

**ADDENDUM TO COMMISSION PACKET
FOR
ENERGY, OCEAN RESOURCES and
FEDERAL CONSISTENCY**

For Thursday, December 13, 2007

Item No. Th 6a & 6b

A-3-SLO-06-053 / E-07-001

Cambria Community Services District

- CCSD Request for Continuance

Item No. Th 7a & 7b

A-3-SLO-06-053 / E-07-001

Cambria Community Services District

- CCSD Request for Continuance
- Ex Parte Communication
- Correspondence

ITEM NO. Th 6a & 6b

A-3-SLO-06-053 / E-07-001

Cambria Community Services District

- CCSD Request for Continuance

CAMBRIA COMMUNITY



SERVICES DISTRICT

RECEIVED

DEC 10 2007

CALIFORNIA COASTAL COMMISSION

December 10, 2007

DIRECTORS:

*Ilan Funks-Bills
President*

*Joan Cobin
Vice President*

*Peter Chaldecott
Director*

*Gregory Sanders
Director*

*Donald Villeneuve
Director*

Peter M. Douglas
Executive Director
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Douglas:

OFFICERS:

*Tammy Rudock
General Manager*

*Arther R. Montandon
District Counsel*

*Kathy Choute
District Clerk*

The CCSD respectfully requests at least a 90-day continuance of Revised Findings, Items 6.a. and 6.b. Appeal No. A-3-SLO-06-053; Application No. E-07-001) and Reconsiderations Items 7.a. and 7.b. Appeal No. A-3-SLO-06-053, Application No. E-07-001 from the California Coastal Commission's 12/13/07 agenda in San Francisco.

The CCSD Board of Directors and staff have worked diligently to develop a good relationship with Coastal Commission staff and would like to use their expertise in developing a viable project. We would like to discuss with Coastal staff the continued feasibility of San Simeon Creek and other possible ocean intake locations.

We believe this additional time will allow us to work constructively to develop the best possible project in conformance with Coastal Act objectives.

Sincerely,

Tammy A. Rudock
General Manager

- cc: Coastal Commissioners
- CCSD Board of Directors
- Bruce Gibson, Supervisor/2nd District, SLO County Board of Supervisors
- Art Montandon, District Counsel
- Bob Gresens, District Engineer

ITEM NO. Th 7a & 7b

A-3-SLO-06-053 / E-07-001

Cambria Community Services District

- CCSD Request for Continuance
- Ex Parte Communication
- Correspondence

CAMBRIA COMMUNITY



SERVICES DISTRICT

December 10, 2007

RECEIVED

DEC 10 2007

CALIFORNIA COASTAL COMMISSION

DIRECTORS:

*Ylasi Funks-Bills
President*

*Joan Cobin
Vice President*

*Peter Chaldecort
Director*

*Gregory Sanders
Director*

*Donald Villeneuve
Director*

OFFICERS:

*Tammy Rudock
General Manager*

*Arther R. Montandon
District Counsel*

*Kathy Choute
District Clerk*

Peter M. Douglas
Executive Director
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Douglas:

The CCSD respectfully requests at least a 90-day continuance of Revised Findings, Items 6.a. and 6.b. Appeal No. A-3-SLO-06-053; Application No. E-07-001) and Reconsiderations Items 7.a. and 7.b. Appeal No. A-3-SLO-06-053, Application No. E-07-001 from the California Coastal Commission's 12/13/07 agenda in San Francisco.

The CCSD Board of Directors and staff have worked diligently to develop a good relationship with Coastal Commission staff and would like to use their expertise in developing a viable project. We would like to discuss with Coastal staff the continued feasibility of San Simeon Creek and other possible ocean intake locations.

We believe this additional time will allow us to work constructively to develop the best possible project in conformance with Coastal Act objectives.

Sincerely,

Tammy A. Rudock
General Manager

- cc: Coastal Commissioners
- CCSD Board of Directors
- Bruce Gibson, Supervisor/2nd District, SLO County Board of Supervisors
- Art Montandon, District Counsel
- Bob Gresens, District Engineer

**FORM FOR DISCLOSURE
OF EX PARTE
COMMUNICATION**

RECEIVED

DEC 03 2007

CALIFORNIA
COASTAL COMMISSION

Date and time of communication:
(For messages sent to a Commissioner
by mail or facsimile or received as a
telephone or other message, date
time of receipt should be indicated.)

11/29/07 - 3:30 p.m.

Location of communication:
(For communications sent by mail or
facsimile, or received as a telephone
or other message, indicate the means
of transmission.)

In Office, Eureka, CA

RECEIVED
DEC 03 2007
CALIFORNIA
COASTAL COMMISSION

Person(s) initiating communication:

Maggie Heberlin, Sue Leskiw, and Mel
McKinney from the Organization of
Regional Coastal Activists (ORCA),
speaking on behalf of LandWatch of San
Luis Obispo County

Person(s) receiving communication:

Bonnie Neely

Name or description of project:

Cambria Community Services District,
San Luis Obispo County, for geotechnical
and hydrogeologic testing permit.
Agenda items 6 & 7 on 12/13.

