

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT
725 FRONT STREET, SUITE 300
SANTA CRUZ, CA 95060
PHONE: (831) 427-4863
WEB: WWW.COASTAL.CA.GOV

**October 1, 2024**

Jeremy Freund
San Luis Obispo County Department of Planning and Building
976 Osos St.
San Luis Obispo, CA 93408

Subject: **DRC2013-00112 (Cambria Water Reclamation Facility)**

Dear Mr. Freund,

We received the project referral for DRC2013-00112, which is the required follow up Coastal Development Permit (CDP) for the Cambria Community Services District (CCSD) Water Reclamation Facility (WRF), which was authorized and constructed under Emergency Permit ZON2013-00589 as the Cambria Emergency Water Supply Project (EWSP). We understand that a Subsequent Environmental Impact Report (SEIR) was prepared for the WRF and that an addendum to the SEIR is currently being developed by the CCSD. It also appears that the WRF, together with the modifications derived from the SEIR along with consultation with other regulatory agencies, is the project sought by the Regular CDP. Both APNs (013-051-024 & 013-051-008) where the project is located are zoned Agricultural and within the LCP's North Coast Area Plan just north of the community of Cambria within San Luis Obispo County. After reviewing, the project raises Coastal Act and LCP consistency issues related to water availability, Environmentally Sensitive Habitat Areas (ESHA), public access and recreation, and coastal hazards. Please see the below sections that outlines our position on these issues.

Water Availability and ESHA

The Coastal Act contains strong protections for ESHA with the LCP mirroring that direction. The LCP also specifically requires that water extractions do not lead to adverse coastal resource impacts. These provisions include:

Coastal Act Section 30107.5. *“Environmentally sensitive area” means any area in which plant or animal life or their habitats are either rare or especially valuable because of their special nature or role in an ecosystem and which could be easily disturbed or degraded by human activities and developments.*

Coastal Act Section 30240. *(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas. (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which*

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would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

ESHA Policy 1: Land Uses Within or Adjacent to Environmentally Sensitive Habitats. *New development within or adjacent to locations of environmentally sensitive habitats (within 100 feet unless sites further removed would significantly disrupt the habitat) shall not significantly disrupt the resource. Within an existing resource, only those uses dependent on such resources shall be allowed within the area.*

ESHA Policy 2: Permit Requirement. *As a condition of permit approval, the applicant is required to demonstrate that there will be no significant impact on sensitive habitats and that proposed development or activities will be consistent with the biological continuance of the habitat. This shall include an evaluation of the site prepared by a qualified professional which provides: a) the maximum feasible mitigation measures (where appropriate), and b) a program for monitoring and evaluating the effectiveness of mitigation measures where appropriate.*

ESHA Policy 6: Off-Site Mitigation Bank for Urban Development. *The county shall participate in creating a program (e.g. through the update of area plans) that would allow development to occur on sites in urban areas that contain sensitive species habitat but do not represent long-term viable habitat in exchange for participation in an off-site mitigation program.*

ESHA Policy 29: Protection of Terrestrial Habitats. *Designated plant and wildlife habitats are environmentally sensitive habitat areas and emphasis for protection should be placed on the entire ecological community. Only uses dependent on the resource shall be permitted within the identified sensitive habitat portion of the site.*

Development adjacent to environmentally sensitive habitat areas and holdings of the State Department of Parks and Recreation shall be sited and designed to prevent impacts that would significantly degrade such areas and shall be compatible with the continuance of such habitat areas.

Policy 30: Protection of Native Vegetation. *Native trees and plant cover shall be protected wherever possible. Native plants shall be used where vegetation is removed.*

Policy 35: Protection of Vegetation. *Vegetation which is rare or endangered or serves as cover for endangered wildlife shall be protected against any significant disruption of habitat value. All development shall be designed to disturb the minimum amount possible of wildlife or plant habitat.*

Policies for Coastal Watersheds Policy 1: Preservation of Groundwater Basin. *The long-term integrity of groundwater basins within the coastal zone*

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shall be protected. The safe yield of the groundwater basin, including return and retained water, shall not be exceeded except as part of a conjunctive use or resource management program which assures that the biological productivity of aquatic habitats are not significantly adversely impacted.

In addition, the Land Use Plan's North Coast Area Plan includes additional guidance for the areas in and around Cambria, and includes an extensive policy framework meant to protect the area's rich coastal resources. The NCAP acknowledges that Cambria has a severely limited water supply that has long been recognized as inadequate to serve new development, and provides clear protection for its creek resources, stating:

NCAP Combining Designations Policy 5: North Coast Creeks. *Portions of Santa Rosa, San Simeon, Pico, and Little Pico, Arroyo de la Cruz, Arroyo del Padre Juan, and San Carpoforo Creeks are anadromous fish streams which should be protected from impediments to steelhead migration and spawning. Adjacent riparian and wetland areas provide important wildlife habitat. Ground water and surface waters are linked, and maintenance of the creek habitats is essential to protect many coastal resources. These creeks support a number of declining species, such as the Tidewater Goby, Striped Garter Snake, Western Pond Turtle, Red-legged Frog, and Steelhead Trout.*

The following standards apply to development on lands within the Cambria Urban Reserve Line...

