

# UNITED STATES DEPARTMENT OF COMMERCE National Oceanic and Atmospheric Administration

NATIONAL MARINE FISHERIES SERVICE

Southwest Region 501 West Ocean Boulevard, Suite 4200 Long Beach, California 90802- 4213

JUL 7 2004

151422SWR04PR13874:APS

Robert Gresens Cambria Community Services District P. O. Box 65 Cambria, California 93428

Dear Mr. Gresens:

The National Marine Fisheries Service (NOAA Fisheries) reviewed the Notice of Preparation of an Environmental Impact Report (EIR) for the Cambria Water Master Plan (Project) and understands that you would like guidance regarding the content and scope of the EIR. Accordingly, the EIR should clearly identify and describe the Project including interrelated and interdependent actions to the extent that NOAA Fisheries could develop an understanding of the potential effects (offsite, onsite, direct, indirect, temporary, permanent) of the Project on steelhead (*Oncorhynchus mykiss*) and their habitat. The EIR should include a list of measures for avoiding and minimizing potential negative effects of the Project on steelhead and their habitat. Unavoidable effects should be fully described according to life stage (i.e., spawning, rearing and migration) and features of this species' habitat. The manner in which the preferred alternative would be implemented should be clearly described. The potential benefits of the Project for steelhead, including any compensatory mitigation measures, should be described. Engineered design drawings and results of topographic surveys and hydrologic and hydraulic analyses should be included in the EIR.

NOAA Fisheries appreciates the opportunity to provide you with information that will support preparation of the EIR and looks forward to review of the Project. Please contact Anthony Spina at (562) 980-4045 if you have any questions concerning this letter or if you would like additional information.

Sincerely,

A, Rodney R. McInnis

Acting Regional Administrator



MATIONAL MARINE FISHERIES SERVICE

FONTE SENTE USE SONO " A WOTER 6506253 PERALTY FOR

Cambria Community Services District P. O. Box 65 Cambria, California 93428 Robert Gresens

CAMERIA COMMUNITY SURVICES

9342840068 01

From:

"Tammy Rudock" <trudock@cambriacsd.org>

To:

"WAYNE RYBURN" <slabtown1981@sbcglobal.net>

Date:

7/20/04 3:42PM

Subject:

RE: Water Master Plan EIR

No written report exists by Joe Scalmanini; to date, his reports have been oral presentations. However, I will pass along your comment to Bob Gresens for his consideration.

----Original Message-----

From: WAYNE RYBURN [mailto:slabtown1981@sbcglobal.net]

Sent: Tuesday, July 20, 2004 3:20 PM

To: Tammy Rudock

Cc: jcobin@charter.net; gal@rbf.com Subject: Water Master Plan EIR

#### Dear Tammy,

Since a definitive statement regarding Cambria's primary water source is going to be included in the EIR we believe that the Watershed Study Report on San Simeon Creek by hydrologist Joseph Scalmanini should be reviewed and analyzed by RBF Consulting.

Thank you for the opportunity to comment.

Wayne Ryburn Chair North Coast Alliance

CC:

<jcobin@charter.net>, <gal@rbf.com>, "Bob Gresens" <bgresens@cambriacsd.org>

From:

WAYNE RYBURN <slabtown1981@sbcglobal.net>

To:

<trudock@cambriacsd.org>

Date:

7/20/04 3:20PM

Subject:

Water Master Plan EIR

Dear Tammy,

Since a definitive statement regarding Cambria's primary water source is going to be included in the EIR we believe that the Watershed Study Report on San Simeon Creek by hydrologist Joseph Scalmanini should be reviewed and analyzed by RBF Consulting.

Thank you for the opportunity to comment.

Wayne Ryburn Chair North Coast Alliance

CC:

<jcobin@charter.net>, <gal@rbf.com>



#### DEPARTMENT OF FISH AND GAME

http://www.dfg.ca.gov

POST OFFICE BOX 47 YOUNTVILLE, CALIFORNIA 94599 (707) 944-5500



July 22, 2004

Mr. Robert Gresens Cambria Community Services District Post Office Box 65 Cambria, CA 93428

Dear Mr. Gresens:

Cambria Water Master Plan Notice of Preparation of a Draft Environmental Impact Report Cambria, San Luis Obispo County SCH 2004071009

The Department of Fish and Game (DFG) has reviewed the document for the subject project. Please be advised this project may result in changes to fish and wildlife resources as described in the California Code of Regulations, Title 14, Section 753.5(d)(1)(A)-(G) $^{1}$ . Therefore, if you are preparing an Environmental Impact Report for this project, a de minimis determination is not appropriate, and an environmental filing fee as required under Fish and Game Code Section 711.4(d) should be paid to the San Luis Obispo County Clerk on or before filing of the Notice of Determination for this project.

A complete assessment of the flora and fauna within and adjacent to the project area, with particular emphasis upon identifying endangered, threatened, and locally unique species and sensitive habitats, should be provided. Rare, threatened and endangered species to be addressed should include all those which meet the California Environmental Quality Act (CEQA) definition (see CEQA Guidelines, Section 15380). The assessment should identify any rare plants and rare natural communities, following DFG's Guidelines for Assessing the Effects of Proposed Projects on Rare, Threatened, and Endangered Plants and Natural Communities (revised May 8, 2000). The Guidelines are available at www.dfg.ca.gov/whdab/pdfs/guideplt.pdf.

http://ccr.oal.ca.gov/. Find California Code of Regulations, Title 14 Natural Resources, Division 1, Section 753 Conserving California's Wildlife Since 1870

Robert Gresens July 22, 2004 Page 2

Please be advised that a California Endangered Species Act (CESA) Permit must be obtained if the project has the potential to result in take of species of plants or animals listed under CESA, either during construction or over the life of the project. Issuance of a CESA Permit is subject to CEQA documentation; therefore, the CEQA document must specify impacts, mitigation measures, and a mitigation monitoring and reporting program. If the project will impact CESA listed species, early consultation is encouraged, as significant modification to the project and mitigation measures may be required in order to obtain a CESA Permit.

For any activity that will divert or obstruct the natural flow, or change the bed, channel, or bank (which may include associated riparian resources) of a river or stream, or use material from a streambed, DFG may require a Streambed Alteration Agreement (SAA), pursuant to Section 1600 et seq. of the Fish and Game Code, with the applicant. Issuance of SAAs is subject to CEQA. DFG, as a responsible agency under CEQA, will consider the local jurisdiction's (lead agency) Negative Declaration or Environmental Impact Report for the project. CEQA document should fully identify the potential impacts to the stream or riparian resources and provide adequate avoidance, mitigation, monitoring and reporting commitments for completion of the agreement. To obtain information about the SAA notification process, please access our website at www.dfg.ca.gov/1600; or to request a notification package, contact the Streambed Alteration Program at (707) 944-5520.

If you have any questions, please contact Linda Hanson, Staff Environmental Scientist, at (707) 944-5562; or Carl Wilcox, Habitat Conservation Manager, at (707) 944-5525.

Sincerely,

Cindin Catallino
Robert W. Floerke
Regional Manager

Central Coast Region

cc: State Clearinghouse



DEPARTMENT OF FISH AND GAME COAST REGION CENTRAL COAST A7 CENTRAL COAST A7 POST OFFICE BOX 94599

6  $( \overline{ } )$ 

 $\ll$ [-

JUL 4 b 2004

Post Office Box 65 Cambria, CA 93428 Mr. Robert Gresens Cambria Community Services Warman and Walland Control of the Mandaland Ma

9342840065 01



# SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP DIRECTOR

July 29, 2004

Mr. Robert C. Gresens, P.E. Cambria Community Services District P.O. Box 65 Cambira, CA 93428

RE: Notice of Preparation of a Draft Environmental Impact Report; Cambria Water Master Plan

Dear Mr. Gresens:

Thank you for the opportunity to comment on the Notice of Preparation of a Draft Environmental Impact Report for the Cambria Water Master Plan (EIR). We offer the following responses to your request for information:

- NAME OF CONTACT PERSON: Martha Neder, AICP, Planner; San Luis Obispo County Department of Planning and Building; County Government Center; San Luis Obispo, CA 93408; (805) 781-4576
- 2. PERMITS OR APPROVAL AUTHORITY: The project is located in the Coastal Zone and will be subject to the County's approved Local Coastal Plan requirements. As the coastal permitting authority, the County of San Luis Obispo is a Responsible Agency under CEQA.
- 3. ENVIRONMENTAL INFORMATION: As stated in the Initial Study/Environmental Checklist, the draft EIR should analyze the potential of the project to conflict with the Local Coastal Plan requirements. Documents to be used include, but are not limited to the General Plan, Coastal Zone Land Use Ordinance, Annual Resource Summary Report, and Coastal Plan Policies.
- 4. PERMIT STIPULATIONS/CONDITIONS: Permit stipulations and conditions will depend on the specifics of the project.
- ALTERNATIVES: Alternatives should address various levels of demand management, recycled water, and seawater desalination as part of the overall project or alternative designs that would decrease the potential of the project to conflict with Local Coastal Plan regulrements.
- 6. REASONABLY FORESEEABLE PROJECTS, PROGRAMS, OR PLANS: A Public Review Draft Revised Project Description of the Cambria and San Simeon Acres Community Plans of the North Coast Area Plan (Draft Community Plan) has been released for public review and comment. The draft EIR should address this Draft Community Plan.

COUNTY GOVERNMENT CENTER . SAN LUIS OBISPO . CALIFORNIA 93408 . (805) 781-5600

Mr. Robert Gresens, P.E. Cambria Water Master Plan NOP July 29, 2004

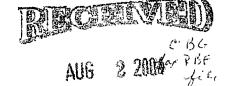
- 7. RELEVANT INFORMATION: San Luis Obispo Local Coastal Plan documents, Draft Community Plan, Annual Resource Summary Report.
- 8. FURTHER COMMENTS: The Projected Water Demands discussion in the Initial Study/Environmental Checklist contains assumptions for residents per household and water usage. The draft EIR should provide a detailed description of the basis for these assumptions.

Feel free to contact me at (805) 781-4576 if you have any questions.

Sincerely,

MARTHA NEDER, AICP, Planner

# PUBLIC COMMENT FORM



### PROJECT NAME:

LUOSEO! MANIE.	and the state of t	
Environmental Impact f	Report (EIR) for Cambria Water Master PlanCAMERIA CO	MMCMet existence
NAME AND ADDRESS	OF COMMENTOR: (include group or public agency affiliation, as	
Vern Kalshan, 440 Ke	erwin, Cambria, CA 93428	
	generation (highermanismus der CAC instance of the Act	
Talanhona Number:	805-927-1222	

### COMMENTS:

Please provide your comments on potential environmental issues/impacts which you feel should be addressed in further detail in the EIR. Attach additional pieces of paper, as needed.