Detailed substantive description of content of communication:

(If communication included written material, attach a copy of the complete text of the written material.) See Attached ORCA Action request opposition to these agenda items due to a lack of new evidence or facts to reconsider the matter.

11/29/07

Date


Signature of Commissioner

If the communication was provided at the same time to staff as it was provided to a Commissioner, the communication is not ex parte and this form does not need to be filled out.

If communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the communication, complete this form and transmit it to the Executive Director within seven days of the communication. If it is reasonable to believe that the completed form will not arrive by U.S. mail at the Commission's main office prior to the commencement of the meeting, other means of delivery should be used, such as facsimile, overnight mail, or personal delivery by the Commissioner to the Executive Director at the meeting prior to the time that the hearing on the matter commences.

If communication occurred within seven days of the hearing, complete this form, provide the information orally on the record of the proceedings and provide the Executive Director with a copy of any written material that was part of the communication.

FINAL

ORCA ACTION REQUEST FOR MEMBERS:

Please submit no later than two weeks prior to hearing week.

This form is to be used to request action from the Statewide ORCA network. This is for projects that have been approved as a priority project and must be submitted no later than 2 weeks prior to the week of the hearing.

County requesting action:

San Luis Obispo County

Contact (County Organizer or lead volunteer):

Name: Pam Heartherington and Nancy Graves- Phone?

Organization (if your organization has a position):

LandWatch of San Luis Obispo County

Date approved by your County ORCA chapter:

Note: Please fill this out even if the staff report is not yet available. If you do you may submit an amendment to this after the staff report is released.

Date of hearing and agenda item number**THURSDAY, DECEMBER 13, 2007 San Francisco**

6+7 a. **Appeal No. A-3-SLO-06-053 (Cambria Community Services Dist., San Luis Obispo Co.)** Appeal by Sierra Club Santa Lucia Chapter, San Luis Obispo County Land Watch, and Commissioners Shallenberger and Wan from decision of County of San Luis Obispo granting permit with conditions to Cambria Community Services District to allow geotechnical and hydrogeologic testing for a proposed desalination facility, at San Simeon State Beach, County of San Luis Obispo. (TL-SF)

6+7 b. **Application No. E-07-001 (Cambria Community Services Dist., San Luis Obispo Co.)** Cambria Community Services District denied permit to allow geotechnical and hydrogeologic testing for proposed desalination facility, at San Simeon State Beach, County of San Luis Obispo. (TL-SF)

Issue:**Request for Reconsideration by Cambria Community Services District**

1. **Description of Issue (please be concise- no more than 2-3 pages- preferably bullet point style). This will be used as a "script" by the liaison. Include in your description the following:**

- ◆ Cambria Community Services District (CCSD) is requesting that the above referenced appeal and application be reconsidered in accord with Public Resources Code Section 30626 and 30627 and Article 18, California Code of Regulations.
- ◆ The Cambria Community Service District's is requesting a reconsideration of the permit for its proposed desalination data-gathering project, denied by the Commission at the September 6, 2007 Eureka meeting.

Your position on the issue:**Oppose X****Approve as proposed****Approve with modifications****Why you take that position based on Coastal Act policies**

- ◆ *Public Resources Code Section 30627 (3) the basis of the request for reconsideration shall be either that there is relevant new evidence which, in the exercise of reasonable diligence, could not have been presented at the hearing on the matter or that an error of fact or law has occurred which has the potential of altering the initial decision.*

Our position is new evidence or facts - Is lacking and no error in law as described in the above code, so no grounds for reconsideration

New evidence or facts

- ◆ CCSD is alleging that they did not have an opportunity to present their desalination facility plans to the commissioners during the September 2007 hearing and this constitutes "new evidence or facts"
- ◆ The Cambria CSD and its representatives, throughout the course of the County permit process and in two full hearings before the Coastal Commission, and in correspondence, conversations and personal meetings with Commissioners and staff prior to each hearing did not choose to include information on the full desalination project, and now wishes to do so in a new hearing. -- leading to the observation of Executive Director Peter Douglas at the September 6, 2007 Eureka hearing that "we've made it very clear, time and again, that we do not believe this is an appropriate site for a permanent facility."
- ◆ There is no new evidence or facts that could not have been presented at the hearing. The CCSD had ample opportunity to present their case to the commissioners. Certainly under the "grilling by Commissioner Steve Blank" they had ample opportunity to present their plans. Present at the Eureka hearing representing the CCSD were their engineer, a project consultant, manager of the CCSD, two board directors and the staff attorney. Any one of these could have at anytime set the record straight if there was a misrepresentation of fact or new evidence. CCSD's lobbyist David Neish judiciously lobbied each and every commissioner. CCSD's request does not meet the standard in the Coastal Act for "new evidence."

