From:

To: board@cambriacsd.org; t;
Cc: John F. Weigold IV; Timothy Carmel; Ray Dienzo; Ossana Terterian

Subject: 5.A.. Will Serve letter in Agenda for 10 March 2022

Date: Monday, March 7, 2022 7:02:23 PM

CCSD Directors:

My request: Please table Item 5.A. until such time as water may be distributed to newly connected meters in CCSD without "negatively impacting sensitive environmental resources" and vote for the motion. Here's why.

Once again the hard question of distributing water to a 4,000+ sq.ft. house, plus garage and guest house, comes before you (5.A. in the Agenda). This time it's not a family that wants to move into the Cambria Monterey Pine and Coast Live Oak forest. It's a company in Fresno: Assemi Group.

In their declarations in the *Wildener v. CCSD* and *SLO County* lawsuit, Ray Dienzo and Melissa Bland say again and again that CCSD does not have sufficient water for existing customers and creek protection. The CCSD's Closing Brief in this case makes the same point.

Instead, Plaintiffs' bare allegations were entirely undercut by (i) numerous expert studies undertaken by CCSD, its independent expert consultants, and third-party state agencies such as the California Coastal Commission ("Commission"), which all conclude CCSD does not have sufficient water to support new growth (and even existing water usage is negatively impacting sensitive environmental resources); and (ii) extensive testimony from CCSD's professional staff members who described CCSD's extreme water challenge – which they deal with every day – and explained why the moratorium on new water connections cannot be ended yet, despite CCSD's considerable efforts to obtain more water, which continue in earnest to this day. (7:12 ff.)

This clearly and straight-forwardly states that distributing water to new meters (or to old ones never active) violates the CCSD moratorium.

It's unfortunate that the legal standing of the Cambria West (Leimert)
Agreement has consistently taken precedence over the state of San Simeon
Creek. In your Agenda for 2/19/22, on p. 25, this statement was made:
"Production from the Santa Rosa Well Field will not resume until dry season

conditions are in full effect." That means all the withdrawal will be made from San Simeon Creek and aquifer, straining "sensitive environmental resources" even more.

CCSD staff and counsel argue that the 18+ meters in Tract 1804 are all active. But "active" as used in the Agreement refers to the payment of the base rate, rather than to actual usage of water. All meters are not functioning in the same way. The claim made in the Discussion under 8.B. is weak: "Because this lot already has water service, no Intent to Serve letter or connection permit will be issued. Instead, CCSD protocol is to issue a Will Serve letter similar to those provided for remodels and additions" (Agenda, 2/17/22, p. 176). Remodels and additions have water meters already connected to distribution lines and already bringing water to a customer. The comparison is invalid.

In the 1999 Agreement with Cambria West, B. Agreement 3 and 4, refer to CCSD's ability to provide water to Tract 1804 with this phrase: "...that the district is ready, willing, and able to provide water service to the lots within Tract 1804." Twenty-three years later, we are faced with the question of whether this claim is still true. Is CCSD "able to provide water service" to meters running for the first time without "negatively impacting sensitive environmental resources" even more? The answer is No.

Another aspect of Item 5.A. appears in the Discussion, p. 3..

Use of the points bank has been suspended while staff works to revise the 2013 Water Use

Efficiency Plan to include an updated Water Conservation & Retrofit Program. As a result,

physical retrofits will need to be performed by the applicant within the CCSD service area to

fully offset the new demand generated by this project.

This element is in 1.e. Retrofit Requirements in the 1999 Agreement. The Discussion just quoted continues:

The retrofit requirement becomes due upon issuance of a County-approved building permit. The draft Will Serve letter is conditioned upon the applicant submitting a retrofit program compliance plan. Staff will assist the applicant in determining the scope of this plan, which should include a monitoring and reporting component to assess the efficacy of the demand offset measures implemented.