This form and/or additional comments can be submitted at the Scoping Meeting or mailed to the Cambria Community Services District, P.O. Box 65, Cambria, CA 93428-0065, Attention: Bob Gresens, P.E., District Engineer.

The toxic effects to marine life to be caused by the currently designed desalination plant should be studied.

The design of the desalination plant should include a system for diluting the discharge with additional sea water before it is released into the ocean; and, this dilution system should also be studied in the EIR.

Please notice Tampa Bay Seawater Desalination (attached) where they dilute the discharge 70 to 1 so that the salinity of the discharge is only an average of 1.0 to 1.5 percent higher than the ambient salinity of the sea water at the point of discharge; and, they also have an alarm system that warns them if the discharge gets near its 10 percent maximum allowed variance from the ambient salinity.

The engineering department should also consult with John Alexander of the abalone farm on other methods of developing potable water in addition to the projects that were listed in the staff report.

Thank you for reading my comments. July 31, 2004

Vern Kalshan

Tampa Bay Water (727) 796-2355

7 31 04 3:45 PM



<u>Introduction | Project Overview | Desalination Background | Environmental Protections | Project Schedule | FAO's </u>

#### **Environmental Protections**

#### **Permitting**

The Florida Department of Environmental Protection's (DEP) permitting process was lengthy and extensive. Over an 18-month period, DEP reviewed scientific research and public comments regarding the desalination plant and eventually more than 20 environmental and construction permits were required from local, state and federal agencies. The plant's operations plans have met or surpassed every requirement for every permit.

Other agencies, organizations and citizens concerned with protecting Tampa Bay, including the Agency on Bay Management, the Hillsborough County Water Team, the Audubon Society, the Tampa Baywatch and Tampa Estuary Program also reviewed and commented on submitted materials. None of the groups is opposed to the Tampa Bay Seawater Desalination facility

#### Safeguards

The plant will have two protection systems to monitor the salinity of the source water, desalinated drinking water and concentrated seawater discharged back into the bay. Measurements will be taken in several areas in and around the plant.

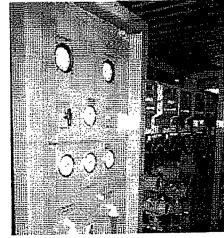
If the discharge being returned to Tampa Bay comes within 10 percent of the salinity limit established by the DEP permit, an early warning system alarm will sound, instructing

operators in the plant to check the system and adjust it as needed.

The plants second alarm system will instruct plant operators to check, adjust and if needed, shut down affected areas of the plant if the salinity level of the discharge reaches the DEP's salinity discharge permit level.

## **Additional Annual Monitoring**

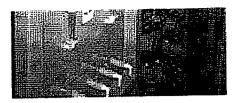
Tampa Bay Water conducts ongoing permit-required and supplemental monitoring of the ecology of Hillsborough Bay and Tampa Bay near Apollo Beach to determine if



Tampa Bay Water (727) 796-2355

7 31.04 3.45 PM

initial predictions on desalination plant environmental effects were accurate and adjust plant operations as necessary. Covanta also performs on-going, additional facility intake and discharge monitoring.



Tampa Bay Water is also conducting a \$945,000-a-year monitoring program, the Hydrobiological Monitoring Program, to determine the cumulative effects of its Master Water Plan projects, including the desalination plant on Tampa Bay, the Tampa Bypass Canal, McKay Bay and the Alafia River. This monitoring program examines parts of all four bodies of water to assess any impact on marine life and compare conditions before and after Tampa Bay Water's new surface water projects and desalination plant became operational. Tampa Bay Water will make immediate adjustments, including shutting down the desalination plant, if negative changes are detected.

Tampa Bay's Salinity

Although the plant's discharge is roughly twice as salty as Tampa Bay, it does not increase the bay's salinity because it is diluted 70-to-1 in up to 1.4 billion gallons of cooling water per day from Tampa Electric's Big Bend Power Station before being discharged back into the bay. When discharged, its salinity is, on average, only 1.0 to 1.5 percent higher than Tampa Bay's. This slight increase in salinity falls well within the natural, yearly salinity fluctuations of Tampa Bay, which vary from 16 to 32 parts per thousand, or by up to 100 percent, depending on the weather and the season.

A Cumulative Impact Analysis for Master Water Plan projects that used a desalination plant with twice the production capacity (50 mgd) of Tampa Bay Seawater Desalination as its model found that even if all of Tampa Bay Water's proposed Master Water Plan projects were implemented simultaneously, the salinity of Tampa Bay would still not increase beyond its normal, seasonal variations.

A U.S. Geological Survey of the Big Bend Power Station area determined that salinity will not build up in Tampa Bay because it (lushes often. "Water Transport in Lower Hillsborough Bay, Florida, 1995-1996, found that each time the tide changes, more than 200 times as much water enters or leaves the bay as circulates through the power plant. The report also found that enough water flows in and out of the bay system near Big Bend to properly dilute and flush the plant's discharges, further preventing any longterm salinity build-up.

#### **Pilot Plant Tests**

To ensure the protection of Tampa Bay, a pilot plant, 1/1000th the size of Tampa Bay Seawater Desalination was built to test plant operations and identify any potential adverse environmental impacts on the bay.

Separate, independent studies were conducted by the following organizations using the pilot plant:

- Mote Marine Laboratory,
- Danish Hydraulic Institute,
- University of South Florida (USF),
- Savannah Laboratory/STL Precision,
- Marinco Laboratory, and

Jampa Bay Water (727) 796-2355

7.31.04.3:45 PM

· Hillsborough County.

Each study was approved by the Florica DEP and conducted in accordance with DEP methods by a DEP-approved laboratory.

Each study examined the possibility of a specific, potentially negative environmental impact on Tampa Bay. Researchers studied the nearfield (close to the desalination plant) and farfield (areas away from the plant such as Hillsborough Bay). And, each study concluded that the desalination plant would produce high-quality drinking water without hurting the bay's water quality or marine life.

Salinity

Mote Marine Laboratory and the Danis's Hydraulic Institute performed salinity studies using a pilot desalination plant, 1/1000th the size of the Tampa Bay Seawater Desalination facility. To measure actual salinity changes in Tampa Bay, scientists from Mote Marine Laboratory collected data during the 2000-2001 drought. The unusually small amount of freshwater entering the bay because of the severe drought was combined with a worst-case power plant operations scenario (only two of four of the power plant's condensers working), and operational data from the pilot plant were used to determine potential long-term salinity changes in the bay. Based on Mote Marine Laboratory's research, the Danish Hycraulic Institute reported that, under these extreme conditions, a 2.5 percent increase in salinity is predicted in the area closest to the power plant and desalination plant, which quickly dissipates.

Biological

Marinco Laboratory of Sarasota tested the toxicity levels of saline-sensitive animals such as mysid shrimp and Gulf silverside fish using concentrated seawater from the pilot desalination plant at a dilution ratio of 1:1 (one part seawater concentrate to one part "normal" seawater). Researchers four d no long or short-term increase in mortality at the 1:1 dilution level, leading them to conclude the plant would not harm saline-sensitive marine life. Under normal operating conditions, the dilution for the seawater concentrate will be 70:1 and 18:1 or 36:1 with two or three of Big Bend's cooling units out of service.

#### Chemical

Savannah Laboratory/STL Precision of Miramar, Florida, conducted tests to determine if undesirable chemicals alreacy in Tampa Bay, which could harm water quality or marine life, at higher levels, would be concentrated in the desalination process and discharged back into the bay. Researchers tested the discharge from the pilot plant for 200 compounds, none of which exceeded the Florida Department of Environmental Protection's water quality standards for Tampa Bay.

Circulation and Dispersion in Tampa Bay

The University of South Florida (USF), with Dr. Mark Luther as the principal investigator, studied the bay's circulation to determine if desalination-related changes in salinity could change the currents in Tampa Bay. (Saltwater is heavier than freshwater so changes in salinity could affect the bay's currents and the time it takes to flush the bay.)

Focusing on the farfield (areas away from the power plant and desalination facility), USF

Page 14/14

7.31 04 3.45 PM

Tampa Bay Water (727) 796-2355

researchers found that desalination plant-related changes in the bay's salinity were so slight, that even if all of Tampa Bay Water's current water projects were to be implemented simultaneously, "There is no reason to suggest that the flushing time of the bay would be altered in a significant way."

In other words, because the salinity of the bay normally varies widely - from 16 parts per thousand to 32 parts per thousand - depending on the weather and season, any change in its salinity linked to the desclination plant, even if all of Tampa Bay Water's current Master Water Plan projects were implemented simultaneously, would fall well within this range of salinity and, therefore, have no effect on the currents, circulation or flushing of the bay.

Hillsborough County's Independent Study

Hillsborough County's own, independent study into the potential environmental impact of the desalination plant concluded that, "The marine ecology of the areas of major biological concern will not be affected by the desalination facility operations."

> Introduction | Project Overview | Desalination Background | Environmental Protections | Project Schedule | FAO's

> > Board Meetings -- Contact Us -- Employment



THE CAMBRIA LAND TRUST

RECEIVED

AUG 0 4 2004

RBF CONSULTING

Cambria Community Services District C/O Robert Gressens Post Office Box 65 Cambria, CA 93428-0065

August 1, 2004

RE: Cambria Water Master Plan – Notice of Preparation Initial Study/Environmental Checklist – June 2004(JN 10-100273)

Dear Mr. Gressens:

Thank you for sending Greenspace-the Cambria Land Trust the Notice of Preparation of a Draft Environmental Impact Report (NOP) by the consulting firm RBF Consulting. You have invited us to make comments on the above referenced document and as a community organization representing over 1,200 members we are happy to oblige your request.

### Project Description. 2.2 Background and History

This section fails to mention the State Water Resources Control Board (SWRCB) permit #1624 and the implications of water diversion as it pertains to modifying the permit based on public interest terms and conditions as well as other conditions that affect this NOP. An analysis of this permit is essential to the Water Master Plan and ALL the environmental analysis required on each and every potential water source mentioned in the Kennedy/Jencks Water Supply Alternatives (April 2003). While the Kennedy/Jencks Report attempted to cover a number of water sources the report was flawed regarding meaningful analysis of each source. It is required that this NOP will analyze each of the Kennedy/Jencks water sources.

Further, the discussion of the Habitat Conservation Plan that the Cambria Community Services District (CCSD) is required to complete before any Water Master Plan can be legitimately produced is not discussed or a timeline mentioned as when an HCP will be, again, budgeted for by the CCSD. It is our understanding that an HCP was scheduled for completion by 2000 and that \$100,000 was budgeted by the CCSD to complete this task. As a matter of fact, a complaint regarding water diversion by the CCSD from Santa Rosa Creek is pending based on the completion of an HCP. Please see SWRCB document 363:WV:262.0(40-28-02) order WR 89-19 and permit 20387 (application 28158) for details.