Error in law

- ◆ CCSD is alleging that Peter Douglas made a statement at the close of the CCSD's presentation in Eureka (when they could no longer rebut) that "no desalination facilities would be allowed at San Simeon State Beach". The CCSD is alleging that this constitutes an "error in law". The CCSD stated numerous times at this and previous hearings that the purpose of their drilling was to site beach wells at the San Simeon Beach drilling site.
- ◆ Therefore Peter Douglas was correct in his statement because components (beach wells) of a desalination project are illegal at the San Simeon site due to LCP zoning and LCP setback ordinances. San Simeon State Beach is zoned for recreation and desalination facilities and their components are not an allowable use under the current LCP. There is no error in law.

No Grounds for Reconsideration

- ◆ Any decision for reconsideration must be based on the Coastal Act and the argument put forth by the CCSD does not support reconsideration under the Coastal Act or the Public Resources Code. The commissioners made their decision which was intelligent, accurate

- ◆ and supported by the evidence and the law. There was no error of fact, evidence or law as described in the Coastal Act and Public Resources Code.
- ◆ Contrary to the CCSD's surmise, it is clear from the transcript of the September 6 hearing that no Commissioner who spoke to the subject of the location of the permanent facility and who subsequently voted to uphold our appeal of the CCSD's permit believed that CCSD planned to build a permanent desalination facility directly on San Simeon State Beach.
- ◆ Commissioner Blank's direct questioning of the District's engineer on the point the District wishes the Commission to now reconsider, and the Commissioner's conclusion -- "I think this is a precursor to a larger plant in this area. Its proximity to a state park just leaves me feeling uncomfortable" -- was clear. There is no indication in the record of an error of fact or law.
- ◆ The CCSD made a strategic decision not to disclose information that was in their possession at the time they applied for their permit, thereby avoiding the requirement for a full Environmental Impact Report on the entire project. That strategy having failed, they are now making a strategic decision to disclose that information.

Specific request of the liaison to be used in the desired communications with Commissioners (issues in the Staff report, reasons for appeal, etc.).

No Second Chances

Granting the CCSD's request would set an appalling precedent for every project proponent whose development permit is denied by the Commission and who wants to try for a second bite of the apple. All notions of fair play and playing by the rules call for a denial of this request. We urge the Commission to deny the request for reconsideration.

State whether you are available to call the Commissioner should he/she have questions and provide you phone number/ email. Yes

805-927-1802

Mahala1@charter.net

If you agree with the staff report? If not, where are your differences? Again be concise.

~~Staff report not available~~

3. Action requested from Statewide ORCA network (check all that apply):

Letters written

Phone calls

Coastal Commissioners -- Liaison communication

Attend a Commission Hearing

-Date and location of Coastal Commission hearing

San Francisco, Thursday December 13, 2007

BOARD OF SUPERVISORS

1055 MONTEREY, ROOM D430 • SAN LUIS OBISPO, CALIFORNIA 93408-1003 • 805.781.5450



RECEIVED

December 6, 2007

DEC 06 2007

BRUCE GIBSON
SUPERVISOR DISTRICT TWO

California Coastal Commission
45 Fremont St., Suite 2000
San Francisco, CA 94105-2219

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Re: Cambria Community Services District – Request for Reconsideration for Approval of a Coastal Development Permit for Geological and Hydrogeologic Investigation Activities at the San Simeon Creek State Beach Area

Dear Commissioners:

I urge you to approve the Cambria Community Services District's (CCSD's) request for reconsideration of your tied vote of September 6, 2007 on the above subject permit. The investigation project is a key support activity that will go toward solving the current water shortage emergency in Cambria. Comments immediately before your vote indicate that there was likely some confusion as to the facts of this proposal. In fairness, the CCSD should be allowed the opportunity to address these last minute comments during a reconsideration hearing.

The CCSD is completing its due diligence with this investigation, in order to develop future project alternatives. Their proposals will abide by recommendations made by your Commission in its various reports and comments on other projects, namely, a subterranean intake that will avoid impacts to marine life. The CCSD has also completed a very public and transparent process in completing its environmental clearance process and County-issued Coastal Development Permit for this investigation.

The citizens and businesses of Cambria are under considerable duress due to the current shortage of water. Many of these same businesses, as well as the state-run campground, rely on the CCSD's water to also serve the many visitors to the Coast. Expanding the availability of fresh water will also benefit the municipal, agricultural, and environmental users of this limited and vital resource.

I appreciate your consideration of the CCSD's request.