Since we still have no evidence that the CCSD successfully monitors and reports retrofit compliance plans, how does this arrangement with Assemi Group ensure the offset of water use at a 2:1 ratio?

This article in National Geographic about the nature of the current drought in the western United States poses another reason not to increase the number of active meters in Cambria. The 2019 rainfall was an exception.

https://www.nationalgeographic.com/environment/article/the-drought-in-the-western-us-could-last-until-2030

In 2022 Cambria has received only 1/5 of an inch of rain.

https://wr.slocountywater.org

In 2022 more and more people know the climate crisis is here now. As directors of the Board of CCSD, you are faced with decisions immersed in it, including Item 5.A. today.

Please table this item until such time as water may be distributed to newly connected meters in CCSD without "negatively impacting sensitive environmental resources."

I request that my letter be included in the published written public comments and record of the meeting, whether or not I am able to read them out loud to you during the meeting.

Thank you.

Elizabeth Bettenhausen full-time resident of Cambria since March 2002

From: To:

BoardComment

Subject:

ITEM 5A

Date:

Wednesday, March 9, 2022 4:29:24 PM

Why does the CCSD Board of Directors keep approving Will Serve Letters for unsustainable projects for development that the California Coastal Commission repeatedly rejects?

This is a waste of resources and time, not to mention a threat to our critically limited water supply for those meters that the district already serves. The Coastal Commission has expressed frustration with the district for having to keep considering projects nearly identical to those previously considered to be unsustainable.

Stop wasting time and energy approving such projects for consideration, and consequently rejection, by the Coastal Commission.

Donald Archer
Cambria resident for 30 years

From:

BoardComment

To: Subject:

ITEM 4, PUBLIC COMMENT

Date:

Wednesday, March 9, 2022 4:02:42 PM

I would like to know <u>how and why</u> it came into being that it is the interpreted policy that directors cannot communicate <u>directly</u> with staff about issues that affect the running of the district.

The board of directors are our representatives and are responsible for providing the community with accurate information and oversight concerning the administering of the district.

- How can they do this if they must go through the filter of the general manager who
 has his own interests in providing information that is to his benefit? There are
 questions of ethics, conflicts of interest, bias, and self-protection on the part of the
 general manager who is our only conduit to staff. It's as if the directors are
 overseeing the administration with blinders on and their hands behind their backs.
- The only way they can accurately gauge what is going on is to speak to staff directly.
- The directors should be empowered to speak to the staff directly about issues that affect the administration of the district.

The current dysfunction of the Finance Department brings this ill-conceived policy to the forefront.

- What do the financial staff members know that the public doesn't?
- Is a hostile work environment infecting district offices?

And these issues bring us directly to another issue on today's agenda (Item 5C, pg. 32), i.e., 'discuss and consider the intent and expectation for the Policy Committee and its purpose relative to CCSD Board needs.' We need the Policy Committee in order to establish and clarify such policies.

PLEASE ENTER THIS INTO THE PUBLIC RECORD.

Donald Archer
Cambria resident for 30 years

From:
To: BoardComment
Subject: For the Minutes

Date: Thursday, March 10, 2022 4:27:20 PM

Please include in the written Minutes:

Item 5A:

15 February 2022

Cambria Community Services District Board of Directors President Donn Howell, Director Harry Farmer, Director Karen Dean

President Howell, Directors Farmer and Dean:

Re: Item 8B, February 17, 2022 Agenda: Discussion and Consideration of Request for Will Serve for Tract 1804 Grandfathered Service

Please deny the application for a Will Serve letter to allow new construction at 6795 Cambria Pines Road by the Assemi Group. As with other permit applications, in approved, this one will go through the district and county system until an appeal of it reaches the Coastal Commission, where it will be denied.

Your responsibility as directors is clear: The Goals of the North Coast Area Plan as stated, see pages 1-2 and 1-3 of NCAP. The board is charged with protecting coastal resources, conserving nonrenewable resources, balancing growth with sustained resources, avoiding adverse impacts and even potential adverse water quality impacts of development.