RICHARD HAWLEY

PO Box 1505 Cambria, CA 93428 505, 927.2866 [v] 805, 927.7530.[t] rick@greenspacecambria.org www.oreenspacecambria.org Wayne Attoe, Ph.D. President
Jacque Kelly, Vice President
Cathie Bates, Treasurer
Dorsen Deppler, Ed.D., Secretary
Deborah Parker, D.C., Administrator
Arthur Van Rhyn, P.E.
Jim Brown
Mary Web
Cheryi Gei
Ken Dunn

Jim Brownell, Ph.D Noel Schmidt Mary Webb Cheryi Geigle Ken Dunn

#### **Project Water Demands**

An analysis of the USGS Report by Gus Yates titled, Hydrogeology and Water Resources of the Cambria Area, San Luis Obispo County, CA is required in this discussion and any analysis of water use and availability in the Santa Rosa Creek watershed. The North County Area Plan Update EIR is another useful document that addressed water demand. The NOP does not mention any reference to selling water to other users outside the Cambria Community Services District. San Simeon and California State Parks and Recreation for instance. The Water Master Pan is required to include any foreseeable project that the CCSD has been contacted about with public and private concerns. It is our understanding the CCSD changed the capacity of the proposed desal plant by tampering with the allowable EDU's for single-family residences by over 50%. By increasing the allowable EDU's the CCSD has increased the cost of each and every one of the potential sources of water that the Water Master Plan is required to conduct an environmental analysis on. It is in the public's best interest to analyze EDU allocation increases made by the CCSD from the old EDU's to the increased allowable EDU's.

# Water Distribution System

An analysis of expanding above ground storage in steel tanks is needed in this section. The costs of constructing a number of million gallon storage tanks seems to be more cost effective and environmentally sound then some of the alternatives mentioned in prior reports.

# Water Supply Alternatives

The technology already exists to treat wastewater to almost potable standards. An analysis of wastewater that has been subjected to Reverse Osmosis and ultra-violet treatment and put the treated water underground to percolate through the soil and be reused in Cambria's distribution system is not mentioned in this section as a viable alternative. Please refer to El Segundo's West Coast Basin Water District as a model for this cost saving and efficient use of public funds and natural resources.

# 2.3 Project Characteristics

This section predisposes that Desalination is the most resource efficient and cost effective method of long-term water for Cambria and therefore prejudices the Environmental Impact Analysis of a Water master Plan. All potential water sources need to be included.

# Recycled Water System

An analysis of making highly treated wastewater into potable water is missing in this section. (See 'Water Supply Alternatives').

#### Water Demand Management

This section is not compatible with the increased EDU allocation that the CCSD has recently enacted that increases water consumption. This section seems to be based on fiction. This section of the NOP is not consistent and is misleading.

## 2.4 Project Objectives

If the NOP does not analyze each and every alternative long-term water supply for Cambria then it is flawed from the beginning. CEQA is very clear on procedure and process. We suggest that each water supply option be thoroughly environmentally investigated and each potential water delivery project inside and outside the CCSD Urban Services Line is included in this study.

# 3.0 Initial Study Check List

Item number 8 is not adequate or descriptive and needs to be recirculated to interested parties as it is meaningless as presented. We consider this a major procedural flaw.

Item number 9 needs to include the San Simeon Creek watershed and any other agency or private party that is currently in negotiations with the CCSD or with projects that are anticipated by the CCSD or any other agency that deal with water use. The number of visitors per annum is incorrect.

# 3.2 Environmental Factors Potentially Affected

There are many impacts involved with Water Master Plans. Traditionally, most have been land based but since one of the potential alternatives is desalination a new list of ocean based impacts needs to be developed and circulated to interest groups. Exactly what will this report be looking at regarding toxic discharge into ocean waters that are considered to be included in the public trust? We consider the NOP to be inadequate until an adequate definition of investigation is described in this area. This study has the potential to be seriously flawed unless this topic is adequately scoped.

# 3.3 Evaluation of Environmental Impacts

See 3.2. As an example of environmental impacts not, to our knowledge, ever analyzed heretofore, would be the decreased capacity of near-shore waters to absorb CO2 when unknown amounts of known and unknown substances are discharged into the ocean as would be the case with desalination. How this might affect near-shore fisheries and potentially increase temperatures locally and add to the overall affects of global warming. Since some of the projects for long-term water require substantial energy requirements that will cause pollution in areas not associated with the project a discussion of how to financially compensate and or mitigate the affected party or property is required under CEQA.

#### 4.1 Aesthetics

The NOP states that whatever the project may be it will not have a less than significant impact on scenic vistas. This makes it sound like the project has been predetermined.

#### 4.2 Agricultural Resources

Any growth inducing water project under the guise of a Water Master Plan has potentially significant impacts. The CCSD has already instigated litigation against the entire San Simeon Creek Watershed, destabilized the agriculture community and forced ranchers and farmers to become involved in protecting their livelihoods from a 'water grab mentality" CCSD. Furthermore, the CCSD is negotiating with others (San Simeon and State Parks and Recreation) to transport water to areas outside their influence and on agricultural lands. Items B and C would have significant impacts.

#### 4.4 Biological Resources

Item f may have impacts since the HCP has not been written or adopted, but must be complete before this document moves forward. As stated before, the CCSD is required to complete a HCP on Santa Rosa Creek and San Simeon Creek before a legitimate Water Master Plan can be written and certified.

## 4.6 Geology and Soils

Item a. 1) is speculative and is in question based on recent earthquake activity. New seismic studies being conducted by the RWQCB may indicate that publication 42 is antiquated.

#### 4.7 Hazards and Hazardous materials

Item e and f, there are three airports located within the project potential influence: The Hearst airport, Rancho San Simeon, and the Poteete airstrip.

#### 4.9 Land Use and Planning

Item c, the project may have potential significant impacts with the to be written HCP.

## 4.12 Population and Housing

Items b and c; while reducing the buildout scenario within the CCSD urban growth boundary has benefit to the Monterey pine forest it does create the displacement of low-income housing and service workers by creating higher values for water meters. It creates the situation where a water meter has more value then the house it is associated with. The CCSD is directly responsible for removing low-income housing from the area

by water meter transfer policy. This policy has resulted in the migration of low-income families to other areas of the county and has increased the amount of traffic and consumption of natural resources by people forced to commute long distances to maintain their employment.

#### 4.13 Recreation

The project would facilitate planned parks in urban areas that have not the infrastructure to support increased use.

#### 4.15 Transportation/Traffic

Adding new water to a system will have significant impacts on item a, b, c, d, e, f, and g.

#### 4.17 Mandatory Findings of Significance

Item c will produce potentially significant impacts on human beings both directly and indirectly. Pollution created in other areas to satisfy local demand for potential energy intensive projects, for example, will have impacts on others indirectly. The migration of people not able to afford potential increase in water rates may occur. This will increase commute time, the consumption of natural resources and affect the quality of life for many. Additionally, the waters of the ocean may become polluted to the point where it affects the health of people who use it recreationally and for food.

Thank you for the opportunity to respond to this NOP. We look forward to participating in this project.

Best regards

Richard Hawley

**Executive Director** 

CC: RBF Consulting; Congresswoman, Lois Capps

April 17, 2004

To: Board of Directors, Cambria Community Services District

From: Patrick Milburn, marine and developmental biologist.

Re: Concern over the probable environmental impact of the "supersalination" return flow to the ocean of the proposed form of Desal for Cambria.

As a preface to my main comments, let me say that I have for many years been hopeful about desalination as an environmentally benign form of water production. This was when the technology was described as extracting both water and salts/metals from the ocean water, and separating the salts and metals for commercial sales. This may be beyond current economics and technology. The proposed Desal operation will involve removing 50% of the water from the intake stream, and returning the supersalinated water to the ocean environment.

Everyone who has had classes in biology has had lectures on diffusion and osmosis. Many, if not all, will have seen in labs what happens to cells that are placed in low-salt or high-salt conditions. The cells placed in very low salt conditions rapidly swell and burst. The cells placed in high-salt conditions shrink, steadily contracting, finally loosing most of their water to their high salt environment. These are common observations with which most people are well familiar. It is part of common knowledge.

Having managed an artifical sea water system for marine culture for college biology classes, I have seen the effects of hypersalination on marine organisms, generally when serious mistakes had been made. Some groups of organisms are particularly sensitive to irreversible damage through hypersalination. Among the most sensitive are the echinoderms (the starfish, sea urchin, sand dollar group) and the various groups of sea jellies (jellyfish and comb jellies). Planktonic organisms can be rapidly and irreversibly damaged by hypersalination especially the larval forms of nearly all groups of marine organisms.

With this as background, let us note that the hypersalinated water returned to the ocean environment from the Desal operation will be more dense than the surrounding water and will tend to settle.

As it is more dense, and there will be a steady stream of supersalinated water, a layer of more dense higher salt concentration will tend to accumulate along the bottom. All bottom dwelling organisms that are vulnerable to high salt concentrations will have their body water pulled from their tissues, to a degree dependent on the degree of supersalination.

This should have the effect of producing "dead" zones over the bottom in zones radiating outward from the outfall. I have heard reports that there are dead zones offshore from Diablo Canyon's Desal operation. I cannot confirm their existence, but they are what would be expected from this technology.

An envirionmental impact report should be mandatory before committing Cambria to probable environmental decline resulting from the use of this technology. Many Cambrians enjoy the marine environment, fishing, visiting the tide pools. It appears likely that the supersalination form of Desal will produce a long-term decline in the marine habitat radiating outward from the supersalinated outfall. This hazard should be subject to an EIR before committing the community to possible damage of the marine environment. Especially since once the contract is signed the community loses all oversight and control over the technology.

Later forms of Desal, when they become technologically and economically feasible, may not present such obvious dangers to the marine environment.

To summarize, the proposed form of Desal through supersalination of the marine habitat is not an environmentally sustainable form of water production.

# PUBLIC COMMENT FORM



AUG 2 2004

PROJECT NAME:
Environmental Impact Report (EIR) for Cambria Water Master Plan.
NAME AND ADDRESS Of COMMENTOR: (include group or public agency affiliation, as applicable) W. Patrick Milburn, 795 Arlington, Cambria CA 93428
Telephone Number: 805-927-8179
Please provide your comments or potential environmental issues/impacts which you feel should be addressed in further detail in the EIR. Attach additional pieces of paper, as needed.  This form and/or additional comments can be submitted at the Scoping Meeting or mailed to the Cambria Community Services District, P.O. Box 65, Cambria, CA 93428-0065, Attention: Bob Gresens, P.E., District Engineer.
Please see attached statement

W. Patrick Milburn, 795 Arlington St., Cambria, CA Training in marine biology at Kerchoff Marine Laboratory (California Institute of Technology) in Corona del Mar, California, and at Hopkins Marine Laboratory (Stanford University) in Pacific Grove, California. Formerly a member of the faculty of biology while directing the marine culture system, Carleton College, Northfield, Minnesota.