Sincerely,

BRUCE GIBSON
Supervisor, District Two
San Luis Obispo County

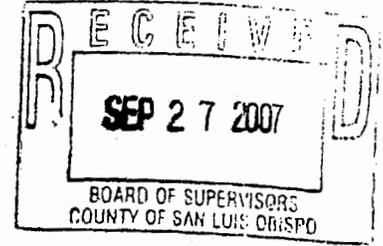
cc: Peter Douglas and Thomas Luster, Coastal Commission staff
Michael Chrisman, Karen Scarborough, and Brian Baird, Resources Agency
Paul Thayer, State Lands Commission
Dale E. Bonner and James Bourgart, Business, Transportation and Housing Agency

000 01 07 00:10P SLU BOARD OF SUPERVISORS BUS 701 1000 P.2

RECEIVED

OCT 02 2007

CALIFORNIA
COASTAL COMMISSION



Commissioner Achadjian:

As reported, the Cambria Community Services District desalination test well request was denied approval with a six to six vote. Furthermore, it was reported that some commission members may have been misinformed in that the wells were merely for test purposes and that there was no intention to construct the plant on state park property. It defies belief that in the approximately seven months between the Coastal Commission's stoppage of the test well construction by the and the approval hearing, there was not complete understanding of CCSD plans and intentions. Which leads to one of two conclusions: either the CCSD failed in making all points clear, or that certain commissioners failed to understand those points. Either conclusion points to public official negligence that baffles powerless constituents such as me, a Cambria property owner in building limbo, or the long suffering residents who face severe rationing and extreme fire danger nearly every year due to an inadequate water supply. If the misunderstandings did indeed occur, fairness demands that the Coastal Commission grant another hearing and vote.

I agree with the commission's demands that the test wells should be constructed with reduced environmental impact from what was originally planned. Perhaps CCSD first attempts were designed to be the most cost effective, but politically risky. Perhaps it does take what seems to be an inordinate amount of time for the Coastal Commission to schedule a ruling hearing. However, watching all this government agency maneuvering leaves the rest of us scratching our collective heads and wondering how public works projects ever get accomplished.

Commissioner Achadjian, please push for another hearing. A drought-proof water supply is of great importance to the community and to my wife and me, in our eighth year of waiting since buying our property, and our twenty fourth year since we first saw Cambria and knew that was where we wanted to finally call home.

Thank you,

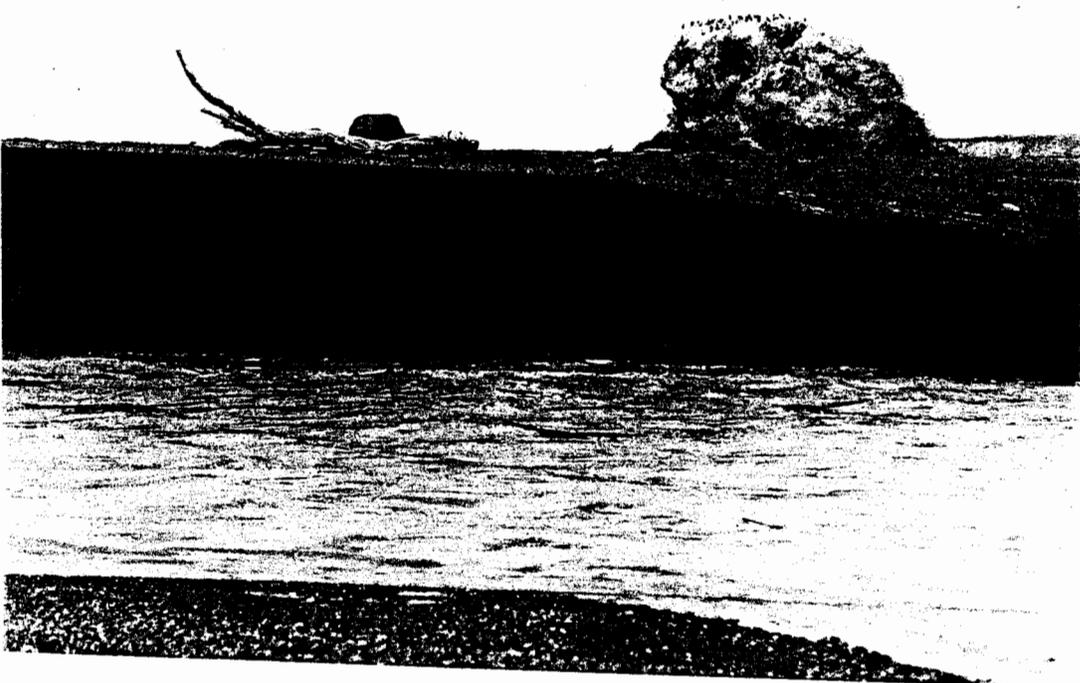
A handwritten signature in black ink, appearing to read "Richard Ferranti".

Richard Ferranti
5805 Encino Drive
Atascadero, CA 93422
Email: richard.ferranti@sbcglobal.net

RECEIVED

NOV 27 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA



Pico Rock and mouth of
San Simeon Creek,
February 2005

RECEIVED

NOV 05 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

24 October 2007

Dear California Coastal Commissioners and Executive Director,

I send you individually this letter to thank you for all the work you do to protect the coast of California. So many difficult decisions confront you at each meeting. Your careful consideration of the work done by staff shows how seriously you take your elected and appointed responsibilities.

