Attachment 3

Los Osos Sewer Service Area
Vacant Parcel Habitat -- Revised Worksheet

Habitat on Parcels Less Than One Acre in Size

Category	# of Parcels	Acres	Description/Key
	4672	1019.2	Improvements over $10,000 (i.e developed)
1	12	4.3	Coastal Dune Scrub-little or no evidence of disturbance or occurrence of veldt grass
2	40	8.2	Coastal Dune Scrub-moderate amount of disturbance or occurrence of Veldt Grass
3	77	17.9	Coastal Dune Scrub-substantial disturbance (mowing, grading) or Veldt Grass (degraded)
4	43	6.6	Ice Plant
Total	**172**	**37.0**	**Land suitable for Morro Shoulderband Dune Snail**
Land in Service Area *Not* Suitable for Snail Habitat or Not in Program			
5	36	6.8	Coast Live Oak Woodland
6	66	16.0	Veldt Grass grassland or annual grassland - Veldt Grass appears dominant
7	122	19.0	Disturbed / Ruderal - ground surface significantly disturbed. Ruderal vegetation is dominant.
8	0	0.0	Agriculture
9	67	13.4	Landscaping / Planted Vegetation
10	7	1.4	Willow Scrub
11	35	5.4	Developed
12	3	1.2	Freshwater or Salt Marsh
13	5	1.2	Coyote Brush Scrub - Coyote Brush occurs as only shrub
14	54	6.4	Unclassified
Total	**395**	**70.8**	**Land/parcels *not* in mitigation program or not suitable habitat**

Habitat on Parcels Greater Than One Acre in Size

Category	# of Parcels	Acres	Description/Key
1	10	95.1	Coastal Dune Scrub-little or no evidence of disturbance or occurrence of veldt grass
2	9	18.6	Coastal Dune Scrub-moderate amount of disturbance or occurrence of Veldt Grass
3	17	92.3	Coastal Dune Scrub-substantial disturbance (mowing, grading) or Veldt Grass (degraded)
4	2	2.1	Ice Plant
Total	**38**	**208.1**	**Land suitable for Morro Shoulderband Dune Snail**
Land in Service Area *Not* Suitable for Snail Habitat or Not in Program			
5	8	11.2	Coast Live Oak Woodland
6	15	23.4	Veldt Grass grassland or annual grassland - Veldt Grass appears dominant
7	10	37.3	Disturbed / Ruderal - ground surface significantly disturbed. Ruderal vegetation is dominant.
8	1	2.5	Agriculture
9	12	23.6	Landscaping / Planted Vegetation
10	2	4.3	Willow Scrub
11	0	0.0	Developed
12	0	0.0	Freshwater or Salt Marsh
13	0	0.0	Coyote Brush Scrub - Coyote Brush occurs as only shrub
14	0	0.0	Unclassified
Total	**48**	**102.3**	**Land/parcels *not* in mitigation program or not suitable habitat**

Habitat on Public Land (PF, OS, ROW)

Category	# of Parcels	Acres	Description/Key
1	0	0.0	Coastal Dune Scrub-little or no evidence of disturbance or occurrence of veldt grass
2	0	0.0	Coastal Dune Scrub-moderate amount of disturbance or occurrence of Veldt Grass
3	4	10.3	Coastal Dune Scrub-substantial disturbance (mowing, grading) or Veldt Grass (degraded)
4	3	2.2	Ice Plant
Total	**7**	**12.5**	**Land suitable for Morro Shoulderband Dune Snail**
Land in Service Area *Not* Suitable for Snail Habitat or Not in Program			
5	4	2.3	Coast Live Oak Woodland
6	1	3.8	Veldt Grass grassland or annual grassland - Veldt Grass appears dominant
7	1	0.7	Disturbed / Ruderal - ground surface significantly disturbed. Ruderal vegetation is dominant.
8	0	0.0	Agriculture
9	3	3.6	Landscaping / Planted Vegetation
10	6	3.4	Willow Scrub
11	3	17.7	Developed
12	7	26.1	Freshwater or Salt Marsh
13	2	2.2	Coyote Brush Scrub - Coyote Brush occurs as only shrub
14	5	22.2	Unclassified
Total	**32**	**82.0**	**Land/parcels *not* in mitigation program or not suitable habitat**

Attachment 4

Open Space Protection

1. **Clustered Development.** Wherever standards in this chapter call for clustering or concentrating development to protect identified sensitive features, land divisions and development shall comply with the following:
   a. **Reports.** When required by the Coastal Zone Land Use Ordinance or the Planning Director, a biological or other applicable report that addresses identified sensitive feature(s) shall be prepared by a qualified professional approved by the Environmental Coordinator. The report shall make recommendations regarding compliance with the following standards b through i., in addition to any applicable requirements of the Coastal Zone Land Use Ordinance.
   b. **Development Location.** Development in land divisions and other development projects shall be located away from identified sensitive features in areas most suitable for development.
   c. **Multiple Sensitive Features.** Where there is conflict between objectives of protecting various identified sensitive features, development shall be located to protect/avoid the following features to the maximum extent feasible, in order of greatest emphasis. As a result, some sensitive site features may receive a higher level of protection than others.
      i. Areas subject to hazards.
      ii. Environmentally and archaeologically sensitive areas.
      iii. Visually sensitive areas.
   d. **Setbacks.** Development shall be sufficiently set back/buffered from identified sensitive features. Development shall comply with the **minimum** setbacks from environmentally sensitive habitats that are required in this plan and the Coastal Zone Land Use Ordinance, as applicable.
   e. Extent, Intensity of Development. The number of dwelling units, intensity of development and site coverage shall be consistent with protection of identified sensitive site features.
   f. **Permanent Protection of Sensitive Features.** Identified sensitive site features shall be permanently protected as open space through building controls, mitigation agreements, easements, participation in a transfer of development credits (TDC) program, or other means.
   g. **Open Space.** Where appropriate to protect biological resources, including wildlife migration corridors, open space areas or parcels shall consist of larger, contiguous areas that connect, where feasible, to adjacent open spaces areas. This is preferred to smaller, disconnected pockets of open space. Required open space areas shall be in rough proportionality to the impacts of the project on sensitive site features.
   h. **Cluster Options.** Land divisions shall be designed so that resulting development complies with the preceding standards using any of the following options. Development resulting from use of options (2) through (4) shall fully and permanently protect identified sensitive features without causing adverse environmental impacts:
      (1) Cluster land division standards in Chapter 4 of the Coastal Zone Land Use Ordinance.
      (2) Cluster land division standards of the Coastal Zone Land Use Ordinance, but with an open space parcel(s) smaller than required.
      (3) Conventional land division standards in Chapter 4 of the Coastal Zone Land Use Ordinance.
      (4) Any applicable standards for common interest developments and planned developments in this plan and in the Coastal Zone Land Use Ordinance.

Ex 9, p 21

2. **Environmentally Sensitive Areas--Clustered Development and Habitat Protection Required.**

a. Cluster or concentrate development in the least sensitive portions of the site in order to protect and sustain the following sensitive features:

(1) Sensitive Resource Areas and Environmentally Sensitive Habitats as shown in the Land Use Element and Local Coastal Plan.

(2) Ecologically significant areas of riparian woodland, riparian scrub, oak woodland, coastal sage scrub, and maritime chaparral communities as defined in the Final EIR for the Estero Area Plan Update and as confirmed in a biological report for proposed development.

(3) Rare, endangered or threatened species as listed by federal or state agencies or as defined in the State *CEQA Guidelines*.

(4) Other significant stands of vegetation, such as Bishop pine, eucalyptus, and cypress that do not need to be removed due to hazardous condition or restoration/enhancement of native habitat.

b. Development shall not significantly disrupt or cause significant adverse environmental impacts on the preceding sensitive features, and shall be consistent with biological continuance of the habitat.

Ex 9, p 22

A-3-SLO-97-40

EXHIBIT 10: CORRESPONDENCE

Staff Note: The following correspondence represents a sample of the range of correspondence received by the Commission regarding this item. In addition to the attached correspondence, the Commission has received 15 letters in opposition to the project, 2 in favor, and a copy of a petition containing over 3,309 signatures opposing the wastewater treatment project proposed by the County (a sample of this petition, entitled "Open Letter to Governmental Representatives" is attached to this report). The additional correspondence is available for review at the Commission's Central Coast Area Office. For more information, please contact staff analyst Steve Monowitz at (408) 427-4863.

EXHIBIT NO. 10
APPLICATION NO. A-3-SLO-97-40
Correspondence

CalEPA

Central Coast Regional Water Quality Control Board

81 Higuera Street
Suite 200
San Luis Obispo, CA
93401-5427
(805) 549-3147
FAX (805) 543-0397

Pete Wilson
Governor

Post-it™ Fax Note 7671	Date 12/22	# of pages ▶ 3
To Steve Monowitz	From Susan Mauriello	
Co./Dept.	Co.	
Phone #	Ph [redacted]	
[redacted]		

December 22, 1997

Mr. Steve Monowitz
California Coastal Commission
725 Front Street
Santa Cruz, CA 95060-4508

Dear Mr. Monowitz:

SOLUTION GROUP PROPOSAL FOR SAN LUIS OBISPO COUNTY SERVICES AREA 9, BAYWOOD PARK/LOS OSOS WASTEWATER FACILITIES

At the December 5, 1997 Regional Board meeting, the Solution Group (a new citizens action group in Los Osos) submitted its proposal for modifying the County's plans for sewering the community of Baywood Park/Los Osos. In general terms, the Solution Group proposal includes the following components:

- Community sewer system would be limited to approximately 60% of the area sewered in the County's project.
- All new development with less than one acre density and/or less than 30' depth to ground water would hook up to the community sewer system.
- All septic tanks would remain in place and STEP (Septic Tank Effluent Pumping) system would be used in sewered areas. Septic tank effluent would be pumped through small diameter pipes to the treatment facility.
- Septage (solids from septic tanks) would be hauled by truck to the treatment facility and reintroduced to the liquid portion of the wastewater.
- Treatment facilities would be located between Los Osos Valley Road, Morro Shores Mobile Home Park, the County Library and residential neighborhoods.
- Wastewater treatment would be by a pond system followed by dissolved air floatation, filtration and disinfection.
- Discharge of treated wastewater would be to the Broderson site and other recharge and reuse sites in the community as well as agricultural reuse outside the immediate area.

We have the following comments regarding the Solution Group proposal, as it compares to the County's project. Because of the magnitude of detail in both plans (the County's and the Solution Group's) our comments primarily highlight major differences and/or major problems. Please keep in mind Regional Board authority is based on protecting/restoring water quality for existing and future generations. The Regional Board does not dictate specific treatment or collection system technologies, however we do have considerable experience with a wide variety of municipal, domestic and industrial wastewater systems located within the Central Coast Region.

1. In its proposal, the Solution Group emphasizes the importance of addressing related problems (wastewater, water supply and drainage) in a coordinated effort, a "comprehensive management plan". We strongly agree with this concept in order for these problems to be resolved in the most cost effective manner feasible. With this goal in mind, the County's project is designed to address each of these issues and maintain/restore usable ground water supplies within the Los Osos ground water basin.

2. The Solution Group proposes to sewer only those areas with less than 30' separation to ground water (from ground surface). This means that seepage pits 15-25' deep (commonly used in Los Osos) may be left with only 5' to 15' of sandy soil separating them from ground water. Because of the small lots in Los Osos, areas not sewered would continue to discharge more than ten times the amount of waste (per acre) allowed in our Basin Plan (based on the one acre minimum criteria for use of on-site systems). The Solution Group proposal does not provide an estimate of how long it would take to restore the ground water to drinking quality or even if restoration of ground water would occur. Partial sewering of the community is evaluated in the "Los Osos Wastewater Study Task G - Report on Detailed Evaluation of Alternatives" prepared in 1995.

3. The Solution Group proposes using STEP technology for the entire collection system. As stated above, the Regional Board does not direct sewering agencies to use one type of collection system over another. In fact, we suggested to the County (during original conceptual design more than ten years ago) that cost savings may be available through utilizing STEP technology. Collection system using STEP (septic tank effluent pumping) or STEG (septic tank effluent gravity) is also evaluated in the "Los Osos Wastewater Study Task G - Report on Detailed Evaluation of Alternatives". The County project, as approved by the Board of Supervisors, includes using STEP technology in specific locations where it is the most economically feasible alternative. However, this technology was rejected for use throughout the entire project as it was not cost effective.