805-927-8179

These remarks concern the potential impact on the marine environment. After my remarks on April 17, 2004, a member of staff commented that in the preliminary EIR the eggs of the sea urchin were used as the standard for assessing the immediate and long-term effects of the increased saline outflow into the marine environment. Thus, to be clear, the eggs of the sea urchin, as they have been found to be the most sensitive biological materials for this testing, are treated as proxies for the entire marine ecosystem in the ever widening area of the outfall of increased salinity. A more wise and prudent course would be to do two kinds of studies: 1) have a oceanographic chemist (a physical chemist of the marine environment) use a computer model to estimate the probable effects of the increased salinity from the outflow of the desalination and, 2) have an environmental experiment done on a marine environment very similar to that offshore of Cambria and San Simeon. The goal of this trial would be to test the effect of the increased salinity of the outfall on the microbes, the planktonic organisms in the area, and the benthic (bottom dwelling) fauna, especially those most sensitive to changes in salinity like the echinoderms, but also the polychaet worms which form such an important part of the subtidal ecosystem. While organisms in the tidal zone are more physiologically adaptable, the organisms in the subtidal zone, some distance out from the shore, are more likely to be adversly impacted by the heightened salinity.

AUG 0 2 2004 w. Rothick Millon

From:

"Kathy Choate" < kchoate@cambriacsd.org>

To:

"Glenn Lajoie (E-mail)" <gal@rbf.com>, "Bob Gresens" <bgresens@cambriacsd.org>

Date:

8/2/04 9:45AM

Subject:

FW: comment on Environment Impact Report

Forwarding comments to you. Kathy

----Original Message-----

From: elizabettenhausen [mailto:elizabettenhausen@netzero.net]

Sent: Monday, August 02, 2004 9:23 AM

To: Kathy Choate

Subject: comment on Environment Impact Report

2 August 2004

TO: Cambria Community Services District Directors Cobin, Chaldecott, Funke-Bilu, Sanders, Villeneuve; General Manager Rudock; District Engineer Gresens

The U.S. Commission on Ocean Policy issued its Preliminary Report earlier this year. On June 3, 2004, Governor Arnold Schwarzenegger wrote to the Commission. Under "Stewardship" he said, "The Commission's Preliminary Report recommends that ecosystem management be a guiding principle for ocean and coastal management. I applaud this approach, particularly the emphasis on the need to address the connections between land and sea." The Report and the Governor's response emphasize the need for a new ocean policy that attends to the ecological well being of the inseparable ocean and coast.

Cambria again has an opportunity to take the lead in developing a water policy that includes careful analysis of the ocean-coast ecosystem.

I have read the "Initial Study/Environmental Checklist" for the Cambria Water Master Plan (on file at the Cambria Library). Section 2.1, Project Location and Setting (p. 3) does not yet pay attention to this emerging commitment in the United States. I propose this paragraph:

The village of Cambria lies in central California along the Pacific Ocean, in Santa Rosa Creek Valley, near San Simeon Creek and the Santa Lucia Mountains. Cambria, in the northwest of San Luis Obispo County, looks out on the Monterey Bay National Marine Sanctuary. San Simeon State Park constitutes some of the beaches at Cambria and service areas inland on the community's northern edge. Ranches and farms adjoin the town. Acres of conserved land form much of Cambria.

In "Water Supply Alternatives" (p. 9), the specific form of "a subsurface seawater intake" is missing. Is the option of a well on the beach or near the beach still a possibility? If beach wells are chosen, Section 4.1. Aesthetics (p. 23), Question a. should be marked under "Potentially Significant Impact," not "Less Than Significant." Perhaps the intake pipe directly from the ocean would need the same careful attention.

The perspective of this "Initial Study/Environmental Checklist" document does not see the ocean. Rather "seawater" meets its eyes.

The perspective tends to rely on official categories, rather than the imagination our future needs. For example, in Section 4.6 Geology and Soils, you'd think we've had no earthquakes since December except in the rupturing of a known earthquake fault. Watching the daily data on the maps certainly shows that ruptures here occur whether we humans know the fault or not.

I look forward to environmental analyses of specific elements of the Master Water Plan and to your invitation to the public to analyze them.

Sincerely, Elizabeth Bettenhausen 345 Plymouth Street <mailto:elizabettenhausen@netzero.net> elizabettenhausen@netzero.net 927-0659

# **PUBLIC COMMENT FORM**

## PROJECT NAME:

Environmental Impact Report (EIR) for Cambria Water Master Plan.

NAME AND ADDRESS OF COMMENTOR: (include group or public agency affiliation, as applicable)

Telephone Number: \$15/927-0750

#### COMMENTS:

是多新。

Please provide your comments on potential environmental issues/impacts which you feel should be addressed in furthe detail in the EIR. Attach additional pieces of paper, as needed.

This form and/or additional comments can be submitted at the Scoping Meeting or mailed to the Cambria Community Services District, P.O. Box 65, Cambria, CA 93428-0065, Attention: Bob Gresens, P.E., District Engineer.

As my article so directly subsumes
10 MM WHOLE WON LEVEL JOHN SONIES
Whi environmental issue concern
Taised regarding the ambrece
Water Master Plan, I submit
if to you in its entrety
- Antibaldolla
- SWUMMINONS

Like a rare and precious jewel strung on a golden strand and set to sparkle against the shining sea, Cambria continuously wrests with the threat of pirates — treasure seekers and greedy land-grabbers — ever craning from their well-polished crow's nests, poised to pounce and plunder. A desalination plant wouldn't need wave a black flag with skull 'n' crossbones: its very presence bellows, "Come on in! The water's fine!" (Strike up the theme from "Jaws.") Thank *God* for our long-time lack of ready water rights; it is the *reason* our paradise has thus far been preserved!

Apart from God, Cambrians owe their greatest debt of gratitude to the pioneering leaders, they who toiled with their hearts and hands, generation after generation, delivering to us the ecosystem, infrastructure and "community spirit" alive today—(even as telltale signs of a breakdown are becoming more apparent.) We diehards enjoy a delicately balanced habitat, one that struggles to foster its widely diverse inhabitants—from seniors to juniors, fauna to flora. Valiant efforts to bolster our blessed quality of life are ongoing, and all too often met with opposition or, worse, indifference. Still we try. (At least some of us do... let us say "the better half?")

Mark and Sally DiMaggio are current-day Cambrian pioneers, the first to build into their new home every earth-friendly, resource-conserving technology known to man. (More discoveries and clever designs have since materialized.) Now readily available are water-recycling systems (methods of capturing rain water, utilizing gray water, maximizing efficiency, etc.), systems that with, yes, some initial costs and inconvenience, can be installed within each person's own abode. And just as with retrofitting toilets and shower heads, it's an investment that can *only* render dividends, now and for always. But on a much greater scale. I propose the CCSD:

- ☑ PROVIDE FUNDING and/or interest free loans to citizens who would endeavor to implement proven water-and-energy-saving systems/devices
- PUBLICLY NOTICE those who do (and put on red alert big-time water guzzlers)
- MANDATE WATER-RECYCLING SYSTEMS in every new development

Once in place, the reduced level of water consumption reflects across the board, a higher mantle shared by the entire community. (And with no hidden daggers such as "runaway development" and "unanticipated operational expenses.") Immediate returns are realized in the form of relief-from-painful-bills plaguing the beleaguered Cambrian, he who lives with more conscience than cash flow; the long-term gains immeasurable, both to the individual and the township. And as for all those who'd worm their ways into Shangri-La heaving sacks of money but without a pittance of consideration for the countless others who made it what it is today? Let our Pro-Cambrian Program deliver this choice message: "YOU CAN GO STRAIGHT TO --"

Caring, conscientious citizens *desire* to serve and preserve their communities, just as have they who came before. These are "keepers." Whether they've lived here for ages or are just moving in, such folk will be the *first* to employ energy-saving efficiencies in their homes and businesses, "a program made possible by Cambria Community Services." Now *that's* what ya' call a <u>true</u> service to the community!

(Article written for the Campsian)

Fullic Comment: EIR

AUG 03 2004

Calibra Coulinary Services

Month Committee Shirts Shirts Shirts Shirts Shirts



To: Cambria Community Services District

AUG 2 2004

From: Brad Seek

DAMBRIA COMMUNITY SERVICES

Subject: Comments on the Notice of Preparation for EIR of the Water Master Plan.

As the community updates its Water Master Plan there are three areas of concern that should be included in the Environmental Review Process: Cross Connection from auxiliary water supplies, The corrosion potential of existing and future water supplies, and a local native plant restoration program.

Over the last ten years the number of auxiliary storage facilities have dramatically increased. Residents are capturing rain water, reusing grey water, and bringing in CCSD treated effluent for landscape irrigation. This trend will only increase as the community faces continuing droughts, higher populations, and more expensive water treatment. What is being done to prevent these non potable water sources from siphoning back into the community's water mains.....and potentially infecting downstream residents?

Potable water that is corrosive can cause serious health and economic problems for its users. Corrosive water can literally dissolve asbestos cement water mains and leach heavy metals from residential service lines. It may be recognized by CCSD officials that the proposed desalination water will need to be treated, but it is not clear if current supplies have been fully evaluated for corrosion. An easy way to address this issue is to review lead and copper sampling records. The lead and copper rule has been implemented for several years and it should have given the District an opportunity to sample every critical location in the community water supply. If there are any gaps in the sampling protocol now is a good time to cover those locations that haven't received attention. Also, look for the specific areas that are persistently detectible and/or elevated. Even if the concentration levels do not currently exceed state limits they undoubtedly will increase when the community is introduced to blended desal water. The District could begin to treat the system minimally with approved compounds to see if contaminant levels can be reduced.

Identifying and treating potentially troubled areas now will provide CCSD staff with invaluable information for dealing with corrosion as the community seriously ponders desalination as a potable water supply.

What is the district currently doing to fully protect Cambria's water system from corrosion?

Over the years the Montercy Pine Forest has been decimated from development and fuel reduction policies within the residential neighborhoods. When native vegetation is removed residents perceive a void and quickly plant vegetation that requires more intensive landscape irrigation. To mitigate this growing trend the CCSD could implement a Native Plant Restoration Program. There are two conservation organizations that are currently propagating and planting native vegetation. Financial support from the CCSD would expand this activity and provide more native plants to the community. Once established, local native vegetation requires no landscape irrigatigation during the dry season.