I also thank you specifically for your action at the meeting on September 6, 2007, to protect San Simeon State Beach and Park, the Monterey Bay National Marine Sanctuary, and the Cambria State Marine Conservation Area. The photo above shows this part of the coast in one of its always changing forms. The geotechnical and hydro-geologic testing on the beach proposed by the Cambria Community Services District would violate the integrity of ocean, creek, beach, and wetlands in ways far beyond so-called mitigation's reach.

Please know that I and many others here in Cambria applaud your work. With such diligence you and others acknowledge that the well-being of the earth and the future of humans are inseparable.

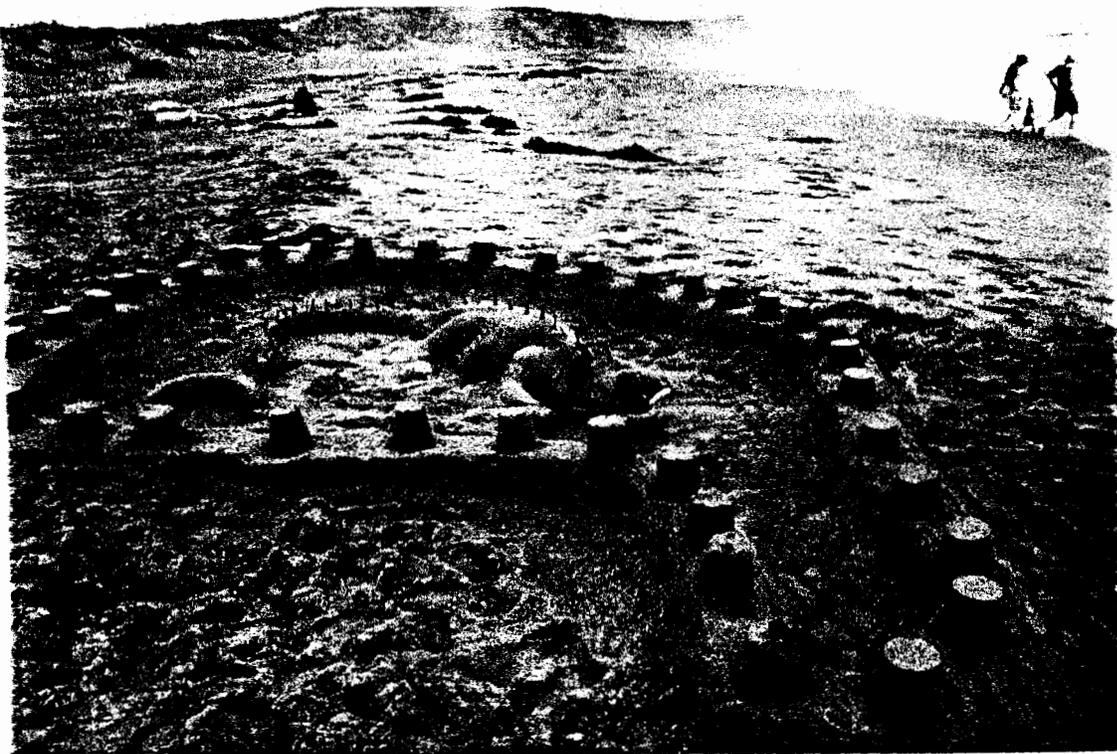
With grateful best wishes, I am

Sincerely yours,

Elizabeth Bettenhausen

Elizabeth Bettenhausen, Ph.D.
345 Plymouth St.
Cambria, CA 93428

✓cc: Charles Lester, Senior Deputy Director
Central Coast District Office of CCC



San Simeon State Beach.

RECEIVED

NOV 01 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

24 October 2007

Dear California Coastal Commissioners and Executive Director,

I send you individually this letter to thank you for all the work you do to protect the coast of California. So many difficult decisions confront you at each meeting. Your careful consideration of the work done by staff shows how seriously you take your elected and appointed responsibilities.

I also thank you specifically for your action at the meeting on September 6, 2007, to protect San Simeon State Beach and Park, the Monterey Bay National Marine Sanctuary, and the Cambria State Marine Conservation Area. The photo above shows this part of the coast in one of its always changing forms. The geotechnical and hydro-geologic testing on the beach proposed by the Cambria Community Services District would violate the integrity of ocean, creek, beach, and wetlands in ways far beyond so-called mitigation's reach.

Please know that I and many others here in Cambria applaud your work. With such diligence you and others acknowledge that the well-being of the earth and the future of humans are inseparable.

With grateful best wishes, I am

Sincerely yours,

Elizabeth Bettenhausen

Elizabeth Bettenhausen, Ph.D.
345 Plymouth St.
Cambria, CA 93428

cc: Charles Lester, Senior Deputy Director
Central Coast District Office of CCC



San Simeon State Beach
February 2005

RECEIVED

NOV 01 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

24 October 2007

Dear California Coastal Commissioners and Executive Director,

I send you individually this letter to thank you for the all the work you do to protect the coast of California. So many difficult decisions confront you at each meeting. Your careful consideration of the work done by staff shows how seriously you take your elected and appointed responsibilities.