You and the staff are well aware of the reasons for denying this application: Cambria does not have adequate water to serve even its existing residents. As the Commission wrote in its Staff Report on the Hadian application, for a property next door to this one at 6785 Cambria Pines Road:

there is *not* an adequate sustainable water supply to provide new water service to serve new development in Cambria (and it is not adequate even for existing development), a factual finding that has been repeatedly determined by the Commission in relation to Cambria development through multiple actions, including certification of Local Coastal Plan provisions (specific to the present lack of available water and imposing specific water supply requirements) and CDP actions; (3) the sources of Cambria's water supply (i.e., Santa Rosa and San Simeon Creeks) are environmentally sensitive habitat areas (ESHA) that are *currently* being adversely affected by *existing* water extractions to support *existing* development in Cambria..." [emphasis in original]

Grandfathered meters

Claiming that Cambria is required to allow new construction that will inevitably add water demand based on commitments made prior to the depletion of the creeks and the water use moratorium is irrational and indefensible. It continues to be a losing strategy.

The Coastal Commission will not accept the reasoning that a "grandfathered" meter allows

new construction to be approved. From Settimi Staff Report F12b 8/11/2020, page 2:

There were originally a limited number of these "grandfathered" pipeline projects and there are no more such pipeline projects pending today. As a result, the cumulative effect of the moratorium and the certified LCP is that currently the LCP effectively prohibits approval of new water service in Cambria, taking into account the actual facts and reality on the ground, and does so in this case.

The fact that this parcel is included in a pre-2001 water service commitment, prior to the water use moratorium, does not persuade the Coastal Commission that the application can be approved. From Hadian Staff Report W14d-11-2021, page 3: "...the LCP only allows use of such water if it is from an adequate sustainable water supply, which it is not,..."

From Hadian W32e 11/9/2019:

the approach for allowing them to proceed in the face of such water shortages was always considered interim. Some 18 years later, such issues of procedural fairness have diminished and much more is known about the extent of the water supply problem in Cambria. Thus, even if pipeline projects were to exist, such projects could not satisfy the requirements of CZLUO Section 23.04.430 requiring adequate water.

Retrofit offsets

The Coastal Commission has repeatedly found that the district's retrofit program is not applicable, and doesn't actually offset water use anyway, from Hadian Staff Report W32e 11/9/2019:

because the project would be required to comply with the CCSD's retrofit program designed to offset water use, but such offsets would be inadequate to meet LCP standards with respect to adequate water supply and the CCSD's program does not appear to actually offset such water use even if it were to be deemed an appropriate tool to meet LCP standards, which it is not.

And

Thus, the retrofit program suffers from a series of issues that appear to indicate that it does not actually serve to offset water use in the manner required by the LCP. Per the language of LCP Policy NCAP Planning Area Standard 4(B), the CCSD's retrofit program is not a verifiable action that actually reduces water use in the service area for the reasons discussed above. In addition and just as important, the LCP only allows the use of offsets for projects on the pipeline projects list, and there are no such projects remaining in existence, and thus its use for LCP conformance is not even applicable to the current project or to new proposed development requiring new water service within Cambria generally.

Future projects

The Commission is aware that the district intends to continue misleading the public regarding its various ways of approving permits to allow new water users despite lack of adequate water.

In sum, the CCSD indicates that it would be willing to provide new water service for over 130 projects, none of which are on the pipeline list contemplated in the LCP, and none of which can be provided water service consistent with the LCP, the SWRCB

water licenses, and the Commission's CDP, given the current facts and reality on the ground with respect to regional water supply. In addition, the CCSD further indicates that it has the authority to increase the number of such projects it would serve at any time and at its discretion based on its Municipal Code (which is not part of the LCP). All of this despite no support for same in the LCP, or in past LCP or CDP actions of the Commission or other substantial evidence that such commitments are in fact LCP consistent.