What is CCSD currently doing to explore this water saving concept?

Sent By: Cambria CSD; 805927 5584; Aug-2-04 10:10; Page 1/2



# Cambria Community Services District

P.O. Box 65 • 1316 Tamson Drive Suite 201 • Cambria CA 93428 Telephone (805) 927-6223 • Facsimile (805) 927-5584

# **Fax**

Glen	in Lajoie, RBF Consu	<u>Iting</u>	From:	Kathy Choate	
949-	837-4122		Pages:	2 including cover	
949-	855-3663		Date:	August 2, 2004	
NOF	PEIR WMP comment				
ent	☐ For Review	☐ Please Co	mment	☐ Please Reply	☐ Origînal to Follow by Mail
	949- 949-	949-837-4122 949-855-3663 NOP EIR WMP comment	949-855-3663  NOP EIR WMP comment	949-837-4122	949-837-4122



From:

"Kathy Choate" < kchoate@cambriacsd.org>

To:

"Glenn Lajoie (E-mail)" <gal@rbf.com>, "Bob Gresens" <bgresens@cambriacsd.org>

Date:

8/2/04 9:06AM

Subject:

FW: Comments on Water Master Plan Initial Study/Environmental Checklist

Dear Mr. Horvath,

Thank you for your comments. I'm forwarding them on to RBF Consulting and our District Engineer Bob

Gresens.
Sincerely,
Kathy Choate
District Clerk
Cambria CSD
PO Box 65

Cambria, CA 93428 Tele: 805-927-6235 Fax: 805-927-5584

----Original Message-----

From: Robert Horvath [mailto:mahorvath@sbcglobal.net]

Sent: Sunday, August 01, 2004 9:31 PM

To: Kathy Choate Cc: bhorvath@lacsd.ord

Subject: Comments on Water Master Plan Initial Study/Environmental Checklist

August 1, 2004

Cambria Community Services District

PO Box 65

Cambria CA 93428

Thank you for the opportunity to comment on the Initial Study/Environmental Checklist for the Cambria Water Master Plan, dated June 2004. I support the development of the Cambria Water Master Plan as a critical need for the community of Cambria, to be completed at the earliest possible date. My detailed comments are as follows:

- 1. The project should be sized for projected water demands of at least the Coastal Permit maximum of 5250. CCSD has been stalled on the development of an augmented water supply for almost two decades while various plans have been proposed and dropped. It will likely be decades before such an effort is repeated. The extraordinarily slow pace of getting anything done on a water supply project by CCSD demands that the largest reasonably sized project be pursued that will not be further delayed by controversial permitting issues.
- 2. Table 6 (Evaluation Matrix) shows water quality for all desalination alternatives rated as a "1", meaning very poor. Water produced from a desal plant should be the highest quality (rating 5); with its low total dissolved solids concentration being blended into the existing supply, overall water quality will improve, far better than any other supply alternative. (Even if this factor is meant to take in some consideration of ambient water quality of surface waters, the impact of a desal plant is minimal, merely returning salt to the ocean from which it came, which is less of an impact than removal of water from fresh water lakes like Nacimiento.)
- 3. In Table 8, I do not understand why Shamel Park is listed among the less likely sites. It is so close to the wastewater treatment plant that it should be easily served, and Title 22 water is perfectly suited for the lawns of the park.
- 4. Section 2.5 indicates that seawater desalination will take 4 to 5 years to complete. Although this schedule might not be considered unusually long, the current lack of an adequate water supply should be considered a major existing environmental impact that should be mitigated by the fastest possible schedule. If there were another proposed project in Cambria that would adversely impact the water supply, it would be considered an extremely significant environmental impact requiring the strongest mitigation. Yet inaction or slow action having the same effect seems to be ignored with regard to its environmental

impact. The Water Master Plan should include a project alternative that accomplishes completion of the water supply augmentation at the earliest possible time. For example, the alternative could incorporate a Design-Build or Design-Build-Operate approach to bring the desalination plant into operation at the earliest possible time; the city of Sacramento recently used a similar approach for a biosolids pelletizing facility.

I would appreciate you keeping me on the list of interested parties for any notices about the Water Master Plan. Thanks again for the chance to comment.

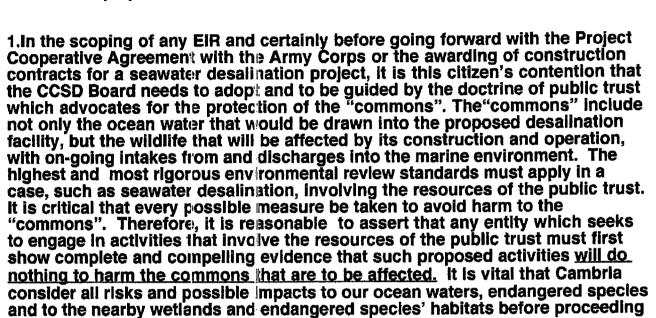
Robert W. Horvath 6183 Lawrence Street Cypress, CA 90630 714/826-3225 562/908-4209 (work)

CC: <mahorvath@sbcglobal.net>

To: Cambria Community Services District

Re: Public Comment on the Notice of Preparation of Environmental Impact





with any water project, but especially desailnation.

Of special concern is the sea otter. Last year set a record for southern sea otter deaths and 40% percent of the deaths involved disease. There is evidence that sea otters are becoming more vulnerable to disease as a result of having their immune systems compromised by chemical and biological contaminants. Some of these chemicals that are immunno-suppressant will be concentrated in the effluent discharged from a desail plant. These chemicals biomagnify as they move from the base of the food chain into species that are in the sea otters' diet. Sea otters don't have body fat where these toxins might be sequestered and necropsies are revealing these compounds in the liver and other vital organs of sea otters found dead along the central coast -very possibly making them more susceptible to disease.

Will the toxic effluent from desalination harm the sea otter ?The science about what is causing a crisis in sea otter health is not yet definitive; but unless the EIR can prove that the desalination process won't harm the sea otters, we must invoke the <u>precautionary principle</u>. Because extinction is forever, we must use common sense and exercise extreme caution in looking at the environmental impacts of desalination on this sentinel species. Either it's proven that no harm will come to sea otters or we simply don't do it.

2. Does Cambria have an Urban Water Plan? If we have 3000 hookups, shouldn't we have a UWP? Why aren't efficient water use strategies more pursued? Many are described in the included copy of "Waste Not, Want Not -The Potential for Urban Water Conservation in California. If our sewer won't work with any less water than is currently in use, what would it take to fix that and wouldn't the environmental impacts of efficiency be less than any other water alternative?

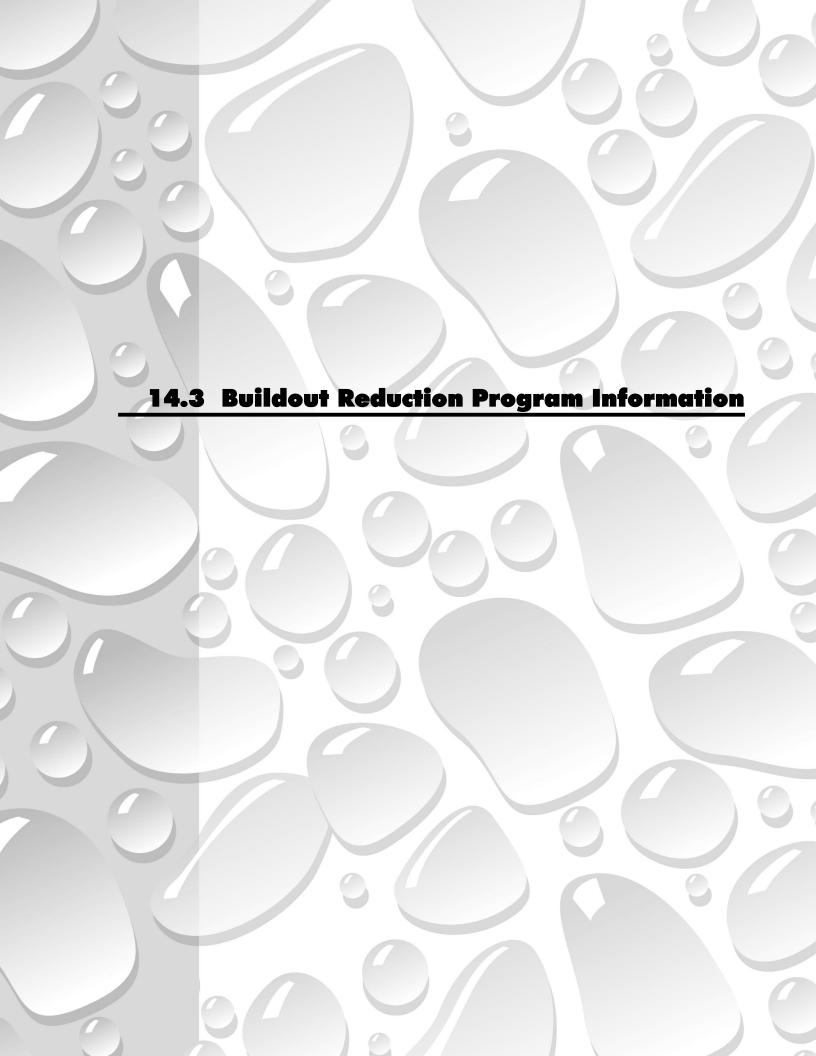


# Cambria Community Services District

P.O. Box 65 • 1316 Tamson Drive Suite 201 • Cambria CA 93428 Telephone (805) 927-6223 • Facsimile (805) 927-5584

# **Fax**

To:	Glenn Lajoie, RBF Consulting			From:	Kathy Choate		
Fax:	949-837-4122		Pages:	→ including cov	er		
Phone:	e: 949-855-3663		Date:	August 3, 2004			
Re:	NOP	PEIR WMP comme	nts				<b></b>
□ Urge	nt	☐ For Review	[] Please C:	mment	☐ Please Reply	☐ Original to Follow by Mail	



# **Buildout Reduction Program Report EXECUTIVE SUMMARY**

By the Buildout Reduction Program Citizens Finance Committee

TOWN HALL MEETING Final Draft May 16, 2006

#### Committee Members

Wayne Parrack, Committee Chairman, Bill Allen, Wayne Attoe, Ron Crummitt, Bob Hill,

Jeannette Johnson, John Linder, Gail Robinette, and Wayne Ryburn

#### CCSD Staff

Tammy Rudock, Bob Gresens, Art Montandon, Kathy Choate, and Patrick Bradley

#### **Outside Consultants**

The Natelson Dale Group: Roger Dale RBF Consulting: Steve Bein, Jim McPherson, and Glenn Lajoie Davidson Associates: Connie Davidson Accounting: Leslie McGarry

## **Executive Summary**

This report summarizes the work completed by the Buildout Reduction Program Citizens Finance Steering Committee, along with its recommendations for financing a buildout reduction program. The CCSD Board of Directors formed a Citizens Steering Committee during its December 15, 2005 Board meeting to bolster the CCSD's continuing effort to reduce buildout potential in Cambria. The buildout reduction effort is in alignment with an earlier Coastal Commission recommendation made during a 2001 Periodic Review of the San Luis Obispo County Local Coastal Program. The CCSD's goal of not exceeding a total of 4,650 existing and outstanding residential connections is also in alignment with the County's recently adopted Environmental Impact Report (EIR) on the "Cambria and San Simeon Acres Community Plans of the North Coast Area Plan."