4. Cost estimates provided in the Solution Group proposal do not provide for present worth analysis which includes operations/maintenance costs. Operations and maintenance costs for a STEP system with thousands of residential pumps would be high (relative to a gravity system). Also, certain project costs (EIR development, permitting, 75% design work, etc.) have already been incurred. This money has been spent and would not be refunded if the project was modified. In fact additional costs would be incurred for new EIR preparation, permitting, design of a different project, formation of a new assessment district, etc. Therefore costs paid for the County's project and costs necessary for redoing these components to address any significant modification of the project should be added to the base cost estimate of the Solution Group proposal.

5. The Solution Group proposal indicates shallow ground water would be collected (to reduce drainage problems) and this water would be added to the community's water supply. This shallow ground water would require treatment prior to use (if it is legally useable) but no treatment costs are included in proposed estimates. The County's project, on the other hand, proposes to restore shallow ground water to usable quality without further treatment.

6. Implementation of the Solution Group proposal represents significant time delays due to formation of a new assessment district (by public vote), redevelopment of EIR with accompanying opportunities for appeal and litigation delay, etc. The funding and environmental permitting process has taken ten years for the County project and there is no indication the Solution Group proposal would take any less time. Such delays mean further degradation of ground and surface waters in Los Osos and Morro Bay Estuary and prolonged exposure of the public to surfacing septage.

In summary we respect the amount of effort which the Solution Group has dedicated to preparing it's proposal. Many concepts presented are based on sound wastewater engineering and could be incorporated into the project (STEP technology for example). Although since STEP has not proved economically advantageous, it is not clear why it should be implemented.

In simple terms the Solution Group proposes the following significant modifications to the County project: a) different treatment technology, b) different treatment location, c) different collection technology, and d) smaller area sewered. We would have no objection to changes a, b and c, provided they did not delay the project and would meet the goal of restoring water quality in Los Osos. However, considerable time delays would be necessary to repeat the environmental review and permitting process, form a new assessment district and redesign the project. The County's project incorporates the most cost effective alternatives/technologies identified by County staff, professional consultants, and independent value engineering review. As described above, most of the concepts in the Solution Group proposal have been evaluated and found not to be cost effective or effective in meeting the goals of the project.

Overall, we do not believe the proposal is a realistic cost saving alternative to the County's community sewering project. The proposal is not consistent with sanitary engineering practices designed to protect public health and environmental resources.

We would like to reiterate Regional Board support for San Luis Obispo County's proposed wastewater facilities project, as approved by the Board of Supervisors. We look forward to implementation of the project as soon as possible in order to stop current degradation of ground and surface water quality from high density use and failing septic systems in Los Osos. Implementation of the community sewer system as proposed will eliminate discharges of inadequately treated wastewater to Morro Bay from failing septic systems as well as nitrate laden shallow ground water. Therefore, the community sewer project will serve to protect ground water, Morro Bay National Marine Estuary, shellfish industry in the Bay and other marine resources.

If you have any questions, please call Sorrel Marks at 805/549-3695 or Brad Hagemann at 805/549-3697.

Sincerely,

For Roger W. Briggs
Executive Officer

SM\H:\LOSOSOS\COASTAL.LTR\H:\LETTERS\
Task: 121-01
File: SLO CSA9, Los Osos

cc:

Gary & Pandora Nash Karner
350 Michell Drive
Los Osos, CA 93402

Joseph Giannine & Jacqueline Smalley
565 Baywood Way
Los Osos, CA 93402

Honorable Tom Bordonaro
State Assemblyman 33rd District
1065 Higuera Street
San Luis Obispo, CA 93401

Honorable Jack O'Connell
State Senator 18th District
1260 Chorro Street
San Luis Obispo, CA 93401

SLO Co. Health Commission
P. O. Box 1489
San Luis Obispo, CA 93406

Richard Lichtenfels
SLO Co. Division of Envi. Health
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Michael Draze
SLO Co. Dept. of Planning & Building
County Government Center
San Luis Obispo, CA 93408

George Gibson
SLO Co. Engineering Dept.
County Government Center
San Luis Obispo, CA 93408

Ruth Brackett, Chairwoman
SLO Co. Board of Supervisors
County Government Center
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Darrin Polhemus
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Cal/EPA

Central Coast Regional Water Quality Control Board

81 Higuera Street
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93401-5427
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FAX (805) 543-0397

Pete Wilson
Governor

September 19, 1997

Chairman Rusty Areias and Commissioners
California Coastal Commission
45 Fremont Street
San Francisco, CA 94105-2219

Dear Chairman Areias and Commissioners:

SAN LUIS OBISPO COUNTY SERVICES AREA 9, BAYWOOD PARK/LOS OSOS COMMUNITY SEWER SYSTEM - COASTAL COMMISSION HEARING

Resolving the Baywood Park/Los Osos wastewater management problem has been one of this Board's highest priorities for many years. At our September 5 Regional Water Quality Control Board meeting, we were provided a status report of the subject project. The County has made considerable progress in the last two years. Now the project is being delayed until the last discretionary permit (Coastal Permit) is approved. The Regional Board has directed me to write this letter to all the commissioners. The purpose of this letter is to request, on behalf of the entire Regional Board, that the Coastal Commission consider and approve the community sewer system, as approved by the Board of Supervisors, as soon as possible.

Implementation of the community sewer system is vital in order to protect ground water, Morro Bay State and National Estuary, the shellfish industry in the Bay, and other marine resources by eliminating discharges from failing septic tanks and contamination of ground water. Degradation of ground and surface water from high density use and failing septic systems in Los Osos will continue until the sewer system is built. Therefore, it is essential the project proceed as soon as possible.

During the past decade all feasible alternatives to the proposed project have been evaluated and coordinated with the responsible regulatory agencies and citizens advisory groups. Further delay of the project will result in diverting limited funds to pay for expenses which do not benefit the project (redundant studies, unnecessary bond interest, escalating construction market, etc.). We urge you to act promptly to help resolve wastewater issues in Los Osos and to schedule this issue at the earliest possible date.

If there is any information our staff can provide (from the 25 years of history and dozens of studies performed in Los Osos) please contact Regional Board Executive Officer, Roger Briggs, at (805/549-3140).

Sincerely,

Harold R. Fairly

Harold (Rusty) Fairly
Chairman

SM\H:\LOSOSOS\COASTAL3.LTR
Task: 121-01
File: SLO CSA9, Los Osos

cc: Regional Board Members

Walt Pettit, Executive Officer, State Water Resources Control Board
Assemblyman Tom Bordonaro, California Assemblyman, 1065 Higuera St., Suite 200, San Luis Obispo, CA 93402

Cal/EPA

Pete Wilson
Governor

Central Coast Regional Water Quality Control Board

81 Higuera Street
Suite 200
San Luis Obispo, CA
93401-5427
(805) 549-3147
FAX (805) 543-0397

August 14, 1997

RECEIVED
AUG 18 1997
CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Mr. Peter Douglas, Executive Director
California Coastal Commission
45 Fremont Street
San Francisco, CA 94105-2219

Dear Mr. Douglas:

SAN LUIS OBISPO COUNTY SERVICES AREA 9, BAYWOOD PARK/LOS OSOS COMMUNITY SEWER SYSTEM - COASTAL COMMISSION HEARING

As you know, progress on the Baywood Park/Los Osos community sewer system is being delayed until the last discretionary permit (Coastal Permit) is approved. This letter is to request that the Coastal Commission consider and approve the community sewer system, as approved by the Board of Supervisors, as soon as possible.

Implementation of the community sewer system is vital in order to protect ground water, Morro Bay National Marine Estuary, shellfish industry in the Bay and other marine resources by eliminating discharges from failing septics and contamination of ground water. Degradation of ground and surface water from high density use and failing septic systems in Los Osos will continue until the sewer system is built. Therefore it is essential the project proceed as soon as possible.

During the past decade all feasible alternatives to the proposed project have been evaluated. Further delay of the project will result in diverting limited funds to pay for expenses which do not benefit the project (redundant studies, unnecessary bond interest, escalating construction market, etc.) I urge you to act promptly to help resolve wastewater issues in Los Osos and to schedule this issue for your October hearing.

If there is any information we can provide (from the 25 years of history and dozens of studies performed in Los Osos) please let us know. Feel free to contact Sorrel Marks (805/549-3695) or Brad Hagemann (805/549-3697) of my staff, or myself at 805/549-3140.

Sincerely,

for Roger W. Briggs
Executive Officer

SM\H:\LOSOSOS\COASTAL2.LTR
Task: 121-01
File: SLO CSA9, Los Osos

c: Tami Grove
Coastal Commission
725 Front Street
Santa Cruz, CA 95060-4508

George Gibson
Dept. of Engineering
County Government Center
San Luis Obispo, CA 93408

JUN 26 1997

RECEIVED

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CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Cal/EPA

State Water Resources Control Board

Division of Clean Water Programs

Mailing Address:
P.O. Box 944212
Sacramento, CA
94244-2120

2014 T Street,
Suite 130
Sacramento, CA
95814
(916) 227-4400
FAX (916) 227-4349

Pete Wilson
Governor

Mr. Steve Manowitz
California Coastal Commission
725 Front Street
Santa Cruz, CA 95060-4508

Dear Mr. Manowitz:

LOS OSOS/BAYWOOD PARK WASTEWATER COLLECTION, TREATMENT AND DISPOSAL PROJECT; SAN LUIS OBISPO COUNTY; STATE REVOLVING FUND LOAN NOS. C-06-4014-110 & C-06-4014-120

We would like to express our support for San Luis Obispo County's proposed wastewater treatment and collection system project for Los Osos and Baywood Park. The Division of Clean Water Programs administers the State Revolving Fund Loan Program for Construction of Wastewater Treatment Facilities. This program provides low interest loans to wastewater treatment projects included on the annual statewide Priority List adopted by the State Water Resources Control Board (SWRCB). Projects are nominated to the Priority List by the Regional Water Quality Control Boards and are based on the Water Quality Control Plans for the Regions.

The Division of Clean Water Programs issued Facilities Plan Approval for the Los Osos/ Baywood Park project on January 31, 1990. The Facilities Plan Approval was then amended on May 14, 1996. The project covered by this Facilities Plan Approval is in support of the proposed Central Coast Regional Water Quality Control Board Order No. 97-8. The SWRCB approved a preliminary loan commitment of $47 million by Resolution No. 93-7 on January 21, 1993 and reconfirmed this commitment by Resolution No. 96-4 on January 18, 1996.

We are pleased to be able to participate in a project of such importance and will provide every possible assistance. If you have any questions, please call me at (916) 227-4563 or Mr. Darrin Polhemus of my staff at (916) 227-4573.

Sincerely,

Farouk T. Ismail, Ph.D., P.E.
Chief, Planning & Design Section

cc: Mr. Roger W. Briggs, Executive Officer
Central Coast California Regional
Water Quality Control Board

Mr. Timothy Nanson, County Engineer
San Luis Obispo County
County Government Center, Room 370
San Luis Obispo, CA 93408

Cal/EPA

June 19, 1997

Pete Wilson
Governor

Central Coast Regional Water Quality Control Board

81 Higuera Street
Suite 200
San Luis Obispo, CA
93401-5427
(805) 549-3147
FAX (805) 543-0397

Mr. Steve Monowitz
California Coastal Commission
725 Front Street
Santa Cruz, CA 95060-4508

Dear Mr. Manowitz:

SAN LUIS OBISPO COUNTY SERVICES AREA 9, BAYWOOD PARK/LOS OSOS WATEWATER FACILITIES

This letter is to document/reiterate Regional Board support for San Luis Obispo County's proposed wastewater facilities project, as approved by the Board of Supervisors. We look forward to implementation of the project as soon as possible in order to stop current degradation of ground and surface water quality from high density use and failing septic systems in Los Osos. Implementation of the community sewer system as proposed will eliminate discharges of inadequately treated wastewater to Morro Bay from failing septic systems as well as nitrate laden shallow ground water. Therefore, the community sewer project will serve to protect ground water, Morro Bay National Marine Estuary, shellfish industry in the Bay and other marine resources.

The Regional Board considered adoption of Waste Discharge Requirements, Order No. 97-8, for the facilities at its February and April 1997 meetings. However, adoption of Order No. 97-8 was continued until the CEQA process could be completed. Adoption of proposed Order No. 97-8 is scheduled for the September 5, 1997 Regional Board meeting in San Luis Obispo. The Staff Report and draft requirements were sent to your office on December 20, 1996, for review and comment. However, I have included an additional copy with this letter for your records.

If you have any questions, please call **Sorrel Marks at 805/549-3695** or Brad Hagemann at 805/549-3697.