NCAP Planning Area Standard B.4(A): Limitation on Development. *Until such time as may be otherwise authorized through a coastal development permit approving a major public works project involving new potable water sources for Cambria, new development not using CCSD connections or water service commitments existing as of November 15, 2001 (including those recognized as "pipeline projects" by the Coastal Commission on December 12, 2002 in coastal development permits A-3-SLO-02-050 and A-3-SLO-02-073, shall assure no adverse impacts to Santa Rosa and San Simeon Creeks; ...*

After reviewing the updated Project Description (PD) and In-stream Flow Assessment (IFA) we still have several long-standing and previously identified concerns about numerous components of the proposed project that appear to be inconsistent with Coastal Act and LCP policies related to ESHA and water availability. More generally, it isn't clear if what is being proposed is the final PD/IFA. On PDF page 3 of the referral packet it says that, "staff is currently generating a scope of work for an in-instream flow study to address any data gaps regarding potential project impacts to coastal resources." If an amended version of this document is being developed, we will need to review and determine if there will indeed be impacts to coastal resources. The CCSD's cover letter also states that, "as we obtain updated data, some elements of the project description may need to be modified, but the current draft of the project description is sufficient to submit with our application for a CDP." For us to better identify data gaps it would be helpful to know what additional data is being collected and what additional

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analyses are expected to finalize these documents. There are also several references to an Adaptive Management Plan (AMP), however, no AMP was provided in this referral. In the past we have provided comments on previous versions of the AMP, though it's not clear whether our recommendations/edits were incorporated. A primary concern of the previous AMPs has been the lack of necessary baseline data on stream flows and on biological resources. We understand, too, that the CCSD recently announced that biological surveys would not be completed for this process, which further limits the usefulness of the proposed AMP.

District Response: Please see Exhibit 9

On PDF page 19 of the referral packet, the PD notes that approximately 100 GPM of treated and de-chlorinated water would be discharged into San Simeon Creek to maintain and enhance the San Simeon Creek Lagoon during the dry season. In previous correspondence with CCSD staff we have identified that this amount is inadequate to meet the LCP's requirement to protect stream flows in the lower reach of San Simeon Creek, which extends further inland than the lagoon. The March 2022 Todd groundwater memo also suggests this would not be a sufficient volume to maintain lagoon elevations saying, "An instantaneous lagoon discharge rate of 140 gpm was found to be necessary to prevent reductions in the minimum dry-season lagoon elevation and inflow." Furthermore, the report indicates that modeling for the study area focused on the larger downstream reach (reach 1), "because it is more accessible and closer to CCSD operations," which would seem to suggest that the model does not adequately characterize the effects of the CCSD's proposed pumping in conjunction with upstream agricultural operations and needs to be addressed in any update of the IFA. Additionally, in the March 2022 Todd Groundwater memo simulations of increased pumping don't have a reasonable worst-case scenario that accounts for simultaneous pumping from the Warren and Pedotti properties upstream.¹ The report goes on to state that, "San Simeon Creek has a number of groundwater pumps—municipal and agricultural—that likely increase the extent and frequency of intermittent flows above that which would occur under natural conditions." This would seem to suggest that CCSD and other withdrawals are already adversely impacting ESHA, and that additional baseline data gathered before implementation of any proposed project is needed to better characterize these effects.

District Response: Please see Exhibit 11

Most notably, the latest draft of the IFA developed in August of 2024 appears to not have been reviewed by the CCSD Technical Advisory Committee, which reviewed earlier versions, but has not met for more than a year. This review is critical especially since this updated version has added further analysis regarding Van Gordon Creek and how district pumping operations might influence this waterway. Additionally, both the PD as well as the IFA do not adequately address or identify the ongoing unmitigated loss of approximately six acres of ESHA since 2014 due to placement/operation of project components under the ECDP. Please note, and as stated as an example in our previous comments, applying a 4:1 mitigation ratio for that amount of impact over a 10-year period would result in roughly 240 acre-years of unmitigated impacts (i.e., 6 acres

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¹ In addition to the project's pumping effects on streamflow and ESHA, the project may adversely affect coastal agricultural resources if it is detrimental to the agricultural pumping operations.

x 10 years x 4:1 ratio = 240 acre-years). This project also proposes to remove the lining and blower structures from the Van Gordon reservoir, presumably to provide part of the mitigation needed to address the reservoir's impacts to ESHA but does not identify other measures that would be necessary to allow for successful ESHA restoration.

Lastly, there are a number of recommendations regarding CCSD operations as well as key conclusions drawn in the conclusion section of the IFA. We recommend that these be woven into the proposed AMP so we can determine what environmental triggers are in place to either limit or facilitate CCSD operations. If approved, we also recommend that long term monitoring begin before and continue after project implementation to ensure that there is adequate baseline data available to determine potential impacts to the surrounding environment.