The main purpose for reducing build out potential in Cambria is to maintain a balance between potential growth and the sustained availability of public services. A significant resource within Cambria is the area's Monterey pine forest. A fair and equitable buildout reduction plan seeks to support the long range planning developed for the area, while also maintaining Cambria's appeal for residents and visitors by significantly limiting future loss of forest and open space areas.

Water is a limited resource within Cambria, and the CCSD is planning to develop a desalination project to protect against future droughts, and to secure a reliable long-term water supply. To address the potential growth-inducing effects from the desalination project, the buildout reduction plan will be incorporated into the CCSD's Water Master Plan program-level EIR. This document is currently being completed by the CCSD and its consultant for public review later this year.

The Buildout Reduction Program seeks to retire or merge enough potential building sites so that there is a near match between those who are authorized to build under the cap of 4,650 existing and new residential water connections, and the number of suitable building sites. This will happen over a projected 22 years.

Funding would come from four suggested sources: an additional fee for new water connections, a special water rate increase, an additional fee for remodels, and sale of some unallocated water connections that fall within the 4,650 existing and future residential connections cap. Without the last source of funds, the first three increases would have to be much higher.

Local land trusts would sell three unallocated water connections a year over the projected 22-year life of the program, and use the proceeds to purchase and retire potential building sites. Sale of properties to the land trusts would be voluntary; no landowner would be forced to sell. Lots would be retired with a deed restriction or conservation easement, after which most would be transferred to CCSD.

The result will be a Cambria that retains the qualities residents and visitors appreciate, preserves its natural environment, and matches its size to available resources and infrastructure.

#### **Summary of Data**

- Maximum number of existing and new residential water connections 4.650
- Total number of lots to remain undeveloped 3,357

<sup>&</sup>lt;sup>1</sup> A project cooperation agreement was fully executed with the Army Corps of Engineers on April 3, 2006.

- Lots already retired, owned by conservation entities or in special projects areas 1,526
- Residential lots to be retired and/or merged under this program 1,831
- Lots retired voluntarily through mergers, Transfer Development Credits (TDC)
   program, and water transfers
- Lots that will be purchased at fair market value (average from \$33,000-\$50,000) 879

# Program Costs for Residential, Commercial and CCSD Waitlist Customers

- Residential water rate increase (per month, per customer) \$8.81
- Commercial water rate increase (per month, per customer) \$39.40
- One-time buildout reduction fee (part of connection fees) for new residents \$10,127
- One-time commercial buildout reduction fee (part of connection fees) \$10,127

**Total Program Costs (lot purchases, transaction costs, initial maintenance)** \$38,827,800

# **Buildout Reduction Program Report**

By the Buildout Reduction Program Citizens Finance Committee

## **TOWN HALL MEETING Final Draft May 16, 2006**

#### Committee Members

Wayne Parrack, Committee Chairman, Bill Allen, Wayne Attoe, Ron Crummitt, Bob Hill, Jeannette Johnson, John Linder, Gail Robinette, and Wayne Ryburn

## CCSD Staff

Tammy Rudock, Bob Gresens, Art Montandon, Kathy Choate, and Patrick Bradley

#### Outside Consultants

The Natelson Dale Group: Roger Dale
RBF Consulting: Steve Bein, Jim McPherson, and Glenn Lajoie
Davidson Associates: Connie Davidson
Accounting: Leslie McGarry

## **Executive Summary**

This report summarizes the work completed by the Buildout Reduction Program Citizens Finance Steering Committee, along with its recommendations for financing a buildout reduction program. The CCSD Board of Directors formed a Citizens Steering Committee during its December 15, 2005 Board meeting to bolster the CCSD's continuing effort to reduce buildout potential in Cambria. The buildout reduction effort is in alignment with an earlier Coastal Commission recommendation made during a 2001 Periodic Review of the San Luis Obispo County Local Coastal Program. The CCSD's goal of not exceeding a total of 4,650 existing and outstanding residential connections is also in alignment with the County's recently adopted Environmental Impact Report (EIR) on the "Cambria and San Simeon Acres Community Plans of the North Coast Area Plan."

The main purpose for reducing build out potential in Cambria is to maintain a balance between potential growth and the sustained availability of public services. A significant resource within Cambria is the area's Monterey pine forest. A fair and equitable buildout reduction plan seeks to support the long range planning developed for the area, while also maintaining Cambria's appeal for residents and visitors by significantly limiting future loss of forest and open space areas.

Water is a limited resource within Cambria, and the CCSD is planning to develop a desalination project to protect against future droughts, and to secure a reliable long-term water supply. To address the potential growth-inducing effects from the desalination project, the buildout reduction plan will be incorporated into the CCSD's Water Master Plan program-level EIR. This document is currently being completed by the CCSD and its consultant for public review later this year.

The Buildout Reduction Program seeks to retire or merge enough potential building sites so that there is a near match between those who are authorized to build under the cap of 4,650 existing and new residential water connections, and the number of suitable building sites. This will happen over a projected 22 years.

Funding would come from four suggested sources: an additional fee for new water connections, a special water rate increase, an additional fee for remodels, and sale of some unallocated water connections that fall within the 4,650 existing and future residential connections cap. Without the last source of funds, the first three increases would have to be much higher.

Local land trusts would sell three unallocated water connections a year over the projected 22-year life of the program, and use the proceeds to purchase and retire potential building sites. Sale of properties to the land trusts would be voluntary; no landowner would be forced to sell. Lots would be retired with a deed restriction or conservation easement, after which most would be transferred to CCSD.

The result will be a Cambria that retains the qualities residents and visitors appreciate, preserves its natural environment, and matches its size to available resources and infrastructure.

#### Summary of Data

bullimary of Data	
<ul> <li>Maximum number of existing and new residential water connections</li> </ul>	4,650
Total number of lots to remain undeveloped	3,357
<ul> <li>Lots already retired, owned by conservation entities or in special projects areas</li> </ul>	1,526
<ul> <li>Residential lots to be retired and/or merged under this program</li> </ul>	1,831
<ul> <li>Lots retired voluntarily through mergers, Transfer Development Credits (TDC)</li> </ul>	
program, and water transfers	952
• Lots that will be purchased at fair market value (average from \$33,000-\$50,000)	879
Program Costs for Residential, Commercial and CCSD Waitlist Customers	
Residential water rate increase (per month, per customer)	\$8.81
<ul> <li>Commercial water rate increase (per month, per customer)</li> </ul>	\$39.40
<ul> <li>One-time buildout reduction fee (part of connection fees) for new residents</li> </ul>	\$10,127
<ul> <li>One-time commercial buildout reduction fee (part of connection fees)</li> </ul>	\$10,127
Total Program Costs (lot purchases, transaction costs, initial maintenance)	\$38,827,800

<sup>&</sup>lt;sup>1</sup> A project cooperation agreement was fully executed with the Army Corps of Engineers on April 3, 2006.

## Purpose of the Program

To ensure long-term demand for residential water connections in Cambria (primarily single family homes) does not exceed 4,650 existing and new connections, the committee recommends that CCSD develop a program to retire or reduce the potential number of residential building sites.<sup>2</sup>

The overall goal of the Buildout Reduction Program is to retire and/or merge<sup>3</sup> enough potential building sites in Cambria so that the remaining number of suitable building sites roughly matches the 864 (total) additional outstanding residential water connections that have been approved by the CCSD.<sup>4</sup> Thus, when Cambria is built out to that level, there will be only a few available building sites left, with little potential for future growth. The result will be a Cambria that is still in the pines--an enjoyable place to live that also appeals to visitors.

The reduction in the number of building sites will be accomplished largely by attrition through existing lot retirement objectives and programs, and by acquiring lots and retiring them. Acquisition will be through donation or purchase, and will be voluntary; no property owner will be forced to sell their land for the purposes of this program.

#### Facts about property and residential water connections

The following summarizes the number of vacant and built residential lots in Cambria. Information in this report was obtained from CCSD records and through the assistance of their consultants using geographic information system technology.

Category of residential zoned lots	Single-family	Multi-family	Total residential
Total existing lots in Cambria:	11,613	310	11,923
Developed lots:	6,647	191	6,838
Vacant lots:	4,966	119	5,085
	0.7760	0.17	2 770 6
Existing residential water connections	3,569	217	3,786
Pending connections	3	3	6
Intent to serve letters outstanding	n/a	n/a	31
Grandfathered meters	n/a	n/a	42
Existing CCSD waitlist positions	666	35	701
Potential additional CCSD connections	n/a	n/a	<u>84</u>
Maximum total connections			4,650

Applying the County's current 1% growth rate, total buildout will be complete in 22 years, and this is the term upon which the Program cost and funding assumptions are based.

<sup>2</sup> A <u>building site</u> for our purposes has a minimum 50-foot frontage on a street, and a minimum of 3,500 square feet. It can be composed of one lot or more. It might have one APN or more. [A <u>lot</u> is a legal unit, which can be sold and taxed. An <u>APN</u> is an Assessors Parcel Number used by the County for taxing purposes.]

<sup>&</sup>lt;sup>3</sup> Lot <u>retirement</u> means to make a parcel permanently ineligible for a water connection using zoning restrictions and/or title restrictions, specifically, a conservation easement or a covenant not to build or seek water service. All lots acquired through this Program will be retired using strict legal restrictions to prohibit future building. <u>Merging</u> a lot means legally encompassing it with an adjacent lot or parcel, thus eliminating it from consideration as an individual legal entity.

<sup>&</sup>lt;sup>4</sup> The proposed desalination plant will be sized for 4,650 residential water connections, making this the maximum number to be permitted in Cambria: 3,786 (existing connections) + 864 (approved additional connections) = 4,650.

#### **Retired Lots Under This Program**

Under the adopted cap of 4,650 existing and new residential connections, 3,357 residential <u>lots</u> are to remain vacant.<sup>5</sup> However, the program will target potential <u>building sites</u>, not all vacant lots. This will reduce Program costs because many lots do not qualify for development since they are already retired, are owned by conservation groups, are in protected Special Project Areas,<sup>6</sup> or are too small to acquire water rights.