Sincerely,

Bradley E Hagemann
For Roger W. Briggs
Executive Officer

SM\H:\LOSOSOS\COASTAL.LTR
Task: 121-01
File: SLO CSA9, Los Osos

Morro Bay National Estuary Program

December 16, 1997

Peter Douglas, Executive Director
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Douglas:

Thank you for your recent endorsement of the Morro Bay National Estuary Program Management Conference Agreement. As you know, as a designated National Estuary, the Morro Bay National Estuary Program (NEP) is charged with, and is in the process of developing, a consensus-based, voluntary, Comprehensive Conservation Management Plan for the Morro Bay watershed and estuary.

We understand that the Coastal Commission will be convening a meeting in San Luis Obispo to consider the Los Osos sewer and other local projects during the week of January 12 through 16. The purpose of this letter is to communicate to the Commission that the Watershed Committee, the Local Policy Committee, and staff of the National Estuary Program strongly support timely actions and solutions that will maintain and improve the health of Morro Bay, consistent with NEP Program goals.

Through a series of local community meetings and review of draft documents, we have already identified at least six priority problems for Morro Bay. Two of these priority problems are the increased concentration of nutrients and bacteria in the bay. To address these problems, we have developed specific NEP goals (see Attachment 1). These goals and objectives will guide us in creating a plan that hopefully will improve water quality of the bay while still protecting social, economic, and recreational benefits provided by the bay. We hope to have a plan completed and ready for full public review by late summer, 1998.

It is perhaps unfortunate that the NEP planning process is following somewhat behind the long, arduous, and controversial process of resolving the Los Osos sewer issues. Elevated nutrient levels in the bay are of concern to the long-term health of the estuary. Elevated bacteria levels that have been observed in the past few years in the bay have recently resulted in a downgrading of our local shellfish harvesting areas. We believe that specific

1400 Third Street • Los Osos • California • 93402 Telephone (805) 528 7746

actions need to be taken to restore, protect and enhance this still relatively unspoiled estuary, before it is irretrievably damaged.

We are initiating a series of technical studies to help us understand the dynamics of the Bay. The Bay Nutrient and the Bay Bathymetry and Tidal Circulation Studies may have direct bearing on the sewer issue, as they will help us to identify pollutant transport mechanisms in the bay. We are also compiling and summarizing volunteer monitoring data collected in partnership with a local group, Friends of the Estuary. We hope to work with you and other local interests and officials in the coming months to help resolve this issue. In the meantime, we encourage you to seek timely solutions that minimize adverse environmental effects.

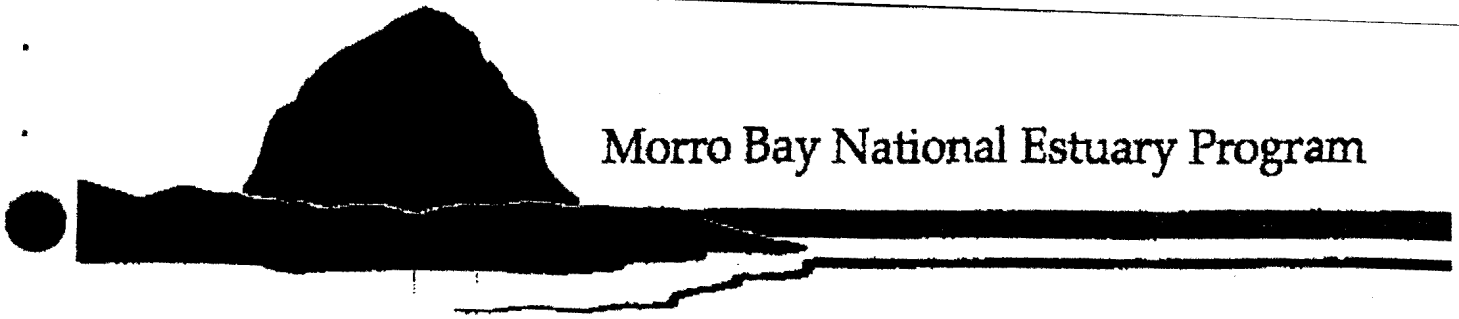
If you have any questions regarding this or other matters pertaining to the bay, please don't hesitate to call me at (805) 528-7746.

Sincerely,

Melissa Mooney
Program Director
MORRO BAY NATIONAL ESTUARY PROGRAM

Attachment

cc: Each Board Member, San Luis Obispo County Board of Supervisors
Cathy Novak, Chair, Local Policy Committee, MBNEP
James White, Chair, Watershed Committee, MBNEP
Paul Lillebo, State Water Resources Control Board
Roger Briggs, Central Coast Regional Water Quality Control Board
Mark Hutchinson, Environmental Specialist, County of San Luis Obispo
Steve Monowitz, Coastal Planner, California Coastal Commission
Pandora Nash-Karner, Solutions Group



Morro Bay National Estuary Program

MORRO BAY NATIONAL ESTUARY PROGRAM GOALS

1) Slow the process of bay sedimentation through implementation of management measures which address erosion and sediment transport.

2) Reestablish healthy steelhead trout habitat in Chorro and Los Osos creeks through measures including reduction of sediment loading in gravels, stabilization of riparian corridors, removal or mitigation of migration barriers, improvement of water quality, and restoration and maintenance of adequate fresh water flow.

3) Ensure that bay water remains of sufficient quality to support a viable commercial shellfish mariculture industry, safe recreational uses, healthy eelgrass beds, and thriving fish and shellfish populations.

4) Ensure the integrity of the broad diversity of natural habitats and associated native wildlife species in the bay and watershed.

5) Maintain watershed functional integrity through appropriate riparian corridor management, impervious surface management, fire management, and grazing management.

6) Protect social, economic, and environmental benefits provided by the bay and watershed through comprehensive resource management planning.

7) Promote public awareness and involvement in estuarine management issues through outreach, educational programs, and the use of volunteers in ongoing bay monitoring and other programs.

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12/9/97

1400 Third Street • Los Osos • California • 93402 Telephone (805) 528 7746

The Bay Foundation of Morro Bay

P.O. Box 1020 • Morro Bay CA 93443

Mr. Peter Douglas, Ex. Director
Mr. Rusty Areias, Chair
California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

December 16, 1997

Re: Approval of the Los Osos Sewer System

Dear Mr. Douglas and Mr. Areias:

The Bay Foundation of Morro Bay is a non-profit organization dedicated to the study, conservation and enhancement of Morro Bay as well as its associated wetlands and watershed environments. Members of the Bay Foundation have, for many years, been concerned about the impacts on bay water quality resulting from the lack of a wastewater management system in Los Osos.

Much has been said about the groundwater contamination issue in Los Osos. Less discussed are the impacts that the current wastewater management system (septic tanks) have on the water quality of Morro Bay. Analyses of back-bay water showing high nutrient concentrations—and bacteria levels which far exceed state body-contact standards—are further evidence of the need for a comprehensive wastewater management system in Los Osos.

Members of the Bay Foundation strongly urge that any treatment system approved for Los Osos should also address management of the following issues:

- Wastewater should be tertiary disinfected before discharge or recharge to the soils or to the Bay using processes that are not potentially detrimental to the estuarian or ground waters (i.e., chlorination).
- Treatment systems should remove nitrates, phosphates and noxious bacteria to the highest reasonable degree prior to discharge or recharge.
- High groundwater areas and flood-prone areas should be addressed to reduce contaminated surface water runoff to the Bay.
- Discharge or recharge systems should not aggravate areas of the community already subject to high ground water levels.

The need for a sewer system in Los Osos is NOT a political issue; it is matter of science. It should be driven by good technology, design and engineering, not ego's. The Bay Foundation respectfully requests that the Commission give serious consideration to these concerns and approve only a comprehensive wastewater management system which will solve ALL of the water quality issues in Los Osos for the benefit of the community and the waters of Morro Bay.

Sincerely,

Gary Ruggerone

Gary Ruggerone, President
Bay Foundation of Morro Bay
P.O. Box 1020
Morro Bay, CA 93443

FRIENDS
OF THE
ESTUARY
AT MORRO BAY

12 December 1997

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CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Steve Monowitz, Coastal Planner
Coastal Commission
725 Front Street
Santa Cruz, CA 95060

Dear Mr. Monowitz:

The Friends of the Estuary is a not-for-profit organization with over 1,200 members committed to the protection and enhancement of Morro Bay and its estuary. With Morro Bay's inclusion into the National Estuary Program our community has a great opportunity to make long term decisions that will preserve the natural resources of our area and the quality of life we have come to expect on the central coast. We are concerned that San Luis Obispo County's Los Osos wastewater treatment plan does not address all of our concerns. We ask that you withhold approval of the County's plan.

We are concerned about the the quality of the water that will be discharged from the facility. We are also concerned with groundwater recharge and drainage. These issues have not be addressed to our satisfaction nor have alternative methods been fully considered.

For these reasons we would ask that you not approve the County's proposal and request that they work with local community groups to develop a more appropriate water management plan. Our community does have the opportunity to make long term decisions that will preserve the natural resources of our area and the quality of life, but only if we are given the opportunity to participate in the process.

Sincerely,

Ellen Perryess

Ellen Perryess
Friends of the Estuary Board

P.O. Box 1375
Morro Bay, CA 93443-1375
(805) 528-1738

December 12,1997

Peter Douglas, Executive Director
Rusty Arieas, Chairman
Steve Monowitz, Coastal Planner
725 Front Street Suit 300
Santa Cruz, CA 95060

Re: Los Osos Sewer Project

Dear Gentleman:

I am Chairperson for the San Luis Obispo County Planning Commission, however I am writing only as commissioner of the 2ed district in which this project is located. Every time a project comes to our commission we must discover or make findings that the establishment and subsequent operation or conduct of the use will not - because of the circumstances and conditions applied to the particular case - be determined to be detrimental to the health, safety or welfare (economic or physical) of the general public, or persons residing or working in the neighborhood of the use, or be detrimental or injurious to properties in the vicinity.

When the County's proposed sewer project for Los Osos came before the planning Commission last February I could not make these findings. After reading all the information carefully, I concluded that the County's project as proposed would be detrimental to the health, safety and welfare, and would be detrimental to properties in the vicinity.

For me, this is not a NIMBY reaction since I live some 40 miles away, however I have family and friends living in Los Osos who will be severely impacted, and even if I didn't my vote would have still been "no" because of its obvious detrimental nature. Waste water disposal is a problem in the lower areas but the off-the-shelf engineering technology promoted by the County is unaffordable to a community such as Los Osos and leaves it with future problems of nitrate pollution, a water supply shortfall, and a debt burden that it can not support.

Recently local residents, the Solutions Group, have worked full-time to produce a viable alternative waster water treatment plan called the "Community Plan". I am familiar with their plan, it answers my concerns. I endorse it fully!

Their plan is a Comprehensive Resource Management Plan which will solve multiple problems:

1. Eliminates environmental and endangered species problems
2. Provides for safe disposal and reuse of the waste water
3. Ensures future water needs without importation of Nacimiento water
4. Addresses flooding and drainage problems
5. Protects Morro Bay, a national estuary
6. Creates park and open space areas
7. Preserves the senior and low-income features of the Los Osos community
8. MAKES THE SOLUTION AFFORDABLE FOR THE COMMUNITY!

The Community Plan has be research and documented and presented to the residents and will be presented shortly to the Board of Supervisors. It has been the effort of many highly qualified engineers, attorneys and scientists in and out of the community. There are long-term presidents success of alternative systems for communities of this size. Outside consultants have been use to bring this approach forward. I would hope that your staff would see fit to give full consideration to this solution and the commission give support its implementation as an affordable, safe, way toward better use of our resources in Los Osos.

Shirley Bianchi

Shirley Bianchi
Planning Commissioner
District 2, San Luis Obispo County
4375 Simeon Creek Road
Cambria CA 93428
805-927-8006

Pandora Nash-Karner
Solution Group
350 Mitchell Drive
Los Osos, CA 93402
805.528.7014

December 12, 1997

Steve Monowitz, Coastal Planner
Rusty Arieas, Chair
Peter Douglas, Executive Director
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, California 95060

Re: Los Osos Baywood Park Sewer project

Dear Messers. Monowitz, Arieas and Douglas:

The Solution Group has created a Comprehensive Resource Management Plan which will solve multiple problems for our community of Los Osos Baywood Park, and is affordable to our citizens.

We have worked with the country's leading experts in the field of wastewater treatment and land planning; William Oswald, Ph.D. and Bailey Green Ph.D., AIWPS™ Technology; Michael Parker, Civil Engineer, STEP/STEG collection system; Professor Dan Panetta, Principal Investigator Energy Efficient Resource Recovery Facility at Cal Poly; and, William Callaway, President SWA Group, an international landscape architecture and site planning firm.