I also thank you specifically for your action at the meeting on September 6, 2007, to protect San Simeon State Beach and Park, the Monterey Bay National Marine Sanctuary, and the Cambria State Marine Conservation Area. The photo above shows this part of the coast in one of its always changing forms. The geotechnical and hydro-geologic testing on the beach proposed by the Cambria Community Services District would violate the integrity of ocean, creek, beach, and wetlands in ways far beyond so-called mitigation's reach.

Please know that I and many others here in Cambria applaud your work. With such diligence you and others acknowledge that the well-being of the earth and the future of humans are inseparable.

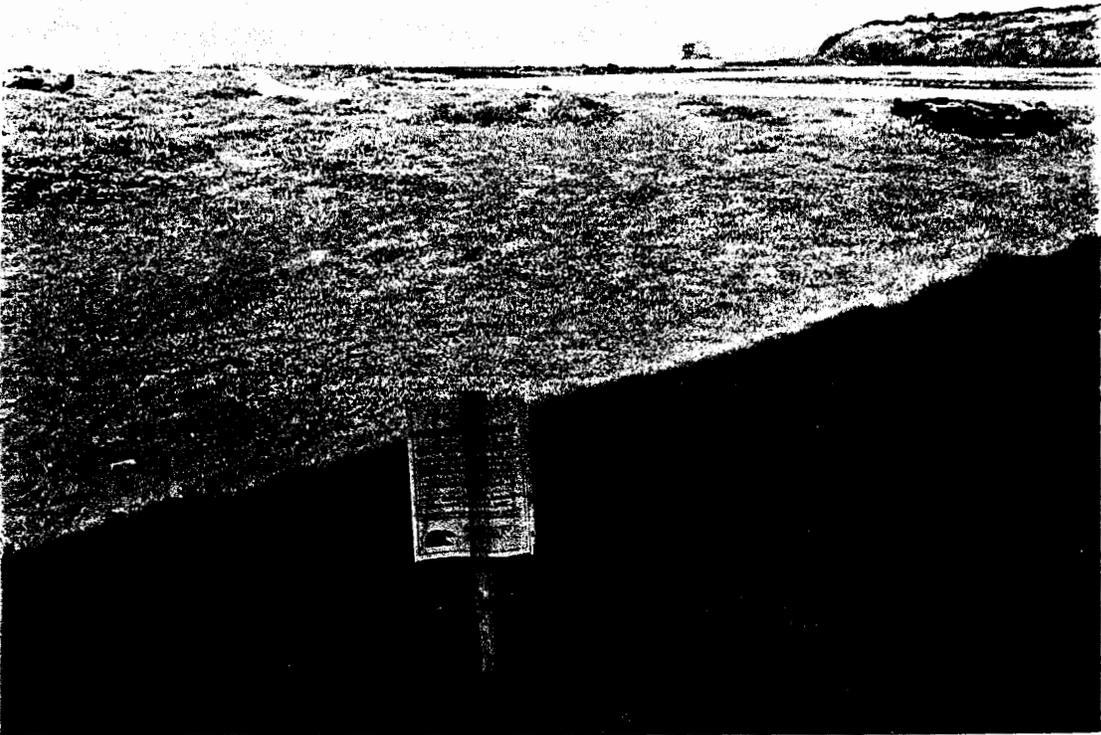
With grateful best wishes, I am

Sincerely yours,

Elizabeth Bettenhausen

Elizabeth Bettenhausen, Ph.D.
345 Plymouth St.
Cambria, CA 93428

cc: Charles Lester, Senior Deputy Director
Central Coast District Office of CCC



San Simeon State Beach
from under Highway 1
bridge

RECEIVED

NOV 01 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

24 October 2007

Dear California Coastal Commissioners and Executive Director,

I send you individually this letter to thank you for all the work you do to protect the coast of California. So many difficult decisions confront you at each meeting. Your careful consideration of the work done by staff shows how seriously you take your elected and appointed responsibilities.

I also thank you specifically for your action at the meeting on September 6, 2007, to protect San Simeon State Beach and Park, the Monterey Bay National Marine Sanctuary, and the Cambria State Marine Conservation Area. The photo above shows this part of the coast in one of its always changing forms. The geotechnical and hydro-geologic testing on the beach proposed by the Cambria Community Services District would violate the integrity of ocean, creek, beach, and wetlands in ways far beyond so-called mitigation's reach.

Please know that I and many others here in Cambria applaud your work. With such diligence you and others acknowledge that the well-being of the earth and the future of humans are inseparable.