The number of lots that need to be retired and/or merged are as follows:

Lots to remain undeveloped		3,357
Lots already retired	289	
Lots owned by conservation entities (but not retired)	36	
Surplus lots owned by County	30	
Lots in Special Project Area 1	579	
Lots in Special Project Area 2	337	
Orphaned lots <sup>7</sup>	<u>255</u>	
Total Non-buildable lots		1,526
Remaining residential lots to be retired and/or merged		1,831

In addition, the high cost of developing certain lots, and certain permitting hurdles, will discourage development on lots that are steeper than 30% and those in "fire chimneys," which are

forested valleys that due to their configuration would tend to draw fire up.

In keeping with the spirit of this Program to reduce buildout, the transfer of development credits is prohibited on lots purchased through the Buildout Reduction Program.

#### Retiring lots with little or no cost

While the Program will depend largely on purchasing lots that are part of potential building sites, there are ways to retire building sites with little or no cost:

#### Voluntary/Program retirement of lots

We expect that some lot owners will <u>voluntarily retire</u> potential building sites with <u>deed restrictions</u> or <u>conservation easements</u>. Owners might accomplish the same thing by donating a parcel and then retiring it. Because it is a condition associated with moving a water connection or waitlist position, or because they may find potential tax benefits (See footnote 9), owners may do this to support the Program,

 $<sup>^{5}</sup>$ We assume an average of two lots per new residence, so 5,085 vacant lots minus the 1,728 (2 lots per 864 approved new water connections) = 3,357.

<sup>&</sup>lt;sup>6</sup> Special Project Areas #1 and #2 are special planning areas designated by the county because of #1 trees and habitat, and #2, viewshed and habitat. Water entitlements cannot be transferred into them unless the building site is already on the CCSD waitlist for water connections. (This is currently true only for SPA #1. The CCSD Board would need to pass an ordinance for SPA #2).

<sup>&</sup>lt;sup>7</sup>Orphaned lots are below the minimum size required for development, are surrounded by previously developed properties, and are not in common ownership with adjacent properties. Therefore, their likelihood of being merged with an adjacent property to make a legally sized building site is considered remote.

<sup>&</sup>lt;sup>8</sup>To promote specified conservation goals (like forest and habitat protection), conservation easements restrict what can happen on a lot, typically prohibiting building construction.

## Voluntary/Program merger of lots

We expect some lot owners to voluntarily merge vacant lots with existing built-upon lots for similar reasons. Or they may purchase part of an adjacent building site and merge it with their own home site. The County offers incentives for mergers; the program budget allows incentives as well. There may be tax benefits, too<sup>9</sup>.

Our consultant estimates that by using these means, the number of lots that need to be purchased could be reduced as follows:

Total lots to be retired, merged or acquired	1,831
Retirements contingent on transfer of commercial EDUs	16
Voluntary/Program retirements	542 <sup>10</sup>
Mergers of vacant lots with existing built lots	<u>394<sup>11</sup></u>
Remaining lots to be acquired	879

#### Costs of other acquisitions

Lot size and views are key factors in Cambria land costs. Our cost assumptions take them into account, based on asking prices and sales over the last six months:<sup>12</sup>

	Single-family	Multi-family
Average lot size	2,500 square feet	6,500 square feet
Percent view lots	25%	0%
Price per square foot, view lots	\$30.00	$$30.00^{13}$
Price per square foot, non-view lots	\$ 7.50	7.50
Weighted average	\$13.12/sf	\$ 7.50/sf
Average price per lot	\$33,000	\$50,000

#### **Ways to Fund Acquisitions**

Committee members and consultants have looked at a number of funding options, and settled on four. The ones ruled out are:

<u>Grants:</u> We know of no programs currently supporting this kind of acquisition, but we will continue to research.

<sup>&</sup>lt;sup>9</sup> Property owners need to consult with their tax advisor to assess their unique financial situation against existing tax codes. The Land Trust Alliance web site (LTA.org) may also provide additional information on the potential benefits for donating properties. The committee also learned of a Natural Heritage Preservation Credit program, which expires June 30, 2008. This direct state income tax credit program requires additional research, and was beyond the scope of the committee's assignment.

<sup>&</sup>lt;sup>10</sup> Historically, 5% per year of the waitlist move a meter to another property and participate in the TDC program. With this as a basis, over the 22 years of the Program, we can expect 542 lots to be retired voluntarily.

According to our consultants, there are a total of 1,360 lots that are part of groups of lots that are in common adjacent ownership (CAO). If they assumed that ALL of these CAO groups merged into single lots, a total of 986 vacant lots would be merged. Based on an analysis of the various CAO ownership scenarios that exist (e.g., single vacant lots that are attached to built lots, vacant lot groups that have "odd" numbers of lots such that at they are unlikely to be divisible into more than one legal building site, etc.), the consultants have conservatively projected that 394 voluntary mergers would occur (i.e., 40% of the theoretical maximum of 986 lots).

 $<sup>^{12}</sup>$  Our analyses show that over the last six months, vacant lots without a water meter sold for an average of \$13.12/square foot, or \$18,750 to \$75,000 for a single (25 x 70) lot, depending on the location.

<sup>&</sup>lt;sup>13</sup> No multi-family lots are currently for sale, so we use the per square foot figure for single-family lots.

Special Assessment or Bond: A vote by residents and/or lot owners would take time and money to set up, and if it were not successful, we would be where we are now—but with lost time.

The first two funding measures that the committee agreed to recommend are (1) an increase in water rates and (2) an increased water connection fee for new construction. The rationale for the first measure is to spread costs among existing and future homeowners who will benefit from maintaining the existing character of Cambria, and preserving property values. The rationale for the second measure is that the buildout reduction program is among the mitigations being implemented to address the secondary environmental impacts from future water projects. As the program is implemented, there will also be costs associated with maintaining the retired properties that will be need to be supported by rate payers. Rates and fees would be tied to a cost-of-living index, and reviewed periodically by CCSD.

The third (3) funding source recommended by the committee <u>is an additional fee for remodels</u>, while the fourth (4) is the <u>sale of 65 of the unallocated water connections</u>. Among the 4,650 maximum existing and future water connections are 84 that are not allocated. This Program proposes that CCSD donate from this group the equivalent of three residential water connections a year to approved land trusts like the Land Conservancy of San Luis Obispo County and Greenspace—The Cambria Land Trust. The land trusts would sell the connections on the open market<sup>14</sup> to lot owners not on the CCSD waitlist<sup>15</sup> but wanting to build. The land trusts would use the proceeds of those sales to purchase and retire lots that are part of potential building sites, minus fees for administration<sup>16</sup> of the program and future lot maintenance. At the rate of 3 sales per year, this would not distort the market.

Raising funds in this way and purchasing properties through land trusts makes sense because:

- 1. It takes these decisions out of the hands of the CCSD Board,
- 2. CCSD would not have to increase staff to handle these new roles,
- 3. Confidentiality could better be assured for these business dealings,
- 4. Donations to these non-profit charitable organizations could have tax or related benefits to donors.

In light of the County's current 1% growth cap in Cambria, there could be competition between those who purchase a water connection through the Program and people on the waitlist, since a limited number of Intent to Serve letters would be offered each year. Three ways to avoid this are:

- 1. The County could authorize the approval of three connections purchased under the Program in addition to the connections amounting to 1% growth. The argument in favor of this is that the three purchased connections per year are in large part funding lot retirements—the very purpose of the Program.
- 2. In any given year there could be a gap between the number of Intent to Serve letters and the number of owners actually ready to build at that time. The three purchased meters could make up or partially make up that difference. However uncertainty about when a purchased connection would become viable for service would reduce their salability and appeal and would render them largely unsalable for years, and eliminate a large portion of the program funding.
- 3. Connections purchased under the Program could be placed at the end of the waitlist. However, like item 2, this would render them largely unsalable for years, and eliminate a large portion of the Program funding.

<sup>&</sup>lt;sup>14</sup> Recently, single connections have sold for from \$200,000 to \$366,000.

<sup>15</sup> Lot owners not on the CCSD water waitlist have several options: 1). Acquire and move a meter from another lot;

<sup>2).</sup> Purchase an unallocated water connection from a land trust; 3). Simply retain their property (do nothing);

<sup>4).</sup> Sell their property; 5). Donate their property; 6). Merge their property with an adjacent parcel.

<sup>&</sup>lt;sup>16</sup> Based on experience, a fee of 10% seems appropriate, but would be re-evaluated periodically.

Another option would be to use only the special water rate increase and additional connection fees to fund the Program. The Committee does not endorse this option because rates are substantially higher than the costs described in the program budget discussion that follows. The approximate difference in costs by not applying the unallocated connections are summarized below.

Cost Comparison With and Without the Sale of Unallocated Water Connections

Residential		Sale of nections		t Sale of nections
Water Rate Increase				
For Lot Acquisition	\$57	per year	\$118	per year
For Lot Maintenance	\$49	per year	\$49	per year
Total	\$106	per year	\$167	per year
Buildout Reduction Fee	\$10,127	one time, per EDU	\$20,960	one time, per EDU
<u>Commercial</u>				
Water Rate Increase				
For Lot Acquisition	\$255	per year	\$528	per year
For Lot Maintenance	\$218	per year	\$218	per year
Total	\$473	per year	\$746	per year
Buildout Reduction Fee	\$10,127	one time, per EDU	\$20,960	one time, per EDU

Lot owners who purchase a water connection under the Program, like those on the waitlist, would be subject to the Buildout Reduction Program connection fee.

In addition to raising funds through the sale of unallocated water connections, the land trusts would receive the funds raised through the water rate increase which similarly would be used to purchase and retire lots, minus the fee for administration.

An evaluation of Program effectiveness will be conducted annually by CCSD.

### Criteria for Retiring Lots

Land trusts in the Program would have flexibility in choosing lots for purchase and retirement, as long as transactions retire a potential building site. Among the factors they could consider are

- 1. Adjacency to other retired lots
- 2. Least cost for greatest benefit
- 3. Strategic importance for habitat or open space protection

### **Program Budget**

The following describes the build our reduction program costs, funding sources, and related rate adjustments. Land acquisition costs were based on a review of current market conditions, which showed a cost of \$33,000 per single-family lot, and \$50,000 per multi-family lot purchased.