The Community Plan approaches the wastewater issue from a completely different direction than the County's plan. The purpose is to recommend to the County, Regional Water Quality Control Board and the Coastal Commission a plan using proven technology that is successfully operating in locations within California. Our criteria was to create a plan that treats wastewater, eliminates or lessens the environmental impacts, addresses flooding and drainage problems, and ensures future potable water all at an affordable price.

The AIWPS™ Systems have proven remarkably successful a number of locations including St. Helena (31 years) and Bolinas (20 years). The city of Hollister has problems with their system because of operator error. All types of wasterwater technology can have potential operator problems. For example the California Men's Colony, located in San Luis Obispo, recently had such a severe operator error problem on their conventional mechanical system that their operator lost his license and was found criminally culpable.

Looking toward the future, according to *Small Flows* magazine, many small communities throughout the United States are seeking more environmentally appropriate and less expensive ways to solve their wastewater problems. The city of Delhi, California has a million gallon per day AIWPS™ plant ready to go on line in January 1998.

The AIWPS™ Technology is integral to our plan, and because you will probably be encountering this technology more and more in the future, we encourage you to contact the experts yourself. This will ensure the information you receive is up to date and accurate:

Blair Allen, Engineer
Inspector for St. Helena, Napa and Bolinas, AIWPS™ projects
Regional Water Quality Control Board
510-286-1309

Peter Husby, Environmental Scientist
EPA Region 9 Research Center
Richard, California
510-412-2331

Bart Christianson
Clean Water Department
State Water Quality Control Board
916-227-4426

Gene Gianopolis
Clean Water Department
State Water Quality Control Board
916-227-4320

William Oswald, Ph.D.
Bailey Green, Ph.D.
AIWPS™ Technology developers
Richmond Field Station
EE Health Sci Lab, Algae Lab
510-231-5682

Robert Gearheart, Ph.D.
(Designed the Arcata Wetlands)
Engineering Department
Humbolt State University
Arcata, Ca
707-826-3135

Michael Parker
i.e. Engineering
(STEP/STEG system engineer)
541-673-0166

Steve Thomas
Ross F. Carroll, Inc.
General Contractor who built AIWPS™ plant at Delhi, CA)
209-544-9394

Eugenie McNaughton, Ph.D., Biology
(former Water Board Member, Bolinas, California)
Aquatic Toxicologist
United States Environmental Protection Agency
415-744-1162

Communities can no longer afford to be like the shortsighted person who eats the seeds instead of planting them. Although this letter addresses the Community Plan and its benefits over the County's proposed sewer, our solution really addresses the bigger issue of future potable water, not only for Los Osos, but for all of San Luis Obispo County. We believe by managing what we have well—and managing it creatively—we will not need to import water with it's risks of mercury and chlorine. As you know imported water from Lake Nacimiento is scheduled to be piped along the estuary on South Bay Blvd. starting in 1999. The County proposed sewer project is driving the need for importing water. With the Community Plan, we can ensure our own potable water supply for full buildout in 2019, and beyond.

We see the Community Plan as an opportunity—not only for Los Osos Baywood Park—but for other coastal communities.

Mr. Monowitz, the Solution Group would like to meet with you immediately to address your questions and concerns. I will call you next week to discuss arranging an appointment. With your help we can help to protect the coastal environment; create future resources and preserve them for generations; and work together in new creative ways.

Thank you!

Sincerely yours,

Pandora Nash-Karner
Member, the Solution Group

PS: Attached is a copy of a newspaper article on the AIWPS™ technology used in Bolinas.

cc: San Luis Obispo County Board of Supervisors
Peter Rooney, CalEPA
John Caffrey, State Water Board
Roger Briggs, RWQCB
Tom Bordonaro, Assemblyperson
Jack O'Connell, State Senator
Office of the 22nd Congressional District
Tim Nanson, SLO County Engineering
Brian Hunter, California State Fish and Game
Diane Noda, US Department of Fish and Wildlife
Jerry Block, US EPA
Cheryl McGovern, US EPA
Cruz Bustamante, Speaker of the House
Leon Panetta
Barbara Boxer, Senator
Dianne Feinstein, Senator
Pete Wilson, Governor
Ray Belknap, SLO County Land Conservancy
Pat Veesart, Sierra Club

September 18, 1997

Aaron Armstrong
1794 Mountain View
Los Osos, CA 93402
(805) 528-6052

Peter M. Douglas
California Coastal Commission

Dear Public Servant:

I am requesting your assistance and support in exploring some possibilities that may improve the community of Los Osos.

As you are aware, Los Osos is in the middle of a controversial Sewer issue. One of the major issues relates to the proposed recharge percolation ponds to be located above Highland Drive. The perceived threat to the neighborhoods and the safety of families in the area is significant to the community. There appears to be widespread opposition to the proposed plan.

Another issue Los Osos has been struggling with is the lack of adequate parks for a community this size. Only one 6 acre park for a community of approximately 15,000.

What I would like from you is your consideration, support, or whatever information you can provide. My proposal is to secure a piece of property for use by the community.

This piece of property is located adjacent to the Los Osos Middle School. Approximately 46 acres to the east of the school and currently used for agricultural production. It is anticipated to be listed for sale in the very near future. I do not know the asking price or the value of this property. It is anticipated that the property will be listed with Better Homes and Gardens Real Estate Agent, Michael A. Powell in Los Osos. He can be reached by voice mail: (805) 546-2549 or at the office: (805) 528-2000.

I am suggesting that our County Government seriously consider an offer to purchase this piece of property to benefit this community.

Some possible uses of this property

1. An emergency discharge or flood basin immediately downhill and in very close proximity to the proposed Sewage Treatment Plant. *This may prevent sewage from reaching Los Osos Creek and eventually Morro Bay in the event of a spill or malfunction at the treatment plant.*

2. This flood basin can be nothing more than a large area of turf with a retaining berm at the eastern edge. A large area of turf can be irrigated with the treated effluent and therefore reduce the amount of effluent transported across town and uphill to the controversial recharge percolation ponds.

3. This property may also be utilized by community organizations such as; Los Osos Little League Baseball or South Bay Soccer Association. I have been involved with both of these organizations and am fully aware of the lack of available land resources. This lack of turf confines these organizations to school district property for all activities. With current participation, these resources are stressed. When the sewer issue is resolved, this community will begin to build and to grow. An increase in participants without an increase of resources will further restrict these organizations from providing a quality program for the youth of this community.

4. A Community Park. Portions of this property can be dedicated to natural habitat and a series of nature trails. Picnic and bar-B-Q areas with recreational elements such as: horseshoe pits, Frisbee golf, volleyball, possibly even a skate park or roller hockey arena. This park may also serve to enhance the resources available to the Los Osos Middle School and provide an additional educational element for our youth.

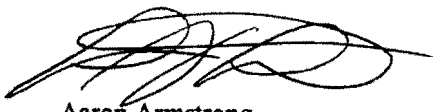
5. Location and Community Access.

Although not centrally located within the community, this property is adjacent to large scale residential developments and has easy access from South Bay Boulevard. Two entrances to this property already exist. 1) The dirt parking lot adjacent to the soccer/baseball fields has an access road through the cypress grove to this property. 2) The upper parking lot at the middle school has a paved access road down to the lower portion of this property. There is a gate at the parking lot to restrict access.

6. Additional Park Facilities for Youth Sports will reduce an existing traffic hazard. Currently, all scheduled games in Los Osos for the South Bay Soccer Association take place at the Los Osos Middle School on Saturdays. *If you have been involved with this organization or if you travel South Bay Boulevard on Saturday during soccer season then you already know what a traffic hazard exists at this one location. A park in the same general vicinity with two entrances and exits will reduce this existing hazard..*

7. There may be additional uses of this land. I believe some of these uses can be very beneficial to this community. I also believe this deserves some honest and objective consideration by our County Officials. It is up to us as a community to direct our elected officials in a direction that will benefit our community. I urge you to invest some time and effort to help enhance the quality of life in our community through our government and our elected public servants.

Sincerely,



Aaron Armstrong

Citizen

Cc: County Supervisors

Pete Jenny, Parks Facility Manager

Michael Draze, Supervising Planner

Mark Huchinson, Environmental Specialist

Tom J. Bordonaro, Assemblyman

Jack O'Connell, State Senator

Walter Capps, U.S. Representative

December 12, 1997

Chair Rusty Areias
California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

Dear Chair Areias,

After attending a Solution Group presentation and private issues discussion with Group members, I have decided to support the further consideration of the Solution Groups Comprehensive Resource Management Plan. I am writing the Coastal Commission to advise you of my support and to urge the Commission to put the weight of your position in favor of pursing the Community's solution.

I understand that the Community Plan addresses not only the wastewater issue but also the drainage, parks and potable water availability problems. This is a true holistic approach to solving several complex problems. Additionally, implementing a system that meets the same time frame requirements that are now being proposed.

In addition, I am concerned with the proposed County Plan, which has shown to be unaffordable by at least 30% of the Los Osos property owners and residents. I am in support of the Plan, that reduces the cost by $30 million and makes the solution substantially more affordable to the residents.

My concerns are for all the residents and property owners in Los Osos and feel that governance at a local level should be a high priority. I thank you for your time and consideration in this matter.

Sincerely,

Cathy Novak

Cathy Novak

Leslie S. Bowker, PhD
2017 Andre Ave
Los Osos, CA 93402
1-805-528-2579

December 12, 1997

Steve Monowitz, Coastal Planner
725 Front Street
Suite 3000
Santa Cruz, CA 95060-4508

As a Los Osos resident who is not currently affected by the proposed County Wastewater Treatment plan, I am strongly opposed to their plan for the following reasons:

Placing large volumes of non-disinfected, secondary treated effluent in infiltration ponds located at elevations above high density residential housing is an accident waiting to happen.

The proposed infliltration site has habitat which currently harbors at least three species of concern: the Banded Dune Snail, the Morro Bay Kangaroo Rat and the Morro Manzanita. Adequate mitigation measures (if they exist) have been neither proposed nor reviewed.

There is no plan to deal with the volumes of sludge produced.

The costs of the project, while high, still do not include budget items for repaving roads after construction, increased power consumption, land acquisition costs for species mitigation and the like.

Land owners have not been adequately advised as to additional costs they must bear such as hookup fees, septic tank decommissioning, lift pumps, etc.

The plan myopically addresses only wastewater treatment and fails to consider community flooding/drainage problems and the need to import Nacimiento Water should this plan be adopted.

Most of all, the County's Plan is unjust. With the county's restructuring the zones of benefit, the greatest burden of paying for the project is born by those least able to pay.

A comprehensive resource management plan has been proposed which addresses wastewater, drainage and potable water issues at a more reasonable cost more equitably distributed. Why won't the county consider it?

Sincerely

Leslie S. Bowker

November 17, 1997

Pandora Nash-Karner
350 Mitchell Drive
Los Osos, CA 93402
805•528•7014

Rusty Areias, Chair
California Coastal Commission
725 Front St., Suite 300
Santa Cruz, CA 95060

Dear Mr. Areias:

The wastewater treatment issue for Los Osos Baywood Park has been ongoing for 20 years without a viable solution that addresses multiple problems, and that is affordable. We now have the solution!

For the past four months the Solution Group has been working full-time on an alternative wastewater treatment plan called *The Community Plan.* Our group includes prominent members of the original CSA#9 Technical Advisory Committee and Blue Ribbon Committee; Citizens for Affordable Wastewater Systems (CAWS); Taxpayers Against Percolation Ponds Site (TAPPS); Community Services Area #9 members; Los Osos Community Advisory Council (LOCAC) members; local Realtors; seniors; businesspeople; engineers; scientists; environmentalists; and our local Park Commissioner.

The Community Plan is a Comprehensive Resource Management Plan, which addresses multiple problems:

1.) Protect and enhance the health and welfare of our citizens
2.) Provide safe disposal and reuse of wastewater
3.) Ensure future water needs ***without*** importation, and to accommodate full build-out (22,467 in 2019, *Ch.3 Estero Area Plan Update Draft, 8/97)
4.) Preserve our resources
5.) Address flooding problems
6.) Protect the Estuary
7.) Sustain our environment
8.) Create park and open space areas
9.) **Make the solution affordable for our community!**

We are very pleased to announce that The Community Plan will do all this and more, and will be faster to build. It will reduce the health risks associated with the County's proposal, solve multiple problems, lessen or eliminate the environmental impacts to five endangered species, include park areas, and is substantially cheaper!

