

EXHIBIT C TO RESOLUTION 2020-9

Plan for Services

The Cayucos Sanitary District (“District”) is petitioning to annex four (4) parcels of real property consisting of approximately 257.87 acres. All parcels are owned by the District and two (2) of them are intended to remain in the District’s ownership for the foreseeable future. In the summer of 2019, the District received all required governmental permits and began construction of the Cayucos Sustainable Water Project (“CSWP”). The heart of the project is the construction of a new tertiary water resource recovery facility (“WRRF”) in the Toro Valley, north of the City of Morro Bay and south of the town of Cayucos, which will be operational in early 2021. The WRRF is located on Toro Creek Road, approximately .75 miles inland from State Route 1. The WRRF site itself is comprised of portions of two (2) parcels: APN 073-077-035, commonly referred to as Lot 8, consisting of 83.61 acres, and APN 073-092-056, commonly referred to as Lot 10, consisting of 152.4 acres.

The coastal development permit issued by the California Coastal Commission to the District authorized the creation of four (4) public lots, pursuant to Government Code section 66428(a)(2). The District acquired portions of the old Chevron Estero marine terminal property in order to re-purpose the old Chevron load line 2 offshore pipeline for use as a treated wastewater effluent outfall. The District developed a plan for future ownership and use of the public lots, in conjunction with the County of San Luis Obispo, the City of Morro Bay, the Trust for Public Land and the Land Conservancy of San Luis Obispo County. After rehabilitating and refurbishing load line 2, performing the required work for the project and reserving necessary easements in the public lots, the District, working with the land trusts intends to transfer the two ocean front public lots to the City of Morro Bay. The other two (2) parcels within the proposed annexation area are also public lots; Assessor’s Parcel Numbers 065-022-010 and 073-075-018, commonly referred to as Lot 6NE, consisting of 6.53 acres, and Assessor’s Parcel Numbers 073-075-019 and 073-075-020, commonly referred to as Lot 7N, consisting of 15.33 acres. Attachment 1 is an exhibit from the Coastal Commission staff report for the CSWP depicting the public lots. Lots 6NE and 7N will be sold to the Land Conservancy of San Luis Obispo upon completion of the CSWP and subsequently transferred to the County of San Luis Obispo as restricted recreational open space.

The proposed annexation area is uninhabited and has existing agricultural uses only. The District has extensive infrastructure, including Lift Station No. 5 and its appurtenances on Lot 6NE and influent and effluent pipelines crossing Lot 7N. As indicated above, Lots 6NE and 7N will be ultimately transferred to the County of San Luis Obispo as recreational open space. Lots 8 and 10 in the proposed annexation area will be used for the operation of the WRRF, which will ultimately be powered by a solar farm that is not yet constructed. The purpose of the WRRF is to provide the community of Cayucos with a cost-effective and sustainable water resource recovery system for the next 25-50 years. Additionally, the WRRF will create highly treated tertiary non-potable water suitable for agricultural irrigation. The District may lease portions of the proposed annexation area for agricultural purposes at some point in the future. No additional services are proposed to be added to the site as a result of the annexation.