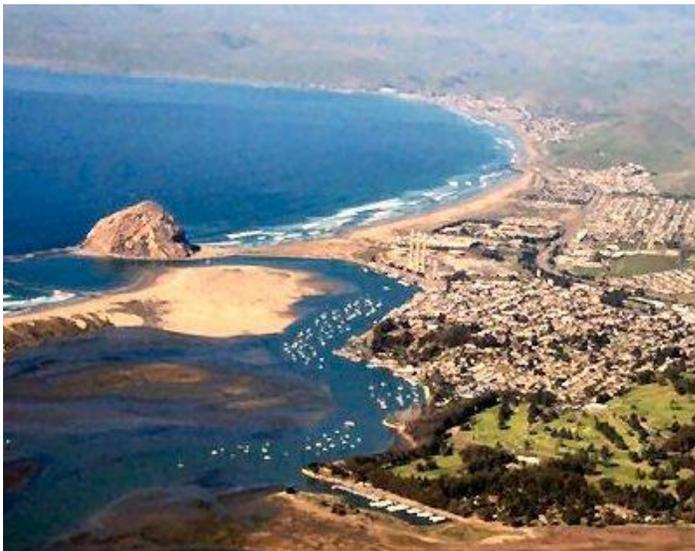


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Morro Bay residents win referendum petition against city hall

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By CCT STAFF



The citizens of Morro Bay have won the right to vote on a referendum challenging a city ordinance that allows annexation of a property where the city plans to build a \$126 million sewer plant.

The proponents of the referendum, Citizens for Affordable Living, object to the city moving its waste facility to a 27-acre property near the watershed of the Morro Bay Estuary. The land for the proposed sewer plant and its high-pressure pipeline is situated a half mile from the estuary and the Back Bay, which is designated a marine protected area.

“Sewage leaks or spills will have direct flow to this area via an adjacent creek that joins Chorro Creek, one of the estuary’s two tributaries,” the grassroots group of residents said in an email. “Concern was heightened recently when PG&E announced its rolling blackouts. That’s how Puget Sound was wasted in July 2019: power outages caused two sewer plants

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to fail within one week of each other, dumping a total of 4.5 million gallons.”

In addition, the group has voiced concerns over what they believe to be unchecked costs. The city has already spent over \$10 million on the project, even though they have not yet purchased the property or started construction.

City Manager Scott Collins said the expenditures show the city is being diligent in its approach. City funds were spent on studies, consultants, an environmental impact report and a coastal development permit.

“It has been an ethical approach,” Collins said.

The group is also concerned with soaring sewer rates. The group has suggested three other sites they believe are better suited for a sewer plant, and because the locations would substantially cut costs.

“The city likes to state that Morro Bay’s ‘water and sewer rates are on par with our neighbors.’ The statement does not match data in the May 2019 Atascadero City Council staff report,” the group said in an email. “Even prior to the latest rate increase, Morro Bay had the most expensive sewer rates of any SLO County city.”

Comparison of Single-family Residential Monthly Wastewater Bills
For Rates in Effect April 2019



For decades, developers have worked to gain approval to build a housing development on a 400 acre site near the corner of South Bay Boulevard and Highway 1. The city’s plan to purchase 27 acres of the property for the sewer plant, and construct and maintain infrastructure

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including roads, will significantly cut developer Tri-W's costs, the group said.

"No other site has the need for the additional number of new pipelines, additional number of new pump stations, additional number of easements and encroachments as the South Bay Boulevard site," the group said in an email. "To eliminate the \$40 million cost of this 3.5-mile pipeline conveyance system would be a savings. That's \$40 a month less on a family bill."

Before selecting the South Bay Boulevard site, city officials looked at 17 different properties, comparing costs, impacts, technical feasibility, and the property owner's willingness to sell, Collins said.

"The citizens have had significant say at many meetings," Collins said, painting Citizens for Affordable Living as a small but vocal group of residents.

On Oct. 22, the San Luis Obispo County Clerk Recorder's Office verified 894 valid signatures out of the more than 1,000 collected. On Nov. 12, the Morro Bay City Council will have to choose between rescinding plans to annex the South Bay Boulevard property or putting the decision out to a vote of the people at either the March 2020 primary or the Nov. 2020 general election.

Regardless, Collins said the city will close on the South Bay Boulevard property within the next week or two, and will likely begin construction before the public votes on the referendum. While city officials would prefer to annex the property, they can build the sewer plant on county land, Collins said.

"The council majority has said they plan to move forward regardless of the moratorium," Collins said. "If the referendum passes, we will pay property tax. If we annex, we do not have to pay property tax and we control the property."

Betty Winholtz, a member of Citizens for Affordable Living, disagrees, saying county officials can elect to waive property taxes on land used for public utility purposes.

"They can keep it in the county, but they are doing it against the will of the people who recognize the estuary is more important than that,"

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Winholtz said. "When the public votes as a majority against Collins, is he still going to call us a minority."