We have not done this alone, three of America's leading consulting firms in wastewater management and land planning are working with us. Design drawings will be completed later this week. The design will be an asset for our Community because it will treat our wastewater, ensure our future potable water resources, and provide us with a beautiful location which will add to our positive sense of place. The Community's Plan, complete with budget, site drawings, design/construction schedule, and engineering information will be released in two weeks.

We have an opportunity - not only for Los Osos Baywood Park - but for other areas throughout our county and the United States. We can ensure and preserve future water resources, solve wastewater issues, create parks and other Community benefits by the way we work together in new ways, and by managing what we have effectively and creatively.

Enclosed is some information about our progress. We will be contacting you shortly with the details of The Community Plan, and asking for your support.

Sincerely yours,

Pandora Nash-Karner
Member, Solution Group

Joseph C. Giannini MARINE SURVEYOR

585 KERN AVENUE • MORRO BAY, CALIFORNIA 93442 • (805) 772-2861

December 9, 1997

Chairman, Board of Supervisors:

Ten years ago the Board of Supervisors agendized a public hearing to hear pros and cons on a proposed county sewer bond for Los Osos and Baywood Park. A standing room audience overwhelmingly opposed the bond as being too expensive, unaffordable and financially devastating to a small community. The elderly on fixed incomes and the low wage earners expressed concerns that they would be unable to pay the monthly bond costs and questions were raised as to why the elite living in expensive homes in the Cabrillo Estates and one-acre parcel home sites were excluded from the bond.

The County engineer strongly urged the Board to support the bond issue as the nitrates in the water supply were a concern.

The Board could or should have asked their engineer if he could assure them that the sewer system would resolve the nitrate problem.

The powerful, sovereign State Water Quality Control Board threatened the supervisors with heavy fines if the bond vote was not approved.

The ill prepared and ill advised Board of Supervisors, perhaps frightened by the threats, buckled. The public hearing was a charade, an insult to all of us. The people lost.

CAWS (Citizens for Affordable Waste Water) was formed by local residents. Years of effort, research, energies and time were spent to find a more affordable and more efficient system. Many presentations were made to the Board of Supervisors. The County engineer always prevailed. The peoples efforts were thwarted.

Nitrate in the water supply has been present for over 40 years when less than 2,000 people lived in Los Osos and Baywood Park. Nitrates have usually fluctuated from year to year. No one can say whether septic tanks, agricultural or natural elements in the soil are the cause.

To the best of our knowledge no medical problems from drinking water has ever been reported.

A recently formed group, Solutions Committee was formed from 17 local residents. These are people of impeccable character, honesty and knowledge of the local sewer problem. They are people with concerns of their homes, their people and their community.

Two highly specialized San Francisco consulting firms in sewer related problems were hired. Committee members met with Mr. William Oswald, Professor Emeritus of Environmental

Engineering and Public Health at the University of California. He has devoted over 50 years of his professional life to cheaper, better waste water reclamation. He told the Solutions Committee his system saves money, it works and is less expensive and is environmentally friendly.

On November 11, the Solutions Committee made their presentations to the County Health Commission. Over 200 people were in attendance on a wet and rainy evening.

Dave Mayfield who holds a master's degree in mental health and is a Solutions Committee member, did a study which found that 15% or 5,000 residents would be displaced. The five million dollar annual bond payment on the $71,000,000 bond plus interest would be drained from the local business community. In addition, the $85 to $90.00 monthly payment would deprive many on fixed income and low-wage earners, loss of medicine or food. Such concerns he said, would cause medical problems. This is a serious problem that must be addressed. Hopefully the County Health Commission will take a long, hard look at this problem.

The report and recommendations by the Solutions Committee cannot be ignored by the Board of Supervisors. They can no longer continue to ignore the people in a Democratic society. We the people can no longer be obliged to shake our heads and give up.

The Board of Supervisors must act quickly and decisively. It is they who must act. The right to conduct the people's business is held in trust by our elected representatives. It is our duty, and an important one, to remind them.

The State Regional Water Quality Board must open it's clenched fist, stop the threats, review the Solutions Committee findings and offer their help and expertise. The people deserve no less.

Concerned Citizens,

Joseph C. Giannini

Joseph Giannini

Jacqueline Smalley

Jacqueline Smalley
565 Baywood Way
Los Osos, Ca 93402

cc: State Water Quality Control Board
Coastal Commission
State Assemblyman Tom Bordonaro
State Senator Jack OConnell
Governor Pete Wilson
The Telegram Tribune & Sun Bulletin
The Bay Breeze
New Times
S.L.O. County Health Commission

TO:

California Coastal Commission
Central Coast Area
725 Front Street
Santa Cruz, Ca. 95060
and
45 Fremont Street, Suite 2000
San Francisco, Ca. 94105-2219

FROM:

T.A.P.P.S.
Taxpayers Against Percolation Ponds Site

REGARDING:

1. Wastewater Treatment Proposal for Los Osos/Baywood Park by SLO County Engineering.
2. Comprehensive Resource Management Proposal by Los Osos Solution Group as replacement to SLO County Engineering's project.
3. Appeal before the Commission to be heard in SLO Co., January 1998.

Honorable Commissioners
Executive Director
Chairperson

On behalf of TAPPS, I wish to again thank you for upholding our appeal in July and to quickly convey our group's unreserved support for the Solution Group's proposal as submitted to you for review.
This plan, addresses the critical issues of collection and treatment of effluent and septage and responsible distribution of highly treated product in such a way as to recharge our water supply and prevent dependence on imported water.

The plan, as you will clearly see in reviewing the proposal documents, is far superior to the County's project in the following areas:

Environmentally Superior;
Multi-faceted in problem-solving;
Protects land, water, plant, animal and human resources;
AIWPS is design proven more stable and less prone to problems which requires costly repairs/corrective or replacement measures;
Creates needed park lands and multipurpose land use opportunities;
Far superior life expectancy to conventional systems;
Far more affordable to the community.

Over 5,000 residents who object to the County's proposal for a system that negatively impacts the environment, does not solve the community's problems or meet present and future needs for drinking water have signed petitions asking for governmental intervention.

Please take a position of support for the project which solves the community's problems without negatively impacting the resources which your Commission is responsibly charged to protect.

Please remember that a crucial resource in this issue is the people of Los Osos/Baywood Park ... 1/3 to 1/2 will displaced from here if the County's project is allowed to be installed as presently designed. Our community will be permanently and negatively altered if you approve the County's request for permit.

We strongly urge you to:

- Review the Solution Group's proposal;
- Acknowledge the efficient operating history of like systems in Calif;
- Remember the report submitted to you which exposes potentially unreliable data used to support the alleged Nitrate problem in this community which warrants a conventional sewer system;
- Uphold the Solution Group s proposal as Environmentally Superior to the County's proposal;
- Deny the SLO County's request for permit to progress even with revisions or modifications.

Our community and associated resources need your protective support and wisdom applied in this complex and long-standing issue.

Thank You.
We look forward to meeting again in January, 1998.

Respectfully,

David L. Mayfield
TAPPS facilitator
12-11-98

December 10, 1997

C.A.W.S.

CITIZENS FOR AFFORDABLE
WASTEWATER SYSTEMS

RECEIVED

DEC 1 5 1997

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Peter Douglas, Executive Director
Rusty Areias, Chair
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Gentlemen:

RE: New Community Alternative Sewer Plan

The basic goal of CAWS has been to search for and obtain the most affordable and efficient wastewater system for Los Osos/Baywood Park. We have studied the County's proposed plans and are very familiar with them. Since 1988 we have actively been engaged in trying to institute improvements in this plan.

When recommended improvements by CAWS and other community organizations went unheeded by the County—and as a last resort—four different law suits were filed in order to change the coarse of the sewer proceedings. These suits constituted action against state and local government agencies. Over the last nine years our small community raised $89,000 to pay for attorneys fees to change the approach of the County's sewer plan.

Now a new solution to the dilemma has been developed. The Solution Group— made up of 17 individuals from members of the Technical Advisory Committee, County Service Area 9 Advisory Group, Los Osos Advisory Council, Morros Advisory Committee, local realtors, environmentalists, Civil engineers, Mechanical Engineers, Hydraulic Engineers, Systems Engineers, Blue Ribbon Drainage Committee, architects, landscape architects, homeowners, seniors, health professionals, and others has formulated a Comprehensive Resource Management Plan, called "the Community Plan."

This alternative plan solves multiple problems in the community <u>at less than half the cost</u> of the County's plan. Nationally recognized expert consulting firms specializing in wastewater management have been working with the Solution Group. The result is a comprehensive plan using proven technology that has been in place and operating successfully in California for over 30 years.

The "Community Plan" has been submitted to your staff and the County. It has been thoroughly reviewed by engineers, scientists and other experts in CAWS and more than exceeds our desired requirements.

It is vital to note the "Community Plan" constitutes a holistic approach to the complete water use cycle, from source (our aquifers), to use, to collection, and back to the aquifers through recharge. This plan <u>eliminates all of the Coastal Commission concerns</u> regarding habitat and is tertiary treated, disinfected!

P. O. BOX 6931
LOS OSOS, CALIFORNIA 93412
FAX 805-528-7033
805-528-8560

Working with the nationally known experts the Solution Group has created innovative methods to solving multiple problems; wastewater, potable water, environmental concerns, drainage and flooding. The "Community Plan" allows Los Osos Baywood Park to use the treated water to provide areas of enhanced beauty and utility to the citizens of the community.

CAWS endorses the "Community Plan" and recommends you support it strongly.

Sincerely

Virgil L. Just
Chairman, CAWS

cc: Steve Monowitz, Coastal Planner
San Luis Obispo County Board of Supervisors
Peter Rooney, CalEPA
John Caffrey, State Water Board
Roger Briggs, RWQCB
Tom Bordonaro, Assemblyperson
Jack O'Connell, State Senator
Office of the 22nd Congressional District
Tim Nanson, SLO County Engineering
Brian Hunter, California State Fish and Game
Diane Noda, US Department of Fish and Wildlife
Clancy Tenley, US EPA
Cruz Bustamante, Speaker of the House
Leon Panetta
Barbara Boxer, Senator
Dianne Feinstein, Senator
Pete Wilson, Governor
Ray Belknap, SLO County Land Conservancy
Pat Veesart, Sierra Club

South Bay Property Owner's Association
P. O. BOX 4121
San Luis Obispo, CA 93405
September 17, 1997

Ruth E. Brackett, Chair
Board of Supervisors
County of San Luis Obispo
County Government Center
San Luis Obispo, CA 93408

Dear Chairperson Brackett:

By way of introduction, my name is Ron Holland and I am writing you on behalf of the South Bay Property Owner's Association (SBPOA). As you may know, my family has been active in the South Bay for almost fifty years.

The purpose of this letter is to bring to your attention and the other board members the potentially damaging actions of Supervisor Laurent in connection with the community sewer project in Los Osos / Baywood Park. As you are undoubtably aware, this much awaited solution to many community problems is 75% designed and ready to proceed, but for some untimely delays.

Supervisor Laurent is in part responsible for the delays and continues to discuss alternatives to the sewer project that he knows are not feasible, but will continue to mislead the community and create the hope for an easy and inexpensive fix. This behavior is outragous and is diametrically opposed to actions taken by your collective board. Moreover, it appears Mr. Laurent is acting unilaterally with virtually no community input or support, let alone any direction from your Board.

The most recent example of Mr. Laurent's subterfuge is reflected in the local bimonthly newpaper "The Bay Breeze", a copy of which is attached for your review. Even this generally anti-sewer publication offers this caption above Bud's article "Another Delay or a New Opportunity?"

Furthermore, Mr. Laurent is attempting to interject his views and biases into the review of the project being conducted by the California Coastal Commission (CCC). As you are aware, the CCC is going to consider the project from an appeal of your Board's approval. Mr. Laurent continues to call for more studies. For instance, he has insisted on the completion of an updated groundwater basin model of Los Osos prior to proceeding on the sewer project. Mr. Laurent made this plea at recent board meetings on the subject, in spite of the fact the results of the pending update are not likely to make a meaningful contribution to the body of existing information about the groundwater basin. INTERESTINGLY ENOUGH, THIS SAME NOTION HAS MADE ITS WAY ONTO THE LIST OF REQUIREMENTS INDICATED BY THE CCC STAFF AS NECESSARY FOR FURTHER PROJECT REVIEW. How did this happen, but for Mr. Laurent's meddling?