With grateful best wishes, I am

Sincerely yours,

Elizabeth Bettenhausen

Elizabeth Bettenhausen, Ph.D.
345 Plymouth St.
Cambria, CA 93428

cc: Charles Lester, Senior Deputy Director
Central Coast District Office of CCC



Snowy Plover
Charadrius alexandrinus
at San Simeon State Beach

RECEIVED

NOV 01 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

24 October 2007

Dear California Coastal Commissioners and Executive Director,

I send you individually this letter to thank you for all the work you do to protect the coast of California. So many difficult decisions confront you at each meeting. Your careful consideration of the work done by staff shows how seriously you take your elected and appointed responsibilities.

I also thank you specifically for your action at the meeting on September 6, 2007, to protect San Simeon State Beach and Park, the Monterey Bay National Marine Sanctuary, and the Cambria State Marine Conservation Area. The photo above shows this part of the coast in one of its always changing forms. The geotechnical and hydro-geologic testing on the beach proposed by the Cambria Community Services District would violate the integrity of ocean, creek, beach, and wetlands in ways far beyond so-called mitigation's reach.

Please know that I and many others here in Cambria applaud your work. With such diligence you and others acknowledge that the well-being of the earth and the future of humans are inseparable.

With grateful best wishes, I am

Sincerely yours,

Elizabeth Bettenhausen

Elizabeth Bettenhausen, Ph.D.
345 Plymouth St.
Cambria, CA 93428

cc: Charles Lester, Senior Deputy Director
Central Coast District Office of CCC

Nov. 27, 2007

Central Coast District Office
Charles Lester, Senior Deputy Director
To all Commissioners
725 Front Street, Suite 300
Santa Cruz, CA 95060-4508

RECEIVED

DEC 03 2007

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Dear Commissioners, Directors and Staff:

I have lived in Cambria for a few years now and have seen a change in attitude from its citizens. The town has come to realize the importance of an alternative water supply and is firmly united behind this well thought out desalination facility. Please do not be swayed by the same small group of people who come to meeting after meeting trying to stop the desal project under the pretense of protecting the environment. They represent a small minority of the community and their real agenda is zero-growth.

Cambria's creek wells are dangerously low after last year's record low rainfall, and we are in constant threat of fire in our water starved town. The punitive water and sewer rate schedules enforced during our water emergency is a severe burden to its citizens.

Cambria has a water master plan and lot reduction program that have been well thought out and strike a balance allowing for obtaining needed water while ensuring limited growth. The community fully backs this plan.

Please allow the test drilling and be assured great care will be taken to protect the environment. Cambria needs your help, and more reliable water.

Thank you for your time. Sincerely

Ronald Keck and Family
2571 Wilcombe Rd
Cambria, CA 93428

November 30, 2007

Steve Blank

45 Fremont St.

Suite 2000

SAN FRANCISCO, CA 94105

RECEIVED

DEC 3 2007

CALIFORNIA
COASTAL COMMISSION

Dear Commissioner Blank:

As a resident of Cambria I urge you to approve the test wells needed for our planned desalination facility. Allowing these test wells will ensure the facility be designed and built in the most environmentally sensitive way.

Contrary to statements made at the last hearing, there will be no permanent structure or facility on the beach or bluffs. The facility will be located well inland.

Cambria has historically been in near constant water shortages, and with the recent drought we are in a true emergency. Another dry year would be catastrophic. The environment would be better served if we had an additional water source, allowing less drawdown on our sensitive creek levels.

The great majority of Cambria support this project, and we have ~~always~~ been caring stewards of our environment. This project will be no different. We cannot do this without your support. Please help our community and vote to allow the test well drilling. Thank you. Sincerely

Ron and Donna Keck

2571 Wilcombe Rd

Cambria, CA 93428

December 1, 2007

Mr. Steve Blank
California Coastal Commission
45 Fremont Street
San Francisco, Ca. 94105

RECEIVED

DEC 4 2007

CALIFORNIA
COASTAL COMMISSION

RE: December 13th Vote on Cambria Test Drilling for Desalinization Project

Mr. Blank:

You were one of six Commissioners who voted against the Cambria test drilling for the desalinization project. As you are aware, the Cambria Community Services District believes that many of the Commissioners did not have accurate information and have requested a new hearing on December 13. Since your prior vote threatens to unravel a very sound Master Plan that has taken over a decade to construct, I hope you will consider the information below before your next vote.

It's Temporary: The test drilling is temporary, takes up a small footprint, and the area will be completely restored. Further, it is the most economical than alternative locations.

Precedent of drilling on State Park Land: While the opponents are clever in using the 'precedence' argument of drilling on a state park property, the fact is that unless the CCSD invoked eminent domain, the test drilling will indeed occur on public land. Further, there is nothing more pristine about the proposed drill site than the beach areas North or South of the proposed site. In fact, since more than half of the area serves as a parking lot, I would argue that it is a more desirable location than other publicly owned land North or South of the proposed site.