## A. Gross Program Costs (through buildout)

Cost Item	Property Acquisition	Annual O&M Costs
	Costs	
Land Acquisition <sup>17</sup>	\$29,313,000	
Program Administration	\$2,200,000	
Initial Weed Abatement	\$439,500	
Transaction Costs <sup>18</sup>	\$2,931,300	
Merger Incentive Costs	\$3,549,600	
Lot Maintenance <sup>19</sup>		\$283,284
Total	\$38,827,800	\$283,284

### B. Program Funding Sources

<b>Funding Source</b>	Property Acquisition Funding	%	Annual O&M Funding <sup>20</sup>
Sale of 65 unallocated water			
connections	\$19,500,000	50	
Remodel Fees	\$1,100,000	3	
Water Rate Increase -			
Residential	\$5,832,896	15	\$226,627
Water Rate Increase -			
Commercial	\$1,458,224	4	\$56,657
Buildout Reduction Fee -			
Residential	\$8,749,344	23	
Build-out Reduction Fee -			
Commercial	\$2,187,336	5	
Total	\$38,827,800	100	\$283,284

<sup>&</sup>lt;sup>17</sup> 861 lots at \$33,000 each, and 18 lots at \$50,000 each.

<sup>18</sup> These costs include appraisal, title insurance, recording fee, escrow agent, buyer-paid commissions, and miscellaneous closing costs.

<sup>&</sup>lt;sup>19</sup> The O&M cost shown is an average annual expense that covers the first 22 years of the program. The cost is less during the initial years of the program as lots are acquired, and levels off at \$370,325 per year after all the lots are acquired.

<sup>&</sup>lt;sup>20</sup> The O&M funding sources shown are for the average funding during the initial 22 years of the program. At program completion, and after all the lots are acquired, the annual O&M funding increases to \$296,260 per year for residential, and \$74,065 for commercial, or a total of \$370,325 per year. After 22 years, the property acquisition funding need from the water rate increases shown reduces to zero.

## C. Calculation of Maximum Costs Per Water Account (or Per Connection)

Funding Fee	Property Acquisition Funding	Annual O&M Funding
Residential		
Water Rate Increases <sup>21</sup>		
For lot acquisition	\$ 70 per year	
Maximum lot maintenance		\$ 63 per year
Buildout Reduction Program Fees	\$10,108 one time	
Commercial		
Water Rate Increases <sup>22</sup>		
For lot acquisition	\$299 per year	
Maximum lot maintenance		\$283 per year
Buildout Reduction Program Fees	\$10,108 one time, per EDU	

#### Residential

Water Rate Increases

For lot acquisition \$ 70 per year Maximum lot maintenance \$ 63 per year Buildout Reduction Program Fees \$10,108 one time

#### Commercial

Water Rate Increases

For lot acquisition \$299 per year Maximum lot maintenance \$283 per year

Buildout Reduction Program Fee \$10,108 one time, per EDU

## Potential tax benefits or other financial incentives

Existing homeowners and those constructing new homes will benefit from most aspects of this program; however, it is unlikely that there will be tax benefits from it. This needs to be analyzed on a case-by-case basis. In some cases CCSD and/or the County may offer incentives for merging lots.

This rate increase will apply to current users and waitlist owners who build. The lot maintenance component will begin as a very small number in the first years of the program (few lots to maintain) and build toward the maximum amount at the end of the program. Of course at the end of the program the lot acquisition fee will disappear.

<sup>&</sup>lt;sup>22</sup> The fees shown for commercial customers are based on an overall average consumption per commercial connection. The rate increase for commercial customers is planned to be the same percentage that would apply to residential customers.

#### Other measures needed to ensure success

- 1. Limit water/wastewater service to lots within current CCSD boundaries.
- 2. The desalination plant has been designed for 4,650 residential connections so there is no excess capacity available.
- 3. Special Project Area 2 should include the same restrictions for development that applies to Special Project Area 1.
- 4. The requirement to retire a 'lot' when transferring a meter or water position needs to be changed to retiring a potential 'building site.'
- 5. Staff/resources to carry out the program

## **Program Implementation**

- 1. Approve Buildout Reduction Program
- 2. Approve and Adopt Water Master Plan Program EIR
- 3. Adopt Water Master Plan
- 4. Incorporate Proposed Water Rate Adjustment into Water and Wastewater Rate Analysis and Modeling Study to be performed by Black and Veatch
- 5. As funds accumulate, make them available for lot purchases and retirements.
- 6. Offer conditional Intent to Serve Letters to a portion of the waitlist
- 7. Begin donating meters (3 a year) to land trusts for sale, subject to lifting of moratorium
- 8. Lift moratorium once the desalination project has made substantial progress and is nearing completion.

### **Program Timing**

Following adoption of the Water Master Plan and completion of the Water and Wastewater Rate Analysis and Modeling Study, we estimate the Buildout Reduction Program could be launched as early as Spring 2007.

#### **Public Outreach**

There are three groups most affected by the Cambria Buildout Reduction Program:

- CCSD residential and commercial customers
- Individuals on the CCSD water waitlist
- Lot owners not on the CCSD water waitlist

Following are the methods we recommend in communicating the Program and subsequent updates to the above individuals:

- 1. Town Hall Meeting May 16, 6:00 p.m. Veterans Memorial Building, Cambria The community will have an opportunity to learn about the Program and ask questions.
- 2. Letters to waitlist and lot owners. Ongoing communication.
- 3. **CCSD** web site, newsletter and billing inserts. Updates, Frequently Asked Questions, Reports, etc. will be posted to the CCSD web site. Some of this information will also go out to CCSD water/wastewater customers as billing inserts. Updates will also be provided in the CCSD newsletter.
- 4. **Press releases.** Updates will be communicated to the local media on Program developments and community meetings.

# FAQs: Frequently Asked Questions – Revised May 16, 2006

## 1. Who will benefit from the Buildout Reduction Program (BRP)?

Cambria residents, landowners and visitors will benefit from a community that matches human impacts with environmental values and infrastructure capacity. The BRP will ensure that Cambria remains 'in the pines'—enjoyed by residents and visitors alike.

### 2. How will the BRP be paid for?

Over the projected 22-year span of the BRP, costs would be paid from

- Sale of 65 unallocated water connections.
- A fee for new water connections.
- A specified water rate increase.
- A specified fee for remodels.

## 3. How will this affect my water rates?

Residential rates will increase by \$8.81 a month (\$17.62 per billing period) Commercial rates will increase \$39.40 per month per EDU (\$78.80 per billing period)

## 4. How will this affect people on the CCSD wait list?

The 701 properties on the CCSD single family and multi family residential water waitlist will be eligible for water connections which will be made available over a period of 22 years or less.

## 5. Is the CCSD wait list tied to specific lots?

Yes, you have to own a lot to hold a wait list position.

# 6. Since the CCSD wait list is tied to specific lots, could the BRP attempt to guide where the additional connections are to be located?

No, it is better for the natural operation of the real estate market to guide the placement of the additional water connections. Also the fact that the CCSD wait list positions are tied to a specific lot does not guarantee that this is where the water meter will be eventually placed. Meter and wait list position transfers are allowed today and occur frequently.

## 7. How does the BRP relate to the desal plant?

This BRP is designed to mitigate potential growth-inducing consequences of a desalination plant by retiring building sites that exceed the maximum of 4,650 water connections that has been adopted.

## 8. Where did the number 4,650 maximum water connections come from?

It is the sum of existing residential water connections, pending connections, outstanding Intent to Serve Letters, grandfathered meters, existing CCSD waitlist positions, and unallocated connections. It is consistent with the proposed North Coast Area Plan and the recommendations of the Coastal Commission.

### 9. Why 22 years for the BRP?

Based on the County's current 1% growth rate, it will take 22 years to achieve buildout at 4.650 connections.

# 10. What happens to people with a buildable lot and no CCSD wait list position? They have several options:

- Acquire and move a meter or CCSD waitlist position from another lot.
- Purchase an unallocated water connection from a land trust.
- Simply retain their property (do nothing).
- Sell their property.
- Donate their property.
- Merge their property with an adjacent parcel.
- Wait until the end of this 22-year implementation period to find out if they are eligible of the unallocated water meters.

## 11. What are the two Special Project Areas, and why the special restrictions?

Special Project Areas #1 and #2 are special planning areas designated by the county because of #1 trees and habitat, and #2, viewshed and habitat. Water entitlements cannot be transferred into them unless the building site is already on the CCSD waitlist for water connections. The BRP did not include these areas because there are other acquisition programs that focus on these areas. (This is currently true only for SPA #1. The CCSD Board would need to pass an ordinance for SPA #2).

# 12. Why do Commercial water customers have a higher water rate increase than Residential ones?

Commercial water rates are currently higher than residential rates, which is the common practice throughout the nation. The rate increase proposed is the same percentage increase for both commercial and residential. Residential customers will pay 15% of the costs of the BRP while commercial customers will pay 4%.

## 13. How does the BRP impact multi-family water connections?

The BRP includes multi-family water connections and lots.

## 14. How does the BRP impact commercial meters?

Future commercial water connections are limited to 20% of the water allocated for each year. The BRP limits the number of residential water connections. The commercial connections will therefore be limited to 20% of the water allocated for residential.

## 15. Who will own the lots and what will they be used for?

Most of the lots will be owned and maintained by CCSD with open space easements over them held by land trusts, but some might be owned by land trusts if they complement forest and open space reserves that already exist. Most will simply be open space and forest habitat.

## 16. What will the lots that have been acquired look like?

These lots will look like the 100's of lots already acquired and retired. They are and will remain as permanently dedicated open space.

#### 17. Who will maintain the retired lots?

The owner of the lot is responsible for maintenance. If the lots are merged with another lot the owners of the merged lot will be responsible for maintenance. If a land trust owns the lot it will be required to maintain the lot. If the CCSD owns the lot it will have to maintain the lot. Maintenance will largely be weed abatement and fuel reduction. The cost of maintenance by the CCSD will be funded through the BRP.

#### 18. Which lots, and how many, will be purchased?

A projected 879 lots that are part of potential building sites will be purchased.

#### 19. Who will own the retired lots?

The CCSD, land trusts and private property owners who have either merged building sites into their property or agreed to covenants or easements to retain the lots as open space will own the retired lots.

## 20. Who will decide on which lots to purchase?

Land trusts in the BRP will have flexibility in choosing lots for purchase and retirement, as long as transactions retire a potential building site. Among the factors they could consider are

- Adjacency to other retired lots
- Least cost for greatest benefit
- Strategic importance for habitat or open space protection

# 21. Why are Greenspace and the Land Conservancy of SLO County chosen to help implement the BRP?

Local land trusts have knowledge of the community and experience in acquiring land for conservation purposes here.

#### 22. Why doesn't CCSD sell the meters itself?

- It takes these decisions out of the hands of the CCSD Board.
- The CCSD would not have to increase staff to handle this new role.
- Confidentiality can better be assured for these business dealings.
- Donations to these non-profit charitable organizations could have tax or related benefits to donors.

# 23. How is the average selling price (\$300,000) of unallocated water connections justified?

Recently, single connections have sold for from \$200,000 to \$366,000.