



**Executive Committee Quarterly Meeting
Estuary Program Offices, Morro Bay, CA
and via Video Conferencing**

**August 20, 2025
4:00 pm**

Minutes

Attendees: Jason Curtis, *Bay Foundation*; Phil Hammer, *Central Coast Regional Water Quality Control Board*; Becka Kelly, *Morro Bay Harbor Department*; John Flaherty, *Recreation/Tourism seat*; Vivian Lopez, *USEPA*; Kate Ballantyne, *SLO County Public Works*; Ethan Bell, *Fisheries Ecologist, Stillwater Sciences*; Marshall Ochylski, *CSD Vice President of the Board*; Chris Womack, *CSD President of the Board*; Lisen Bonnier, *organic farmer*; Zara Landrum, *Morro Bay City Council*; Ann Kitajima, *MBNEP Staff*; Melodie Grubbs, *MBNEP Staff*

1. Introductions and Updates

- Becka: Dredging State Park Marina has been put on hold, unknown for how long, due to the amount of funding required for the project and because of environmental concerns. The Harbor Department appreciates support on the Tidelands Dock pumpout project. The unit is working wonderfully.
- Ethan: Stillwater Sciences is conducting work on Chorro Creek with the Estuary Program to research steelhead. They've completed the second year of monitoring the migration of steelhead through Chorro Creek. In the first year, they saw a lot smolts coming from San Luisito Creek. In the second year, the production was more from Chorro. In the third year, they will be adding PIT tagging in San Bernardo Creek to look further at how steelhead are using the tributaries versus the mainstem. The work starts tomorrow. The acoustic tagging work in the estuary is wrapping up, so more data available soon.
- Marshall: Update on the purchase of Cuesta Inlet. The Save Cuesta Inlet nonprofit has about half of the funding needed to purchase the property. Marshall also mentioned the purchase of the school parcel.
- Chris: The Los Osos Basin Management Committee has gotten better measurements and is showing that the yields needed for water supply are not sustainable. They are still working on a project to connect to State water so they can let the basin rest in wet years. The project was approved by Congress but is not on the list for disbursement. For the Sunnyside School purchase, San Luis Coastal Unified School District (SLCUSD) wants to get rid of the site. The Los Osos Community Services District (LOCSO) is facilitating the community-driven effort to purchase and rehabilitate the site and to provide ongoing maintenance. They will be conducting a poll of Los Osos residents to see how they feel about it and how much they are willing to spend per month.
- John: Tourism seems to be down this year across the region and even beyond in areas like Las Vegas and San Francisco. The data is still coming in, but the main reason seems to be a reduction in international tourism and difficulties traveling here internationally. Central Coast Outdoors just started a partnership with Grassy Bar Oyster Company to host oyster tasting kayak tours.
- Jason: No updates from the Bay Foundation.
- Mel: No updates.
- Lisen: A heat wave is coming in, which is common for this time of year and requires irrigation. They haven't seen a drop in well water levels so far. The heavy rains of two years ago are still keeping the wells supplied.
- Phil: The Central Coast Regional Water Quality Control Board is working with Camp SLO because of unauthorized work Camp SLO did on a tributary to Chorro Creek where they cleared riparian growth and relocated steelhead. They came to agreement on a plan to restore that area which should benefit steelhead in Chorro Creek.

- Kate: The regional desalination project just kicked off. There will be a community outreach meeting on September 15 from 5 to 7 p.m., online. They are considering several locations along the County coastline where there's good geology, existing infrastructure like outfalls, potential customers, etc. They have identified some areas to discuss at that meeting. On Oct 14, there will be a ribbon cutting in Los Osos for the remainder of the recycled water connections which hooked up Monarch Elementary, Los Osos Middle School, and the Community Park. It will be held at the Community Park in the morning. They are receiving bids on the South Bay Boulevard bridge replacement project. Work is anticipated to start in January, with the bridge building scheduled to take place in summer 2026.
- Vivian: EPA has received the Fiscal Year (FY) 2026 base grant application, and it's still processing at EPA Headquarters. They're hoping for news soon.
- Zara, Morro Bay City Council: The city met with Vistra today regarding their property in Morro Bay. They still see it as an industrial use property.
- Ann: No updates.

2. No public comment.

3. Agenda revisions: None

4. **ACTION:** Consider approval of May 21, 2025 Executive Committee (EC) minutes (see attached):

Vote: Marshall move to approve. Zara seconded. All in favor. None opposed. Lisen abstained because did not attend meeting.

5. **ACTION:** Consider approval of Consent Decree request for Cuesta Inlet property acquisition

John asked about plan for future. Mel responded that Save Cuesta Inlet (SCI) is focused on acquisition of the 13-acre property right now but intends to emphasize balanced uses at the site. There of discussion about doing a clean-up and tagging system for kayaks. The site has a lot of iceplant and other invasive species but also sensitive species. It's an opportunity for us to be involved in creation of long-term management strategy. There was discussion about who would manage the property. We were initially approached to take on this effort, but we decided it was beyond our capacity. SCI plans to own and manage the land, as the cost of maintenance is very high. Ethan asked if staff feel that the acquisition is aligned with our land and habitat conservation goals. Mel said yes, that we see the property as offering opportunities for research, restoration, and community involvement in restoration and education. It's also a good potential site for living shoreline projects.