The community of Los Osos / Baywood Park and the County as a whole have far too much riding on this issue to let one supervisor derail decades of progress on needed infrastructure. Mr. Laurent came into office on an anti-sewer platform and apparently cannot accept the fact that he will not prevail. He seems bent on doing as much damage as possible prior to his departure without regard for the general heath and welfare of the people of our community.

Instead of attempting to cause project delays, Mr. Laurent should be working on garnering money for the project. Surely, if he were sincere, he would employ all of his resources to secure grant assistance for those people in our community who truly cannot afford the cost of the improvements.

I respectfully request that you take whatever steps are viable in connection with countering Mr. Laurent's unresponsible and potentially damaging actions. He does not represent the County in this regard. Neither, more studies, cutting-edge technologies or the formation of a Community Services District will avoid the inevitable and necessary sewering of our community. Please help us complete the project.

If you have any additional questions, or would like to meet with me, or any members of SBPOA to discuss this matter in more detail, we would welcome the opportunity. In advance, thank you for your attention to this problem.

Sincerely,

Ron Holland, SBPOA

c- Tim Nanson, County Engineer
Mike Ryan, District 5 Supervisor
Harry Ovitt, District 1 Supervisor
Peg Pinard, District 3 Supervisor
Tom J. Bordonaro, Jr., State Assembly, 33rd District
Peter M. Douglas, Executive Director, CCC
Roger W. Briggs, Executive Officer, CRWQCB

Sept. 3, 1997

Calif. Costal Commission
Central Coast Area Office
725 Front Street, #300
Santa Crus, Ca 95060
attn: Steve Monowitz

9-4-97

Dear Costal Commission:

Enclosed are some coppies of some helpful background information about the Los Osos sewer system project and its years of countless delays by various government and citizen groups.

I have been trying to build my very ordinary home on an ordinary lot in los Osos since 1986. My plans all permits, (including costal comission approval), builder, etc. were paid for and complete.; Then, late that year I had a temporary finincal set back due to the illness and subsiquent death of my daughter. This was presented and documented and presented the CCRWQCB in an expemption request hearing to get my permits grandfatherd in 1991. After that and many other attemps I have been unable to get my permits renewed and have been unable to sell the vacant lot at any price.

This sewer problem and its government and citizen groups that have been persuing their anti-sewer/anti-growth agenda in this matter since 1982. And now again, there is no end in sight. So far, I have lost in excess of $125,000; more than my life's safings.

This latest effort by TAPPS and CAWS will certainly run my life unless you have the hearing on this matter in October (and not "someting in 1998") and allow this sewer project to proceed.

All involved government agencies have a built-in obligation to provide citizens with basic required infractructure such as this sewer system in a prudent and timely manner.

Many, many lot owners are also "stuck" as I am, with high price lots and high price property taxes and getting nothing for it, not even a vote. and many of them are too ashamed or too fustrated to deal with it.

This issues may even require an "emergency session" of your commission. If it cannot be resolved by Oct. or Nov. I whsh to know why.

Respectfully,

Bob Schirmeister 9-4-97

Robert F. Schirmeister
10645 Mt. Gleason Av.
Sunland Ca. 91040
818-352-1380

JOHN B. KNIGHT
23511 Mariano Street
Woodland Hills, CA 91367

Tele (818) 340-3022

September 2, 1997

California Costal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

Attention: Steve Monowitz, Coastal Planner

Reference: South Bay sewage collection and treatment system

Gentlemen:

As the owner of an undeveloped residential lot (lot 4 in Block 5 of Tract 40 - San Luis Obispo Co 5-7-46 Bock 5, Pg59) in Baywood Park, I have for several years sufferred financially from the delays in construction of the referenced sewage system, and I now understand that Citizens for Affordable Wastewater Systems and Taxpayers Against Percolation Ponds are again attempting to delay the sewage project.

I support the sewage project and urge a hearing at the earliest possible date so that construction can begin without further delays.

Sincerely,

John B. Knight

John B. Knight

Neil R. Watson
254 E. Fern Ave. #103
Redlands CA 92373-6071

Mr. Steve Monowitz, Coastal Planner
California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz CA 95060

Re: Los Osos/Baywwod Park Community Sewer System, and associated appeal of "Use Permit" to construct same.

September 4, 1997

Dear Mr. Monowitz,

I am deeply troubled by the recent appeal to the Coastal Commission by a group known to me as TAPPS (Taxpayers Against Percolation Ponds), to block the construction and implementation of a sewering system that will serve the communities of Los Osos, and Baywood Park in San Luis Obispo County.

I am a taxpayer too, and my legitimate interests in being able to develop my property (build a house) are all too often subordinated to local and vocal groups whose true agenda is hidden behind the smoke screen of law suits, appeals, and other forms of legal foot-dragging and delays.

I am actually amazed that in an area known for being so "Eco Aware," and "Eco Friendly," that there is so much opposition to a community sewer system; a system that would go a long way to solve ground and bay (Morro Bay and the Estuary) water pollution problems.

Could the real reason for so much opposition stem from the fact that pollution controls cost real money, and that those who currently pollute for free will now be presented with the bill for the clean up?

I urge the Coastal Commission to have timely hearings on this appeal in October or November of 1997. Please do not delay the construction and implementation of the community sewer system. Thank you.

Sincerely,

Neil R. Watson

Sept 7, 1997

Mr. Steve Monowitz
Coastal Planner
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060

Dear Mr. Monowitz,

My wife and I have owned a lot, known as 1143 Pasadena Drive (Lot 10, Block 2, Tract #4), Baywood for nearly 25 years. We have been planning, hoping to build our retirement home there. We are now 71 years of age and continue to hope our dream will be realized

As you know the Regional Water Quality Control Board has correctly identified serious environmental water problems. They passed resolution 83-13 mandating that the County of San Louis Obispo install and operate a sewer system in Baywood by 1988.

Additionally, the water control board established a building moratorium until the construction of the sewer system begins. The county, under the threat of daily penalties, has developed appropriate plans and time schedules.

Now, nearly 10 years after their deadline, after many Lawsuits and appeals some positive progress has been achieved. This effort must be allowed to continue. So many studies have been undertaken and completed! We do not need more! It's time now to actually begin the construction of the sewer project and comply with the agreed to time lines.

Sewers are a necessity for all of the homeowners in Baywood and for all Californians for obvious civilized societal reasons!

May we request that your hearing, your consideration of the facts, be scheduled for this October! We cannot accept additional delay. We are already 10 years beyond the 1988 deadline! We do not have any additional time!

Sincerely,

William and Oma Johnston

112 Via Sego
Redondo Beach
Ca 90277
(310) 373-8091

September 19, 1997

CALIFORNIA COASTAL COMMISSION
CENTRAL COAST AREA OFFICE
Attn: Steve Monowitz, Coastal Planner
725 Front St., Suite 300
Santa Cruz, CA 95060

Dear Sir:

As a way of introduction, my name is Ron Holland. I'm writing you in reference to the Los Osos sewer project which the Coastal Commission is presently reviewing. I recently heard that the Coastal Commission is intending to meet sometime in January to render a decision on the sewer project.

Without going into lengthy discussion about all the work and studies that have been done on this project, suffice it to say it's been studied till it stinks. Every governmental agency has looked at alternatives and have found none.

Los Osos is saturated with leach pits and is polluting the entire area. Our water is foul and the run-off is polluting Morro Bay at an alarming rate.

This is not a project that can afford further delay.

I respectfully request your hearing for January be moved to October or November of this year. I understand your staff may tell you that there is too much material to get ready to have a meeting that soon. I also respectfully submit to you that if you will stay to the issues at hand and not stray into alternative methods of sewering, this project will be completed sooner and we can stop polluting everything around us and get on with our life.

Sincerely,

R.G. Holland

R.G. Holland

BETTY TOMEO

1038 BAY STREET SANTA MONICA, 90405

September 5, 1997

California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

Attention: Steve Monowitz, Coastal Planner

Dear Mr. Monowitz:

How long can the degradation of the Morro Bay State and National Estuary be allowed to continue?

It is imperative that the Commission schedule a hearing this fall to consider the appeal of the approved "use permit" for percolation ponds and the method of discharging the treated wastewater so construction can start on the sewage collection and treatment system for the South Bay.

Thirty-two years ago, in 1965, my husband and I purchased an empty lot in Questa-by-the-Sea in Los Osos to hold until our retirement years. My retirement years are now here, my husband unfortunately has already died, I am still paying my taxes (and would gladly pay sewer fees) but I cannot build my retirement home because of the building moratorium.

Now I have learned that recent testing has indicated high levels of E. Coli bacteria in seep fringes of the bay. We can not tolerate continued pollution of the bay and ground water because of opposition to the basic requirement of civilization for a proper sewer system.

Sincerely,

Betty Tomeo

Noël Rodman
1845 Valle Vista Pl.
San Luis Obispo, CA 93401

9/10/97

California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

ATTN: Steve Monowitz

I am writing to you to tell you I am in favor of the Los Osos Sewer System.

I own property in Los Osos and have been unable to build on my property for the last 9 1/2 years. I have also had the burden of paying all my property taxes on land rendered useless by the building moratorium.

It has now come to my attention that Morro Bay is being polluted as well as the groundwater by the leaking septic systems. How long are you in government going to wait to fix the problem? You know, we put a man on the moon in the late 60's. This is only a sewer system solution we are talking about!

Do something now to get the sewer installed and its citizens property rights back as well as clean up the environment. We have studied this issue to death over the last 20 years!

I have enclosed a copy of the polluted bay article for you review.

Cordially,

Noel Rodman

805 544 8894 • FAX 805 544 3049

California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

September 25, 1997

Attention: Steve Monowitz, Coastal Planner

Dear Mr. Monowitz:

I write as an owner of property in Cuesta-By-The-Sea to plead with you to move forward with the work to install a modern sewage treatment plant in that area.

I have been writing and praying for what seems like decades that the process, begun so long ago, will finally be completed so that we can get on with building our dream retirement home.

Instead, what we have endured is a continuing series of delays, not by the good, honest public servants who are trying to get on with their work, as prescribed by the law, but by obfuscatory and predatory attacks by the likes of CAWS and TAPPS.

These groups adopt high sounding titles while their hidden agenda is to sacrifice all development on the alter at which they worship.

I worked hard to be able to buy the property I hope to develop into a retirement home. I pay my taxes and pay to have the property cleaned up, just as though the property had the kind of value I thought it would when I became the owner. Instead, the value of that property has been reduced to zero by the likes of CAWS and TAPPS who are intent on stretching a 1-2 year proposal-comment-modify approval process into an infinitely long road block.

Please move forward at the earliest possible date. There has been plenty of opportunity for obstruction over the last ten years.

Sincerely yours,

Robert W. Davis

Robert W. Davis
6520 Lagunitas Avenue
El Cerrito, CA 94530

Orr Bookkeeping and Taxes

October 6, 1997

California Coastal Commission
Central Coast Area Office
725 Front Street Suite 300
Santa Cruz, Ca 95060

Dear Commissioners,

As a resident, businessperson, and active community member, I would like you to give priority to the sewer project for Los Osos/Baywood Park. I have lived and worked in this area since 1971. My family moved to Los Osos in 1977. Since I can remember, this issue has been looming over the community. We must have the most studied sewer alternatives in the world.

I have participated in the process for twenty years. Each time I believe a resolution has been agreed upon, someone finds a new legal issue that delays the project. In reality, the initial fight was to delay or stop growth. The growth happened, anyway. Now we have multiple drainage and failed systems because there are too many people for the current system. Prohibiting additional fixtures has not stopped growth.... young families are still having babies. My household is actually smaller, however, I cannot add a bathroom to my home.

The divisiveness within the community continues to escalate. Signage has appeared in the county easement and on vacant lots. The easement belongs to all of us, the vacant lots cannot be built upon.

People tend to raise a fuss over issues they are opposed to, being for this project is not something generally popular. I want you to know that I am genuinely concerned about the degradation to our back bay which this community is daily contributing to. Our effulent is contaminating our drinking water and our recreation water.

We have been waiting a very long time for these multiple issues to be resolved. You now have the power to assist us in resolving the impediment which has halted construction. It may not be perfect, but it beats what we have. Thank you for your consideration, and I hope for forward progress on a sewer system for our community.

Respectfully yours,

Julie Orr

Julie Orr

cc: Senator Jack O'Connell
Assemblyman Tom Bordonaro, Jr
Supervisor Bud Laurent

1181 3rd Street, Suite A - Baywood Park, CA 93402 - (805) 528-3015

December 4,1997

To: Mr. Rusty Arieas, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105

From: Bob van't Riet
2751 Rodman Drive
Los Osos, CA 93402

Subject: Moving Ahead With The Los Osos Sewer

Dear Chairman,

Enclosed is a copy of my letter to Steve Monowitz of the the California Coastal Commission requesting that construction of the Los Osos sewer proceed without further delay.

