AGENDA ITEM:
3.A.1

CAYUCOS SANITARY DISTRICT

200 Ash Avenue / PO Box 333
Cayucos, CA 93430
(805) 995-3290
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GOVERNING BOARD
R. Enns, President
J. Curti, Vice-President
S. Lyon, Director
J. Smith, Director
J. Clark, Director

BOARD OF DIRECTORS
REGULAR MEETING MINUTES
THURSDAY, FEBRUARY 19, 2026 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 5:02 p.m.

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

Directors Absent: Director Shirley Lyon

Staff Present: District Manager David Athey and Administrative Services Manager/Board Secretary Amy Lessi

Guests Present: Michah Buster, Heather Harris, and Aliah Meza of the Marine Mammal Center ("MMC")

2. PUBLIC COMMENT

Jim Billings, resident of District 4, expressed interest in serving on the Board of Directors.

3. CONSENT CALENDAR

Public Comment: None

Motion: By Director Curti to approve items on the Consent Calendar as prepared
Second: By Director Clark
Vote: 4-0 Motion passed

4. STAFF COMMUNICATIONS AND INFORMATION ITEMS

Regarding the force main break referenced in the Manager's Report, Director Smith inquired whether staff is monitoring the lifespan of the District's force mains and tracking the timing of necessary repairs and replacements. Manager Athey responded that these considerations are expected to be addressed in the five-year Capital Improvement Plan contracted to former District Manager Rick Koon, and staff will monitor and evaluate the system on an ongoing basis.

Public Comment: None

Item 4 was received and accepted (no Board action necessary).

5. DISCUSSION AND CONSIDERATION TO APPROVE A GRANT OF LICENSE AND AGREEMENT AFFECTING REAL PROPERTY LOCATED AT 3250 OCEAN BLVD. (APN 064-424-019)

Manager Athey provided a summary of the plan revisions, noting that the proposed encroachments have been significantly reduced from the original submittal. The Board expressed concerns regarding drainage, specifically that runoff from the site could be directed toward the District's easement. The Board also raised

concerns about potential footing encroachments along both easements. Manager Athey confirmed that the footings are not encroaching and do not present an issue.

Public Comment: Mr. Billings wondered if a footing is proposed under the Allan Block wall, and Manger Athey answered it will be a gravel base footing (no concrete).

Motion: By Director Smith to approve a Grant of License and Agreement Affecting Real Property located at 3250 Ocean Blvd. (APN 064-424-019), subject to District Manager Athey's confirmation that drainage will not impact the District's easement.
Second: By Director Curti
Vote: 4-0 Motion passed

6. DISCUSSION AND CONSIDERATION TO ADOPT RESOLUTION 2026-02 FINDING THAT A PORTION OF THE WATER RESOURCE RECOVERY FACILITY PROPERTY PROPOSED TO BE LEASED TO THE MARINE MAMMAL CENTER IS EXEMPT FROM THE SURPLUS LAND ACT

President Enns requested confirmation that the property's Agricultural zoning is compatible with MMC's intended use. Micah Buster of the MMC responded that during a Pre-Application Meeting with the County, they were advised that practicing veterinary science is permitted within the Agricultural zoning designation, but will require a Minor Use Permit.

Public Comment: None

Motion: By Director Smith to adopt Resolution 2026-02 finding that a portion of the Water Resource Recovery Facility property proposed to be leased to the Marine Mammal Center is exempt from the Surplus Land Act
Second: By Director Curti
Vote: 4-0 Motion passed

7. DISCUSSION AND CONSIDERATION OF THE MARINE MAMMAL CENTER PROPOSED FINAL DRAFT FACILITY LAYOUT AND DESIGN ELEMENTS FOR BUILDING SUBJECT TO GROUND LEASE AT THE WATER RESOURCE RECOVERY FACILITY PROPERTY

Micah Buster of the MMC presented the final draft design. Manager Athey recommended that MMC obtain preapproval for the proposed stormwater basin location, which is currently shown within the right-of-way. President Enns stated a preference for grading the site rather than raising it with fill and requested that the fencing be consistent with that of the Water Resource Recovery Facility (WRRF). Mr. Buster responded that the National Oceanic and Atmospheric Administration has specific fencing requirements for animal enclosures; however, MMC is willing to explore extending the existing WRRF perimeter fencing to enclose their facility.

Public Comment: Mr. Billings wondered if the MMC will be disposing of salt water for treatment at WRRF, and Manager Athey responded that salt water is not necessary for their operations; they will only be using recycled water.

Item 7 was received (no Board action necessary).

8. DISCUSSION AND CONSIDERATION OF THE CITY OF MORRO BAY'S REQUEST TO APPROVE ARCHEOLOGICAL TESTING AT THE JOINTLY OWNED WASTEWATER TREATMENT PLANT PROPERTY

The Board determined that the information provided by the City of Morro Bay was insufficient to justify approval of the requested testing. The Board also determined that additional detail regarding the scope, purpose, and implications of the proposed testing is needed prior to further consideration.

Public Comment: Mr. Billings opined that the party developing and benefiting from the property's new use should be responsible for the requisite archaeological testing.

Motion: By Director Clark to deny the City of Morro Bay's request to approve archeological testing at the jointly owned Wastewater Treatment Plant property

Second: By Director Smith
Vote: 4-0 Motion passed

9. CLOSED SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8
Property: APN 073-092-056; Toro Creek Road
Agency Negotiator: District Manager, David Athey
Negotiating Parties: Chief Executive Officer, Cecily Majerus, and Director of Life Support Systems and Facilities, Micah Buster (The Marine Mammal Center)

B. CONFERENCE WITH REAL PROPERTY NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54956.8
Property: APNs 066-331-032, -033, and -034; 160 and 180 Atascadero Road and 1700 Embarcadero, Morro Bay
Agency Negotiator: District Manager, David Athey
Negotiating Parties: City Manager, John Craig (City of Morro Bay)
Under Negotiation: Price/terms of payment

Public Comment: None

At 6:17 p.m., President Enns announced that the Board would transition to Closed Session.

Directors Present During Closed Session: President Enns, Vice-President Curti, Director Smith, and Director Clark

Staff Present During Closed Session: District Manager David Athey

10. RECONVENE TO OPEN SESSION & REPORT FROM CLOSED SESSION

Open Session reconvened at 6:39 p.m.

Items to report from Closed Session: None

11. BOARD MEMBER COMMENTS

None

12. FUTURE SCHEDULED MEETINGS

- March 19, 2026 – Regular Board Meeting
- April 16, 2026 – Regular Board Meeting
- May 21, 2026 – Regular Board Meeting

13. ADJOURNMENT

The meeting adjourned at 6:41 p.m.

Minutes Respectfully Submitted By:

X

Amy Lessi
Administrative Services Manager/Board Secretary