Vote to deny

On these grounds, and further information as developed by the Coastal Commission in permit application denials over the years, I ask you to vote to deny this permit application.

If you feel unable to deny this application on the many grounds provided by the Coastal Commission, and their entreaties to you over the years to deny similar applications, please vote to table it, and request a legal opinion from another attorney, who can advise you on your legal standing to deny this and future permit applications.

By resolving this issue in favor of the moratorium and protection of Coastal resources, you remove the district from the questionable position of allowing new water use to some and not to others. Be clear. Be forthright.

Thank you.

Christine Heinrichs

Cambria, CA 93428 24 February 2022

Cambria Community Services District Board of Directors President Donn Howell, Director Harry Farmer, Director Karen Dean, Cindy Steidel, Tom Gray

To the Board

Re: March agenda, Discussion and Consideration of Request for Will Serve for Tract 1804 Grandfathered Service

I ask the board to defer consideration of this permit application until the March 17 meeting, to await the results of the Coastal Commission's de novo hearings on to similar permits. The Coastal Commission will hear the appeals on Hadian, 6785 Cambria Pines Road, 2020, a project similar to one at 6775 Cambria Pines Road in 2019, which was denied, and Bookout, at 6725 Cambria Pines Road, at the Commission's March 11 meeting. Staff reports recommend denial for both those permits, because "the proposed project has fatal LCP consistency flaws as it relates to water supply and ESHA protection, and there are no conditions of approval that could make this project LCP consistent."

Please wait to discuss the Assemi Group permit application until after the Coastal Commission has taken final action on these two permits. As noted, the Commission previously considered

and denied Mr. Hadian's permit for a similar project on an adjacent property.

Whenever the Board decides to discuss the Assemi Group permit application, I ask you to deny the application for a Will Serve letter to allow new construction at 6795 Cambria Pines Road. As with other permit applications, if approved, this one will go through the district and county system until an appeal of it reaches the Coastal Commission, where it will be denied.

Approving this permit to shift responsibility to the Costal Commission for final denial is an evasion of your responsibility to care for Cambria's natural resources and protect Cambria's water supply for existing residents. As Coastal Commission Executive Director Jack Ainsworth said in a 2020 meeting, "We need to take this seriously. People are being harmed by this. They need to step up and the political leaders need to step up and do the right thing."

Handing these permit applications off to the county, which rubber stamps them, and then to the Coastal Commission on appeal, creates problems for all involved. As Commissioner Donne Brownsey said in that 2020 hearing, "this is not a Coastal Commission problem per se...this is a local jurisdiction not being straight with the homeowners, parcel owners who want to develop these parcels, that in fact there is no water. And when they go to the Coastal Commission, we cannot approve them, because they are inconsistent with their LCP because there's no water."

It also creates workload for the Coastal Commission staff, which must then address all the staff reporting and other requirements for each applicant.

Your responsibility as directors is clear: The Goals of the North Coast Area Plan as stated, see pages 1-2 and 1-3 of NCAP. The board is charged with protecting coastal resources, conserving nonrenewable resources, balancing growth with sustained resources, avoiding adverse impacts and even potential adverse water quality impacts of development.

You and the staff are well aware of the reasons for denying this application: Cambria does not have adequate water to serve even its existing residents.

From the Hadian summary:

As the Commission is aware from a series of past cases, Cambria lacks a sustainable water source to serve even existing development, let alone additional customers such as represented by the Applicant's proposed residential development here. And existing water withdrawals are not only in excess of what is allowable by the Commission's underlying CDP to the Cambria Community Services District (CCSD), but they are also leading to adverse impacts and harm to Santa Rosa and San Simeon Creeks, which are LCP-designated environmentally sensitive habitat areas (ESHAs). As such, new water using development such as this proposed project cannot be found LCP consistent at this time.

