



AGENDA ITEM:

3.A.2

CAYUCOS SANITARY DISTRICT

200 Ash Avenue / PO Box 333
Cayucos, CA 93430
(805) 995-3290

www.CayucosSanitaryDistrict.gov

GOVERNING BOARD

R. Enns, President
S. Lyon, Vice-President
J. Curti, Director
J. Smith, Director
J. Clark, Director

BOARD OF DIRECTORS SPECIAL MEETING MINUTES THURSDAY, DECEMBER 18, 2025 AT 5:00 P.M. 200 ASH AVENUE, CAYUCOS, CALIFORNIA 93430

1. ESTABLISH QUORUM AND CALL TO ORDER

President Enns called the meeting to order at 5:00 p.m.

Directors Present: President Robert Enns, Vice-President Shirley Lyon, Director John Curti, Director Justin Smith, and Director Joe Clark

Staff Present: Interim District Manager Will Clemens and Administrative Services Manager/Board Secretary Amy Lessi

Guests Present: David Athey; Carla Wixom, Mayor of the City of Morro Bay; Andrea Lueker, Morro Bay Interim City Manager; and Brian Stack, City Attorney

2. PUBLIC COMMENT ON AGENDA ITEM(S)

Written public comment was received from the City of Morro Bay (attached).

3. DISCUSSION AND CONSIDERATION TO APPROVE A PURCHASE AND SALE AGREEMENT FOR THE JOINTLY OWNED CITY OF MORRO BAY AND CAYUCOS SANITARY DISTRICT WASTEWATER TREATMENT PLANT PROPERTY AND RELATED ASSETS

In response to the comments received from the City of Morro Bay ("CMB"), Manager Clemens changed his recommendation for this item and suggested that no action be taken at this meeting. The Board was agreeable to the CMB's request for an escrow company located in Morro Bay, and to evenly split the escrow and closing costs. The Board directed Legal Counsel to work together with CMB to come to acceptable terms on language related to potential pollution remediation.

Public Comment: None

Item 3 was received (no Board action taken)

4. ADJOURNMENT

The meeting adjourned at 5:52 p.m.

Minutes Respectfully Submitted By:

X

Amy Lessi
Administrative Services Manager/Board Secretary



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

December 18, 2025

Cayucos Sanitary District
President and Board of Directors
200 Ash Avenue
Cayucos, CA 93430

RE: Board of Directors Special Meeting, December 18, 2025, Item 3 – Discussion and Consideration to Approval a Purchase and Sale Agreement for the Jointly Owned City of Morro Bay and Cayucos Sanitary District Wastewater Treatment Plant and Related Assets

President Enns and Board Members,

I would like to express my appreciation for your time and efforts in moving this item forward, which I believe will ultimately be of great benefit to both our communities. While the City of Morro Bay is still in the process of reviewing the draft purchase agreement (first made available to the City via publication of your Special Meeting Agenda on December 17, 2025), there are several preliminary comments on the draft purchase agreement I wish to bring to your attention prior to your meeting this evening in hope that appropriate direction could be given by your Board which should help minimize the delay in any final approval of the agreement by both agencies:

1. Language concerning waiver or release of claims related to prior joint use. Suggested draft language – *The District and the City agree that by entering into this Agreement, neither Party shall be deemed to have waived or released any claims or defenses regarding any hazardous waste later discovered on the Property related to the Parties prior joint use or occupancy of the Property.*
2. Section 3.1 – Request an escrow company located in either Morro Bay or Cayucos.
3. Section 7.3 – Request the typical split of 50/50 of all escrow and closing costs.

Please share this correspondence with your Board members and applicable staff prior to the meeting this evening. Thank you for your consideration.

Sincerely,

Carla Wixom, Mayor
City of Morro Bay

cc: Morro Bay City Council
Brian Stack, Morro Bay City Attorney
Andrea Lueker, Morro Bay Interim City Manger