District Response: Neither the IFA nor the PD aims to define mitigation measures that remain undefined by the California Coastal Commission despite several attempts by the CCSD to have these defined, the methodology for calculating these ratios, and what mitigation would be acceptable. The PD is just that: a description of the project and its proposed use. The IFA focuses on San Simeon Creek and Van Gordan Creek, not past mitigation deficits.

The IFA has a table in the document with comments from the TAC in Attachment 3 within Exhibit 11. The IFA is readily available for when the TAC meets. The CCSD does not control the TAC's meeting frequency.

Public Access and Recreation

Applicable Coastal Act and LCP Provisions

Coastal Act Sections 30210 through 30224 specifically protect public access and recreational opportunities, including visitor-serving resources. In particular:

Coastal Act Section 30210. *In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.*

Coastal Act Section 30211. *Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.*

Coastal Act Section 30212(a). *Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects....*

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Coastal Act Section 30213. *Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.*

Coastal Act Section 30220. *Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.*

Coastal Act Section 30221. *Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.*

Coastal Act Section 30223. *Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.*

The LCP mirrors these policies by protecting and encouraging public access and recreational opportunities.

LUP Recreation & Visitor Serving Facilities Policy 1: Recreation Opportunities. *Coastal recreational and visitor-serving facilities, especially lower-cost facilities, shall be protected, encouraged and where feasible provided by both public and private means ...*

LUP Recreation & Visitor Serving Facilities Policy 2: Priority for Visitor-Serving Facilities. *Recreational development and commercial visitor-serving facilities shall have priority over non-coastal dependent use, but not over agriculture or coastal dependent industry in accordance with PRC 30222 ...*

The Coastal Act and the LCP requires that low-cost visitor-serving facilities be protected, encouraged, and where feasible provided by both public and private means. San Simeon Creek Campground is located directly adjacent to the project site and has been impacted by District operations at this site for the past 10 years. Please identify any proposed mitigation to address both past adverse effects and those expected to result from the proposed project. This includes visual screening, noise reduction, etc.

District Response: Please see Exhibits 7 & 15. Part of this mitigation question seems illogical as it applies to mitigating past noise effects. As such, there is no response. Since the decommissioning of the Title 27 evaporation pond, the subsequent removal of the blowers, and the current removal of the sound enclosures, no noise will be associated with the project affecting low-cost visitor-serving facilities. The removal of the sound enclosures will mitigate the visual disturbances.

Coastal Hazards

Applicable Coastal Act and LCP Provisions

The Coastal Act establishes several requirements for new development to address

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coastal hazards, including minimizing risks to life and property, assuring stability and structural integrity, and requirements to maintain safety and stability over time, all without the reliance on shoreline armoring. These policies state:

Coastal Act Section 30235. *Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. ...*

Coastal Act Section 30253. *New development shall do all of the following: (a) minimize risks to life and property in areas of high geologic, flood, and fire hazard. (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs. ...*

The LCP also includes a series of provisions that address development that may be subject to coastal hazards. The LCP states:

LUP Hazard Policy 1. New Development. *All new development proposed within areas subject to natural hazards from geologic or flood conditions (including beach erosion) shall be located and designed to minimize risks to human life and property. Along the shoreline new development (with the exception of coastal-dependent uses or public recreation facilities) shall be designed so that shoreline protective devices (such as seawalls, cliff retaining walls, revetments, breakwaters, groins) that would substantially alter landforms or natural shoreline processes, will not be needed for the life of the structure. Construction of permanent structures on the beach shall be prohibited except for facilities necessary for public health and safety such as lifeguard towers.*

LUP Hazard Policy 2. Erosion and Geologic Stability. *New development shall ensure structural stability while not creating or contributing to erosion or geologic instability.*

The project site is located adjacent to a creek/lagoon complex near the Ocean and is subject to coastal hazards including flooding, tsunamis, tidal surge, stormwater runoff, and others. The project has already been adversely affected due to several flooding incidents that damaged project components. However, it appears that there hasn't been any analysis done to determine how these hazards might impact the project site and its associated infrastructure. Please include a report that addresses and analyzes coastal hazards.

District Response: District Response: Please see Exhibits 7 & 15

The only project damage associated with flooding was due to faulty engineering in the construction of the now-decommissioned Title 27 evaporation pond, in which storm runoff penetrated the pond, resulting in its decommissioning. The WRF itself has never suffered any damage from flooding.

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To conclude, it appears that there are several key reports and missing pieces of information in this referral that need to be addressed prior to approval of this project. We also understand that interested parties may have additional concerns that will be expressed to the County and to the Commission during any appeal – for example, the cost and environmental justice aspects of this project. Additionally, the referral also alludes to the fact that there is an addendum to the SEIR that is currently being finalized by the CCSD. We recommend that this document incorporate and analyze the above-mentioned Coastal Act and LCP policies as we may have additional comments after reviewing. Please feel free to reach me at devon.jackson@coastal.ca.gov and let me know if you have any questions based on our review.