The sewer issue has raged in Los Osos for eighteen years. During this period the citizens of Los Osos have studied, debated, litigated, protested and replaced their county supervisor.

For four years (between 1991 and 1995) Los Osos citizens groups, empowered by Supervisor Laurent, deliberated the need for a sewer and studied low cost alternatives. Ultimately, a modified conventional sewer was selected.

In October 1995 the County Board Of Supervisors voted unanimously to proceed with the sewer for Los Osos.

In July, 1997 the Coastal Commission, based on citizens group protests, stopped sewer development.

Eighteen years ago we had 5,000 Los Osos residents. Eighteen years ago excessively high nitrate levels were found in the shallow ground. Ever since the citizens of Los Osos have continued to politically churn the issues by studying, debating, litigating, and protesting. Today, Los Osos has 17,000 residents, we have contaminated water seeping onto the streets and septic system efflux migrating into upper Morro Bay, and citizens groups are still politically churning.

It is time to proceed with a sewer.

Please do all you can to keep the Coastal Commission from patronizing another cycle of political churning by Los Osos citizens groups.

Bob van't Riet

Bob van't Riet
Phone 805-528-8540

October 27,1997

To: California Coastal Commission
Central Coast Area Office
725 Front Street Suite 300
Santa Cruz, CA 95060
Attention: Steve Monowitz, Coastal Planner

From: Bob van't Riet
2751 Rodman Drive
Los Osos, CA 93402

Subject: Moving Ahead With The Los Osos Sewer

Dear Steve,

We are the owners of a lovely home building site in Los Osos.

We have owned this site for eight years. For eight years we have been trying to build our retirement dream home on it. However, we can't proceed because of the unresolved sewer issue in Los Osos.

I perceive that you are receiving letters from members of Los Osos citizens groups who oppose the plans for a sewer. Let me put their objections in historical prospective for you and then proceed into the here and now.

I Historical Prospective Summary

The sewer issue has raged in Los Osos for eighteen years. During this period the citizens of Los Osos have studied, debated, litigated, protested and replaced their county supervisor.

As a result of this continual churning the opportunity for a federal and state funded sewer was missed in 1988 and the sewer issue is still unresolved.

In 1990 the Sewer Assessment District was established by the vote of the property owners of Los Osos. The cash construction cost of the complete sewer system with very thorough effluent treatment was estimated at $39 million. Total project cost, including financing, legal, environmental mitigation, and permits was set at $71.5M.

In 1990 rejecting the need for a sewer the citizens group CAWS (Citizens Against Wastewater Systems) filed the first of many lawsuits blocking progress. Also, that November, Los Osos replaced its county supervisor with Bud Laurent on a campaign promise to resolve the sewer issue by finding a low cost alternative.

For four years citizens groups, empowered by Supervisor Laurent, deliberated the need for a sewer and studied low cost alternatives. The cost of these

studies to the tax payers exceeded $300,000. Ultimately, a modified conventional sewer was selected as the lowest risk for the community. In comparison to the 1990 design, the modified system is scaled down and provides an inferior level of treatment. Ironically, the cash construction cost is still estimated at $39 million with a slightly reduced assessment of $68 million.

In October 1995 (with the CAWS lawsuits rejected and the studies on alternatives completed) the County Board Of Supervisors voted unanimously to proceed with a modified conventional sewer for Los Osos as basically conceived by the empowered citizens groups.

In January 1997 the citizens group TAPPS (Taxpayers Against Percolation Pond Site) was formed to protest the location and design of the waste water percolation ponds of the project. After unsuccessfully petitioning many other government agencies, TAPPS appealed the environmental impact of the percolation ponds to the Coastal Commission. In July, 1997 the Coastal Commission agreed to hear the TAPPS appeal. This decision stopped sewer development.

Attachment I provides greater detail on the historical prospective for your complete understanding of the Los Osos sewer saga.

II Moving On

With the history of the Los Osos sewer saga behind us let us proceed to the here and now. I will move to the present by providing; a summary of the current status, uncomplicated reasons why Los Osos needs a sewer, insight into the reasons for the holding-up, and my feelings that it is time to act!

III Current Status

1) Design of the sewer by County Engineering has stopped at a 75% completion level.

2) Studies on an alternative to the percolation ponds are on going. A $75,000 test program has been authorized by the County Board of Supervisors.

3) After promising to resolve the sewer problem and eight years in office, Supervisor Bud Laurent is giving up and not running for reelection.

4) A citizens groups called "Solution" is trying to find a low cost alternate approach to the approved sewer design. They are restudying alternate concepts without requesting technical data or input from County Engineering, CRWQCB or Metcalf and Eddy. They are designing in a vacuum, but ironically blame the County Engineering for not listening to them in regard to the current sewer design.

5) The citizens groups CAWS has lost every lawsuits but, is considering modifying and refilling a previously rejected lawsuit.

IV Los Osos Needs a Sewer

The town of Los Osos needs an effective sewer. Los Osos is a town with over 17,000 residents and we all flush our toilets many times every day. The town was originally laid-out for summer use and weekend retreats. Most Los Osos lots are too small to support septic systems in continuous use.

Los Osos/Baywood Park has a very shallow ground water table with high nitrate levels. This makes the use of septic systems unreasonable, because 1) contaminated water seeps out of the ground onto the streets, 2) the water is lost to our deep wells which produce domestic water, and 3) the migration of septic system efflux into upper Morro Bay.

V What is Holding Up the Sewer? "The Tragedy of the Commons"

Why do we not have a sewer in Los Osos? A good question. I feel that "the tragedy of the commons", applies to the Los Osos sewer problem. When a toilet is flushed the users can't see any harm and therefore feels no obligation to spend hard earned money for a sewer.

Attachment II expresses my feelings on the underlining reasons for the holdup.

VI Time to Act

It is time to act. Eighteen years of study, analysis and discussion is an extremely long time. Eighteen years is too long for Los Osos residents to be concerned about the method of their home effluent treatment and it is too long to expose a community to drinking water concerns.

The California Regional Water Quality Control Board imposed a building moratorium that has been in place for nine years. Nine years is an extremely long time for a retired person to wait to build their dream home.

Eighteen years ago we had 5,000 Los Osos residents. Eighteen years ago excessively high nitrate levels were found in the shallow ground. Ever since the citizens of Los Osos have continually politically churned the issues by studying, debating, litigating, and protesting. Today, Los Osos has 17,000 residents, we have contaminated water seeping onto the streets and septic system efflux migrating into upper Morro Bay, and citizens groups are still politically churning.

It is time that we proceed with a sewer. All that eighteen years of endless churning has achieved for Los Osos is missed opportunities and ultimately a scaled down sewer. Please do not support another cycle of political churning and act now.

Bob van't Riet
Phone 805-528-8540

Attachment I

Historical Prospective

The Very Early Day of Los Osos
Before 1979

The town of Los Osos/Baywood Park was laid-out at the end of the last century with lots of only 25 feet in width. Many of these lots were given away to the original owners to promote Encyclopedia Britannica sales. Most of the original homes built on these lots were for occasional use as summer homes and/or weekend retreats.

Without a sewer, Los Osos relied on septic systems for human waste disposal. Homes were built on small lots. Because of these small lots, a high septic system density developed as the community grew.

Today, with few vacant lots, the septic system density is 14 per acre in many areas of Los Osos. This compares to two per acre as the current acceptable density for septic systems.

In the early days, Los Osos obtained excellent and renowned domestic water from shallow wells in Baywood Park. This acclaimed water was bottled and sold by a local company to out-of-town visitors. Today, our shallow ground water in Los Osos/Baywood Park is contaminated because of excessively high nitrate levels, the water bottling company has departed, and we rely on deep wells for domestic water.

18 Years of Studies
1979-1997

Eighteen years ago, in 1979, Los Osos was a small town of 5,000 residents

Eighteen years ago the California Regional Water Quality Control Board (CRWQCB) found that the shallow ground water of Los Osos/Baywood Park had excessively high nitrate levels. This 1979 finding started the never ending rounds of studies, debates and litigation about the need for a sewer in Los Osos.

Federal and State Sewer Funds Depleted
1988

By 1988 the federal and state sewer funds were depleted and Los Osos had "missed the boat" by studying the issues and failing to act for nine years.

9 Years of Building Moratorium
1988-1997

In 1988 the CRWQCB imposed a building moratorium in Los Osos to limit nitrate loading of the ground water system through the use of septic.

During this eight year period the CRWQCB has never penalized the community of Los Osos for stalling sewer development. Also, CRWQCB building moratorium has been ineffectual in controlling nitrate loading since the population of Los Osos has grown by more than 1,000 during this period.

Sewer Approved by Property Owner Vote
1990

In 1990 the Sewer Assessment District was established by the property owners of Los Osos. The cash construction cost of a complete sewer system was estimate at $39 million with a maximum assessment of $71.5 million. The 1990 sewer system design was very complete, providing home effluent removal for the total district with thorough treatment.

7 Years of Litigation
1990-1997

The citizens group CAWS (Citizens Against Wastewater Systems) filed the first of many lawsuit in 1990, blocking the sewer. Over seven years of filing lawsuits CAWS has never won a suit, but they have cost the community years and hundreds of thousands of dollars of legal costs.

Coy Out Laurent In
November 1990

Under the leadership of Supervisor Bill Coy the sewer was on track in 1990, with the assessment district established and assessments issued. In November of 1990 the voters of District Two replaced Bill Coy with Supervisor Bud Laurent on a campaign promise to resolve the sewer issue.

4 Years of Sewer Alternative Studies
1991- 1995

Supervisor Laurent fulfilled this promise by getting the Board of Supervisors to establish two community committees. One for the purpose of studying nitrate sources (Ground Water Nitrogen Study) and the other to find a low cost alternative to a conventional sewer. The cost of these studies to the tax payers exceeded $300,000.

The citizens on these two committees worked long and hard without pay. During this effort the air and water technology engineering firm Metcalf and Eddy was under contract to support them.

The results of the two year Ground Water Nitrogen Study were inconclusive, with many disagreements among the experts. However, there was some common ground. Progress was made on understanding ground water movement in our basin on a macro scale.

The citizens Technical Advisory Committee (TAC) evaluating alternatives worked with Metcalf and Eddy for two years. Over 98 meetings were conducted, all open to the public. They looked at an exhaustive list of alternatives with the main purpose of cost savings. Ultimately, a scaled down conventional sewer was selected as the lowest risk for the community.

Sewer Development on Track for One and a Half Years
1995-1997

The County Board Of Supervisors, in October 1995, voted unanimously to proceed with the recommended modified conventional sewer for Los Osos.

In comparison to the 1990 design, this modified system is scaled down. It only provides home effluent removal for the households in the areas with low ground water and small lots. The remainder of Los Osos will still rely on septic systems. Also, it provides an inferior level of effluent treatment in comparison to the 1990 design. Ironically, the construction cost is still estimated at $39 million.

A timetable for the development of the sewer was provided by the county to the CRWQCB. The CRWQCB accepted the timetable and agreed not to impose a fine provided the county proceeded on schedule.

TAPPS Formed
January 1997

In January, 1997 the citizens group TAPPS (Taxpayers Against Percolation Pond Site) was formed to protest the waste water percolation ponds from the sewer project.

TAPPS Appeals to Coastal Commission and Stops Sewer
July 1997

TAPPS appealed the pond issue to many government agencies, but was always rejected. Finally, TAPPS appealed the environmental impact of the percolation ponds to the Coastal Commission. In July, 1997 the Coastal Commission agreed to hear the TAPPS appeal. This decision stopped sewer development.

Today
October 1997

Today Los Osos is a large town with 17,000 residents. We still do not have a sewer and we do not have a accountable timetable for the development of a sewer.

The stalling of sewer development has never been penalized by CRWQCB.

Los Osos citizens groups are still politically churning the issues by studying, debating, litigating, and protesting. A citizens group called "Solution" has formed. Made-up of CAWS and TAPPS supporters its members are again trying to find a low cost alternate approach (or justify their approach) to the approved sewer design. They are restudying alternate concepts without requesting technical data or input from County Engineering, CRWQCB or Metcalf and Eddy. Without technical support and with eight years of alternate approach studies behind us it is extremely unlikely that they will find an acceptable low cost approach. It is highly likely that they are again offering false expectations to Los Osos.

