V. Statement of Overriding Consideration

The Final EIR has identified and discussed significant effects which will occur as a result of the proposed Wastewater Facilities Project. With the implementation of the mitigation measures identified in the Final EIR, these effects can be mitigated to a level of insignificance except for construction related air quality impacts.

Having reduced the effects of the proposed project by adopting the other mitigation measures and a program to monitor mitigation measures for certain project-related impacts, and having balanced the benefits of the project against the project's unavoidable adverse impacts, the Board of Directors of the Los Osos Community Services District hereby determines that the benefits of the proposed project outweigh these potential unavoidable adverse impacts based on the following overriding considerations:

The objectives for the project, as stated by the Los Osos Community Services District Board of Directors, are as follows:

1. Collect, treat and dispose of wastewater within the Regional Water Quality Control Board Prohibition Zone and manage septic systems outside the collection area so as to improve basin groundwater quality, protect public health, and minimize degradation of the natural environment related to the management of wastewater.

2. Protect Morro Bay and the Morro Bay Estuary by cleansing basin groundwater and storm water crossing wastewater project sites.

3. Provide wastewater collection, treatment and disposal capacity for existing and future land uses within the District's Wastewater Collection Area in accordance with the Estero Area Plan.

4. End the building moratorium so that the community of Los Osos may continue to evolve in accordance with the community's vision for the future and the Estero Area Plan.

5. Construct and operate groundwater harvesting improvements aimed at achieving a sustainable water supply for full community buildout without importing water from outside sources.

6. Minimize the project's economic impact on property owners and customers by selecting technologies and facilities with low capital cost and high cost effectiveness.

7. Minimize adverse societal impacts by selecting appropriate technologies that minimize energy use and sludge production.

8. Minimize disruption to the community and risk to construction workers by selecting low impact construction technologies and scheduling.

9. Provide for the mitigation of habitat loss on project sites and small undeveloped lots within the Prohibition Zone by facilitating the preservation and management of suitable replacement habitat.

10. Provide sufficient redundancy to satisfy routine maintenance needs and meet unexpected emergency conditions.

11. Provide for initial disposal of treated wastewater so as to maximize cost effective recycling on open space and initiate cleansing of portions of the upper aquifer.

12. Implement a water conservation program to minimize consumption of this valuable resource.

13. Design the collection system to facilitate future connection of development concentrations outside the Prohibition Zone but within the Los Osos Community Services District.

14. Enhance Los Osos' "Sense of Community" by providing the opportunity for aesthetically pleasing multi-use facilities that include amenities such as trails, bikeways and open space.

The objectives articulate the shared vision of the community for the Wastewater Facilities Project and were arrived at through many months of analyzing alternatives and involving the public at key decision points. The preferred configuration of project components, and the preferred treatment plant site, were chosen to achieve each of these stated objectives. Of particular importance are objectives 6., 7. and 14. which speak to the issues of cost, both economic and social, and the sense of community achieved through the provision of an aesthetically pleasing open space/park amenity centrally located to serve the community. These stated objectives underscore the community's desire to balance compliance with the requirements of the Regional Water Quality Control Board with other community goals, such as protecting the environment, providing a sustainable water supply for the community, making the project affordable to all income groups and providing much-needed open space.

To meet the objectives stated by the CSD, a number of sites and alternative technologies were considered as discussed in the Final EIR. Sifting through the various alternatives was aided by a computer program sanctioned by the State Water Resources Control Board which assigns a weighting scheme to each key decision-making criteria which may then be scored and ranked quantitatively for comparison. The criteria and sub-criteria used in the comparison process are illustrated by Figure 1-1 on page 4 of the Final EIR. After weighing the criteria identified in Figure 1-1, the CSD Board concluded that a hybrid (covered and odor scrubbed) extended aeration treatment plant on a site centrally located within the community would be best suited to meet the discharge requirements of the Regional Water Quality Control Board and the other objectives stated by the CSD Board. An in-town site was chosen over other locations because:

- It results in the lowest cost for the collection system by centrally locating the treatment facility within the area served; and,

- It enables the treatment plant site to provide open space centrally located and accessible to the citizen of Los Osos;

While the February, 2001 Final EIR assesses the potential environmental consequences of the Wastewater Facilities Project, other aspects of the project, the *Draft Project Report* prepared by Montgomery Watson Engineers, which is incorporated herein by reference and available at the CSD offices, provides a comprehensive comparison of each alternative considered by the Board for collection, treatment, disposal and for treatment sites by considering cost and other advantages and disadvantages. Based on the Final EIR, the *Draft Project Report* and other evidence in the record, the Board of Directors has concluded that the benefits of the preferred project include:

- *It provides a cost effective wastewater management solution.*

Ultimately, property owners will be responsible for paying for the project. Its is estimated that approximately 33% of the community's residents are low income residents. Only a cost-effective solution will successfully pass an assessment district vote scheduled for the spring of 2001. The preferred project components provide the community with a cost-effective solution that meets the RWQCB requirements.

- *It improves local groundwater quality.*

According to the Regional Water Quality Control Board, the community's existing septic system is contributing to high nitrate levels in the groundwater. Once implemented, the project will eliminate the use of the majority of septic tanks, limiting further contamination of the groundwater. Over time, its is expected that rainwater and other natural processes will reduce nitrate levels in the upper aquifer.

- *It creates a community amenity.*

As currently envisioned, the wastewater treatment facility will be constructed and landscaped to maximize active and passive recreational space in the center of the community. Not only will this provide aesthetic benefits but it will also provide park space for local schools and community groups near the existing community center.

- *Maintains local control of the community's water resources.*

Currently, the community has no way to centrally collect its wastewater effluent. As part of the project, a central collection and treatment system will allow the community to holistically manage its effluent and make it available as a resource to the community in the form of recycled water for irrigation and other uses.

- *It promotes sustainable use of local groundwater resources.*

Currently the community draws water from the lower aquifer for potable and non-potable uses. As part of the project, recycled water will be available to supplement the community's water supply, reduce its dependence on groundwater supplies and minimize the need to import water supplies.

- *It reduces seawater intrusion.*

The lower aquifer is currently in a state of overdraft and is experiencing seawater intrusion. The project will provide the community with opportunities for water conservation and water recycling that will decrease its need for water from the lower aquifer.

- *The project protects the Morro Bay estuary.*

According to the RWQCB, septic tanks are a source of nitrate and bacterial contamination to the Bay. As part of this project, the majority of septic tanks will be abandoned and this source of contamination will be eliminated.

- *It returns decision about growth and development to local officials.*

By implementing the project, the building moratorium imposed on the community in 1988 will be removed by the RWQCB. Although some members of the community view the moratorium as a benefit, it has prevented the community from achieving the goals and objectives outlined in the Estero Area Plan which governs land use for the community of Los Osos. The process of local land use control may resume when the project is implemented and the moratorium is lifted.

Together, the benefits stated above outweigh the significant and unavoidable adverse impacts associated with the project.

VI. Potential Environmental Effects Which Area Not Significant