The Applicant suggests that the project has a water service commitment from CCSD that means that it is entitled to water service despite these water supply and ESHA issues. However, the LCP is clear that it only allows use of such water if it is from an adequate sustainable water supply, which it is not, and the LCP provisions cited by the Applicant to justify approval are both mischaracterized and are not applicable to this project. Further, the Applicant claims that his compliance with CCSD's retrofit program addresses any impacts project water use might engender. However, CCSD's program does not appear to actually offset water use and, most importantly, even if it

did, the Applicant's participation will have no discernable effect on the above water supply and ESHA problems plaguing this community, and certainly not enough to be able to find the project LCP-consistent.

And from the Bookout Summary:

The Applicant suggests that the project has a water service commitment from CCSD that means that it is entitled to water service despite these water supply and ESHA issues. However, the LCP is clear that it only allows use of such water if it is from an adequate sustainable water supply, which it is not, and the LCP provisions cited by the Applicant to justify approval are both mischaracterized and are not applicable to this project. Further, the Applicant claims that his compliance with CCSD's retrofit program addresses any impacts project water use might engender. However, CCSD's program does not appear to actually offset water use and, most importantly, even if it did, the Applicant's participation will have no discernable effect on the above water supply and ESHA problems plaguing this community, and certainly not enough to be able to find the project LCP-consistent.

Please read the Staff Reports on both permits for full details and legal particulars, Bookout https://documents.coastal.ca.gov/reports/2022/3/F15a-3-2022-report.pdf and Hadian, https://documents.coastal.ca.gov/reports/2022/3/F15b/F15b-3-2022-report.pdf.

Violations

As a result of the Staff Reports on these two permits, two investigations have been opened into the district and the county, see details in the reports.

Future projects

The Commission is aware that the district intends to continue misleading the public regarding its various ways of approving permits to allow new water users despite lack of adequate water. From Settimi, https://documents.coastal.ca.gov/reports/2020/10/Th8a/th8a-10-2020-report.pdf

In sum, the CCSD indicates that it would be willing to provide new water service for over 130 projects, none of which are on the pipeline list contemplated in the LCP, and none of which can be provided water service consistent with the LCP, the SWRCB water licenses, and the Commission's CDP, given the current facts and reality on the ground with respect to regional water supply. In addition, the CCSD further indicates that it has the authority to increase the number of such projects it would serve at any time and at its discretion based on its Municipal Code (which is not part of the LCP). All of this despite no support for same in the LCP, or in past LCP or CDP actions of the Commission or other substantial evidence that such commitments are in fact LCP consistent.

Vote to deny

On these grounds, and further information as developed by the Coastal Commission in permit application denials over the years, I ask you to vote to deny this permit application.

If you feel unable to deny this application on the many grounds provided by the Coastal Commission, and their entreaties to you over the years to deny similar applications, please

vote to table it, and request a legal opinion from another attorney, who can advise you on your legal standing to deny this and future permit applications.

By resolving this issue in favor of the moratorium and protection of Coastal resources, you remove the district from the questionable position of allowing new water use to some and not to others. Be clear. Be forthright.

Thank you.

Christine Heinrichs

Cambria, CA 93428

PUBLIC COMMENT:

You have the two letters I sent to the board regarding this item. I ask that those letters be included in the record of this meeting.

Please direct staff not to issue a Will Serve letter for this project. If you are unwilling to take that action today, please defer action on it until after the Coastal Commission's public hearing on two similar permits at their March meeting tomorrow. The Hadian and Bookout permit hearings are combined, Items 15a and b on Friday's agenda.

Both those permits, which are for similar projects adjacent to this project, are recommended for denial. The Hadian project at 6775 Cambria Pines Road was denied in 2019, and the ones at 6785 and 6725, Bookout, are recommended for denial tomorrow. This one, at 6795, has no better prospect of being approved.

The Coastal Commission has accepted the Staff Reports recommending denial of these permits without further comment. It's unlikely that anything the applicants will say at the hearing will change that. The Coastal Commission has left no doubt that these new construction projects will be denied: "there are no conditions of approval that could make this project LCP consistent."