Attachment II

What is Holding Up the Los Osos Sewer?
"the Tragedy of the Commons"

Given a finite communal resource, individuals will seek to maximize their own gain and if there is no outside force keeping them in line, they will eventually destroy the resource for all. This statement describes the classic sociological problem of "the tragedy of the commons".

"The tragedy of the commons" applies to the Los Osos sewer problem. When a toilet is flushed the user can't see how it affects drinking water quality. After all, the waste disappeared from the bowl and the "experts" disagree on the severity of the nitrate problem. The user questions, why is this my concern and why should I pay to fix a common problem, if one exists - I can't see it in my bowl it must have disappeared. Also, down hill flooding of homes with septic effluent can't be the uphill toilet flushers problem since underground movement of waste is stealth.

The user asks. With our deep wells still producing good domestic water and without a low cost alternative to the sewer being offered, why not continue to use septic tanks? What is the rush? Are we really destroying our community water resource, and our estuaries? What is are incentives to act now?

Unfortunately, in the short term there are no incentives, only disincentives, including;

- $68 million sewer system cost, which many of the Los Osos homeowners feel they cannot afford.
- Waste water percolation ponds behind homes.
- Lifting of the 1988 building moratorium resulting in growth. The community enjoys the vacant lots which provides them with a view, and a place for the kids to play. Also, having the absentee land owners pay taxes without using resources or having a voice in the community is appreciated.
- Ending one of best social activities in town. Opposing a sewer is a community rallying activity.

For many years, an incentive to limit septic tank use has been a threat of a $10,000 per day fine. The California Regional Water Quality Control Board (CRWQCB) has suggested a fine many times, but has never imposed it. With the CRWQCB crying wolf too often, the community has now totally discounted the possibility of a fine. Besides, the perception is that a fine would be imposed on the County and would not be directly out of pocket.

To grasp this tragedy totally, we need to open our eyes as we look around Los Osos. Near Sweet Springs at the intersection of Pismo and 4th we see very "un-sweet" water seeping out of the ground. On Los Osos Valley Road we find

a Sparkletts truck delivering drinking water to a residence with a sign in the front yard broadcasting objections to the sewer. Visiting Vons market, we will find signatures being collected by a community group on a petition to be sent to the governor to restudy and delay the sewer. Ironically, directly in front of them are lines of residents waiting at the drinking water vending machines for their turn to fill their containers.

Dear Coastal Commissioners

Open Letter to Governmental Representatives

From: Residents and friends of Los Osos, California July & August 1997

Dear Honorable Representative:

San Luis Obispo County Government, under threats of extreme fines from the State Regional Water Quality Control Board [RWQCB] , is mandating that 2/3 of the town of Los Osos/Baywood Park have a conventional sewer system. In 1990, a Sewer Assessment District was formed via a misleading mailer-process rather than a ballot measure. Since that time, the project has changed significantly and we the residents/friends of Los Osos are facing a socially engineered disaster that deserves your attention and hopefully your assistance.

We were led to believe that the sewer would:

1. Cost approximately **$49Million** dollars at...
2. About **$45.00/mth** per property holder;
3. Be located **out of the immediate residential boundaries** of town;
4. **Solve the problem of excessive Nitrates** in groundwater which is the RWQCB's rationale for mandating corrective measure; faulting existing individual septic systems;
5. **Recharge our water supply** and protect the community from the need to import water;
6. **Be the responsibility of SLO County** in the event of damages to properties or facility failures.

Now, the County of San Luis Obispo is acknowledging:

1. Costs are **$71.5Million** dollars at...
2. Individual property owner costs upwards of or greater than **$150.00/monthly;**
3. Both **treatment Plant and open air Percolation Ponds are within residential areas;**
4. **Nitrate problem** may not be corrected for upwards of **45-100 years** (depending on who one talks to);
5. The proposal is **no longer a Recharge project** due to Health Dept requirements for level of treatment; this places us at risk of depleting our water supply and needing imported water to sustain development and growth;
6. We, the assessed **are wholly responsible** for all construction costs, damages, repairs, replacement of sewer facilities and any legal claims arising from same will be levied against our own neighbors.
7. 1.8Million gallons of **undisinfected effluent** will be pumped into **open ponds** set directly above 700+ homes on a 10-18% sloping sand-dune hillside. We fear these pose threats to personal safety and to property values!

The **economic impact** of this sewer will devastate our community. **35-50%** if not more may be forced to sell their homes and or move because of the high costs of the project; this impacts renters as well. These costs will rob young families from providing preschool, scouting, sports and other socially/physically important experiences to their children. Older residents will be at risk of having inadequate resources for daily living and forced out of their homes. We thought our Country upheld building strong families and communities as a priority! And that the State of California held the goal of providing a decent home to each Californian.

If this project goes forward, our streets will be torn up for probably 2-3years. If we must sell our homes, who would come into such a disrupted community; let alone consider homes beneath sewer ponds!

We have appealed to our Board of Supervisors without success. They appear to be unduly pressed by the threat of fines by the RWQCB and want the "sewer monkey off their backs". The **Coastal Commission** heard our Appeal and noted Substantial Issue relative to 5 Endangered Species, scope of project and lack of compliance by SLO Co to various steps in the permit process. We desperately need political support and pressure directed to the RWQCB to accept a less extensive and safer project; to remove the threat of fines so the County Supervisors and Engineers can work with the community and the Coastal Commission in negotiating a reasonable proposal; to assist us in financing whatever project is agreed to. We are confident that you can help us!

WE THE UNDERSIGNED WILL BE COERCED TO EVALUATE THE FORCED SALE OF OUR HOMES or as RENTERS TO MOVE BECAUSE OF THIS UNFUNDED, MANDATED SEWER
PLEASE HELP US !!

Print Name	Signature	Address	Phone
AUDREY YANES	Audrey Yanes	1637 6th St. Los Osos	(805)534-1919
YVES ERIKSSON	Yves Eriksson	"	"

This would leave me with NO discretionary income!

Margaret Mehring, Ph.D.
420 Rosina Drive
P.O. Box 6171
Los Osos, California 93412
805.528.2552

August 4, 1997

Rusty Arieas, Chair
California Coastal Commission
Central Coast Area Office
725 Front Street, Suite 300
Santa Cruz, CA 95060

Regarding: Los Osos Sewer

Dear Mr. Arieas,

Los Osos is misunderstood. No one is saying "NO" sewer, they are saying "NO" to the PROPOSED sewer. There are three issues: 1.) drinking water 2.) wastewater 3.) drainage.

RWQCB and the County have said Los Osos must sewer. But the proposed sewer will NOT solve the drainage problems or recharge the aquifer, and puts us at risk for the cost of state water.

Our position: solve wastewater and drainage problems while safeguarding our drinking water by using proven, cheaper alternative technology.

When Los Osos people cry out that nearly 1/2 of its population CANNOT afford the $140 per month sewer costs, no one hears, no one responds.

Local business owner: "I'm going to pay sewer costs at home; and I've already had a rent increase at my business because of the sewer, and if $140 a month payment affects customers' incomes, my expenses increase and my revenues decrease." A 102 year-old woman living with her 73 year-old son, both living on Social Security: "Where are we going to get the money...where can we go, we've been here since 1953?" 7,000 people out of 15,000 can't afford a $140 per month payment. Do we tell the 102 year-old, "you're not going to live much longer, so move to a convalescent home?" and tell the businessman "tough, close up shop?"

All of us must come to the table. Reality is Los Osos CANNOT afford a $71.5 million sewer. Proven available alternatives can solve all three problems at much lower cost.

Let's stop bickering and set egos aside. Help us work together in a community-government partnership to create a project that will work, solve our real problems, be prudent, and be a project we can all be proud of.

Sincerely,

Margaret Mehring

Margaret Mehring, Ph.D.
Los Osos, California

Citizens for Affordable Wastewater Systems

P.O.BOX 6931 Los Osos, CA 93412 FAX (805) 528-5445

Mr Steve Monowitz
California Coastal Commission
725 Front Street. Suite 300
Santa Cruz, CA 95060
Dear Mr Moskowitz

For the last fifteen (15) years the County of San Luis Obispo and the Central Coast Regional Water Quality Control Board (CCRWQCB) have been forcing a disastrously costly sewer project on the residents of this community. For fifteen years the County Engineering Department lab has been sampling certain shallow wells to support the contention that there is a severe problem of high nitrate levels throughout the ground water basin. Both agencies have assumed that there is a measurable increase in nitrates and that this is caused by an increase in population and the number of septic systems installed in the community. There is evidence showing that a connection between nitrate observations and septic tank effluent has not been established.

The attached report is the result of an investigation into the site selection and sampling methods used by the County laboratory to obtain their data. There are clear indications that the "evidence" produced by the County results from surface water contamination measured at the point of introduction into the shallowest portions of the ground water basin.

A sanitary examination was made by a competent Civil/sanitary engineer, of each of the sampling sites. Six sites chosen by the county have shown high nitrates over the last fifteen years. Each of these sites is either an improperly constructed or improperly abandoned well . Each and every one is next to a known point source of surface water contamination.

There is at least one shallow (80 feet deep) properly constructed municipal well within the perimeter formed by these contaminated wells which has been producing excellent quality water at the rate of 100 gallons per minute since 1957 with almost no (2 mg/l) nitrates.

We believe that the CCRWQCB and the County have been deliberately circulating this false data to support their demand for the sewer.

This study along with 13 others shows that the misinformation, assumptions and possibly deliberately biased data were the basis for Resolution 83-13. This in turn is the driving force behind the sewer project, which will cost each home owner from $140 to $160 per month

The really frustrating part of this fiasco is that data collected at the cost of over one half million dollars ($500,000), is worse than useless and the real data can never be recovered. Three hundred and sixty (360)data points and fifteen years of opportunity to collect accurate data are lost forever. It may still be possible to salvage the data base, but never the data.

The citizens of this community are not asking for a hearing on this matter. In the past such hearings have been expressed by "Okay, you have three minutes to present your case then shut up!" What we desperately need is a round table discussion; a free and equal interchange of scientific information, data evaluation, and professional opinion, with full respect for the professional credentials of all participants. The goal would be to consider all evidence, scientific, environmental and financial, to define the real problems, the causes, possible solutions and with as little prejudice as possible, seek a compromise solution. This should be moderated by, or under the jurisdiction of the highest State level to assure the citizens of this community equal consideration with the County Board of Supervisors and the Regional Board This must be done with full recognition of the impact on the community before the current sewer proposal has decimated this community.

With this as our goal we ask your help. Please read the attached report. If you agree with us that the authors facts are worthy of serious consideration, then help us bring about such a meeting.

Thank you for you considerate attention.

Sincere[illegible] Virgil Just, Chairman

26 October, 1997
Mr. Steve Monowitz
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA

Dear Mr. Monowitz;

The attached report "Los Osos / Baywood Park Nitrogen Study" describes a project performed by members of the staff of the County of San Luis Obispo and a hired consultant Dr. Rajeev Dwivedi. All decisions as to site locations, methods and frequency of sampling, and monitoring techniques as well as supervision of installations and actual sampling, sample handling and data compilation were the responsibility of the County of San Luis Obispo, Engineering section and Dr. Rajeev. To the best of my knowledge, at no time during the actual site selection, installation and initial sampling was any member of the Technical advisory committee consulted.

On default by the consultant the final report was prepared by the Technical Advisory Committee and presented to the Board of Supervisors on August 10, 1994. It was unanimously accepted by the Board.

Although the conduct of the project and limited funding left a great many questions unanswered, the evidence of nitrification and denitrification was sufficiently clear to indicate that on site septic/ leach systems were probably not the culprits in the purported "nitrate problem" which has been continually reported by the County and the Central Coast Regional Water Quality Control Board to justify the "sewer". The report recommends further study to determine other possible causes.

The results of nitrate sampling after three months in which over 17 inches of rain fell on the study area were spectacular as shown in figures 20, 21 and 24. The concentrations of nitrate as Nitrogen in the soil core (in place) moisture content is far above MCL at all sites including natural and park settings.(see table 9 p.60).

The data here bears a striking resemblance to the findings in the report previously submitted as "A Detailed Examination of the San Luis Obispo County Nitrate Sampling Program" which indicates that surface water infiltration seems to have a higher nitrate concentration than the ground water.

This report as well as several others which do not support the contention of county engineering and the RWQCB has been suppressed by the county. No copies appear in any libraries or other publicly available sources.

Please have some competent person in you staff review the data and conclusions contained therein. We believe that the proposed sewer will solve no problem in thes community which cannot be solved better by far cheaper means.

Thank you for your consideration. Sincerely,

Wade D. Brim PE

764 Mar Vista Drive
Los Osos, CA 93402
(805)528-2143