We have \$150k budget for land protection and conservation in our Consent Decree spending plan. None of these funds have yet been spent.

Jason said the Bay Foundation talked about the Consent Decree, how the funds are growing through investments, and the amount set aside for this use. They discussed giving more and ultimately decided on \$60k. We don't lose the funding if we don't use it during the five-year Consent Decree planning period.

CSI is slightly below \$500k right now. If they don't raise enough money, we'll revisit the topic. Marshall expects they'll get over the needed amount with a \$60k contribution. They are very close to locking down the match grant, and he thinks they can close before November.

Ethan says with the limited opportunities for land conservation on the bay, it's great to be involved and support this. It could offer opportunities to have influence over what happens at the site, like the Sweet Springs Reserve. The purchase protects public access and habitats.

Mel said the reason we want to not spend all the funds set aside for land protection is that there are other potential projects under development that we might want to support. Sometimes a partner needs an appraisal that we can help fund. Also, as portions of our federal funding are uncertain, reserving Consent Decree funding could directly support our future project work.

The group briefly discussed the potential for conflicts of interest, and Marshall stated that he would recuse himself from the vote.

Vote: Becka moved to approve \$60,000 in Consent Decree funding for SCI for acquisition. Lisen seconded. If there is a need for a little bit more funding to close, we might return with an e-vote (amendment to motion). All in favor. None opposed. Marshall recused self.

6. **DISCUSSION:** FY2026 Infrastructure Investment & Jobs Act (IIJA) workplan discussion

We haven't heard that we won't be receiving this funding next year, but we recognize that this funding source could potentially be clawed back. We are proceeding with workplan and budget development. Many of the workplan tasks are same as what was included in the previous IIJA workplan. One new project with SLO County involves a fuel canopy installation. We would provide about \$100k for the \$1M project.

If members are aware of any other projects that are shovel ready, please reach out to staff. We will finalize the workplan and budget, and the EC will vote on it at their November meeting.

Marshall commented that he's happy to see the eelgrass monitoring & research task. Ethan said it's a great mix of monitoring, capacity building, restoration, and education tasks.

7. **DISCUSSION:** Program Evaluation update

Thanks to all who attended our event. This EPA review of our NEP happens every five years. Our previous evaluation in 2020 was held fully remotely, so it was great to have an in-person site visit. Vivian from the Region, Nancy from HQ, and Kristi Foster from Tillamook Bay came out. The process went really well. We are now waiting for the final letter that wraps up the process, and EPA is saying they aren't expecting there to be any major areas of concern.

Vivian said she had a great time, and it was nice to see projects in the field and not just read about them. They are working on the letter right now, and the next step is Mel's review. It will be finalized before end of the fiscal year. We will go over the details at the next EC meeting.

8. **DISCUSSION:** Program Highlights

Administration:

- We do not yet have our FY2026 320 grant agreement, we've usually received by the end of July. All signs are good that the full amount for FY26 is coming through. Right now budget decisions are being made for FY2027. Both the House and Senate voted to fully fund us at \$850k.

Monitoring:

- Staff reported on macroalgae monitoring and the triennial State of the Bay environmental report card.

Community Projects:

- The State Parks project wrapped up, and staff are working to explore project ideas for FY2026.

Restoration:

- We are in the third year of the USGS project on sea level rise monitoring. They are currently fine tuning their modeling, and the project is expected to finish early next year.
- For the San Luisito Creek fish passage project, initial work discovered utilities going under the bridge, which greatly increases the cost and impacts designs.
- For Walters Creek restoration, all permits have come through, and implementation is planned for the fall or spring. This is a five-year restoration effort with two intensive years and then three years of further components. IJJA has been a good source to get the planning and initial implementation done. Staff have developed a pre-proposal for Prop 4 funding and have been invited to submit a full proposal for this project.
- For invasive iceplant management, the work is conducted under permits from the Coastal Commission, city of Morro Bay, and U.S. Fish & Wildlife Service. It's quite visually striking to see the difference in areas where removal was done. The sprayed iceplant is left in place to desiccate, where it serves as mulch and stabilizes the dunes. Hand-removed iceplant is very heavy, making it infeasible to transport from the sandspit, so it's being left in place.

Communications & outreach:

- Staff are designing a new eelgrass exhibit for the Nature Center.
- We are planning a volunteer appreciation event for Nov 15 at the Red Barn in Los Osos, and we hope EC members will join us.

9. Adjourn to next meeting of November 19 at 4 p.m., which will be hybrid.

Vote: Marshall moved to adjourn, Ethan seconded. All in favor.

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