The Commission has dealt at length with the board's contention that this use is "grandfathered:" "For all the reasons discussed in this report, including the Commission's findings in the 2007 LCPA and the subsequent water supply and creek health status since then, it is now even more clear that any new water using development, whether it's a 'pipeline project', 'existing commitment', or 'pre-2001 project', cannot be found consistent with the LCP."

The argument that somehow constructing these projects can result in no actual increase in water use is not credible. The Commission staff has repeatedly examined the district's rationalization for this fantasy. Please read the complete explanation in the staff reports on the two permits on which a hearing will be held tomorrow, which I have sent to the board. In sum, currently, the CCSD retrofit program suffers from a series of issues that appear to indicate that it does not actually serve to offset water use in the manner required by the LCP when it is applicable (which as described above is rare). the idea that the above described retrofit program can effectively protect resources as is required by the LCP is

not credible nor realistic.

I ask you today to take the opportunity to resolve this issue in favor of the moratorium and protection of Coastal resources. Doing so also makes the district's position on observing the building moratorium and protecting coastal resources and the public water supply clear. Please direct staff not to issue a Will Serve letter for this application, or any other. Thank you.

Item 5C Policy Committee

PUBLIC COMMENT:

Please continue to work with the Policy Committee to develop policies that can guide the district through complicated decisions that will arise in future. Having clear direction on subjects such as Ethics, Conflict of Interest, Emergency Preparedness, the Environment and the role of the General Manager can inform your work and leave a legacy for the future. Operating without written policies is a recipe for failure. Cambria can benefit from the work of other districts that have gone before. Cambria can be part of that leadership by continuing the work of the Policy Committee to address the district's role. Thank you.

Item 6 Board and Staff reports MY COMMENT:

President Howell, please thank Director Dean for her reports on the NCAC meeting and the Coastal Commission meeting. She included substantial detail on the Coastal Commission's requirements for construction of Accessory Dwelling Units, which surprised me, since the Commission also specifically prohibited such units in Cambria. That prohibition is based on Cambria's lack of adequate water even for existing residents.

"there is *not* an adequate sustainable water supply to provide new water service to serve new development in Cambria (and it is not adequate even for existing development), a factual finding that has been repeatedly determined by the Commission in relation to Cambria development through multiple actions,"

Because ADUs are not allowed in Cambria, the details of construction are less important than not building them.

In her NCAC report, she omitted mention of the fact that as Corresponding Secretary for NCAC, she sent letters to the County affirming NCAC's approval of permit applications for four new ADUs in Cambria.

Does this indicate that Cambria intends to approve construction of ADUs, in direct contravention of Coastal Commission policy and Cambria's current overdraft of its coastal resources? Cambria already embarasses itself at the state level by continuing to approve new construction permit applications. Handing these permit applications off to the county, which rubber stamps them, and then to the Coastal Commission on appeal, creates problems for all involved. As Commissioner Donne Brownsey said in that 2020 hearing, "this is not a Coastal Commission problem per se...this is a local jurisdiction not being straight with the homeowners, parcel owners who want to develop these parcels, that in fact there is no water. And when they go to the Coastal Commission, we cannot approve them, because they are inconsistent with their LCP because there's no water."

It also creates workload for the Coastal Commission staff, which must then address all the staff reporting and other requirements for each applicant.

County Planners, in responding to one of these ADU applications, has informed the applicant that "Please be advised that guesthouses in Cambria have a high potential for appeal to the Coastal Commission."

Coastal Commission Executive Director Jack Ainsworth said in a 2020 meeting, "We need to take this seriously. People are being harmed by this. They need to step up and the political leaders need to step up and do the right thing."

I hope Director Dean, and the board and staff, will take seriously the Coastal Commission's ban on ADUs in Cambria, and focus on protecting Cambria's water supply and riparian resources. Thank you.

Item 6 Reports

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Christine Heinrichs