A 'No' vote subverts the will of the public: In 2006, Cambria voters passed Measure P-06 by a 78% margin. While this measure provides that future extension of water service outside of the current Master Water Plan be decided by a vote of the public, the Measure was clearly viewed by the local population as a referendum on the soundness of the Master Plan and the desalinization project that serves as its foundation. Opponents understand that the best way to thwart a project is to thwart every step of the project – beginning with the test drilling. However, as the Measure P-06 indicates, the opponents are certainly not serving the will of the public.

Prolonged Risk of Fire: While opponents of the test drilling view the first vote as a victory, those of us with property in Cambria believe the vote simply prolongs the high risk of an inadequate water supply to suppress the fire we all know is coming.

I urge you to consider these points and vote to approve the *temporary* Cambria test drill site on December 13th.



Steve Evans
153 Vierra Way
Hercules, Ca. 94547

United Lot Owners of Cambria
"UnLOC"



December 5, 2007

FAX (415) 904-5400

California Coastal Commission
Tom Luster
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Subject: Cambria CSD's Request for Reconsideration, Agenda Item Th7a&b of the hearing scheduled for Dec 13, 2007

Honorable Commission and Staff:

I write you on behalf of the owners of vacant residential lots in Cambria who have now been waiting seven years for Cambria Community Services District (CCSD) to find water and lift its moratorium.

We support Cambria Community Services District's (CCSD) Request for Reconsideration and urge you to grant the request.

Based on the reports of our representatives who were in attendance at the Sept 6, 2007 appeal hearing and upon our review of the transcripts, we agree some of the Commissioners were confused by the Executive Director's closing statements, and that this confusion may have led to a different vote than would have resulted had such remarks not been made.

We would further argue that the whole notion of permanent structures was mis-construed by the Executive Director and at least some of the Commissioners. Whether CCSD plans in the future to submit a separate application to build a permanent desalination plant next door, down the road, or across the street, or never at all should not have been brought into the debate. That's not what the subject application is about. The only thing that should have been decided is whether the temporary test wells applied for are allowable under the Coastal Act.

There should really only be two questions: Is *temporary* construction allowed in the proposed location? And if wondering what this would lead to; Are *underground* structures allowed in the proposed location. Since CCSD already has other underground structures in the same State Park, and the Park management has already agreed in writing to the proposed work, there is hardly room for debate on this matter.

The *mere speculation* by the Executive Director in his closing remarks that CCSD might be planning something that he had no proof of and was not part of the application is by itself enough to warrant the reconsideration.

Looking forward, please don't be fooled by the small number of Cambria residents who lobby you and speak at your hearings and would have us believe that all of Cambria is against building a desalination plant. Instead, consider the fact that the CCSD Board of Directors has been consistently unanimous for years in its agreement that a desalination plant of limited capacity is the best solution to Cambria's water shortage. The community endorsed this position by not

Protecting the entitlements and value of vacant lots in Cambria

UnLOC.org

PO Box 820, Cambria, CA 93428

Member, American Association of Small Property Owners, AASPO.com



contesting the last election for CCSD board. Clearly, the majority in the community are supportive of a well-planned desalination project.

What this is really about for a few Cambrians is growth control. They are trying to block a necessary water project for the simple reason that they don't want any more homes built in their town, and they don't own the property. This in spite of the fact that the property in question is zoned single family residential and your Commission has identified it as the first place that any future growth should be allowed within the LCP area. This is just another episode in 30 years of blocking water projects. Please do not participate in the charade.

We do not support the allegation that subsurface drilling violates the spirit of protections required in the State Park.

We are simply asking at this time that you agree to reconsider your previous decision. The project is needed by the community, and it is needed by owners of property that is being rendered useless by CCSD's inability to develop an adequate water supply.

Thank you for your support,

Sincerely,

Deryl Robinson
President, United Lot Owners of Cambria

Dec. 2, 2007

Commissioner Mary Shallenberger
California Coastal Commission
45 Fremont St., Suite 2000
San Francisco, CA 94105

RECEIVED

DEC 5 2007

CALIFORNIA
COASTAL COMMISSION

Subject: Dec. 13, 2007 Coastal Commission Agenda Items 7a & 7b
Reconsideration of Test Well Drilling for Desal Plant at Cambria, California

Honorable Commissioner Shallenberger:

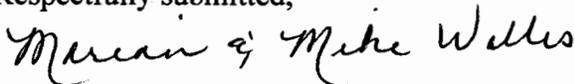
As Cambria citizens and full time residents of 18 years, we implore you to allow the drilling of test wells for a future ocean water desalination plant for Cambria. The very temporary and small impact of these test wells on the beach is outweighed by the critical need of people for water for our daily lives and fire protection. Permission from State Parks and the County of San Luis Obispo was obtained long ago, and the actual plant will be built inland, and out of the view shed of Highway 1.

Finding our community a reliable back up source of water has been studied for much longer than the 18 years we've lived here, at very substantial cost to taxpayers. Our local officials have concluded that desalination is the best option for us. Several years ago local property owners sent in ballots to the Cambria Community Services District Board, with more than a majority voting for desalination. We don't have adequate water to fight a fire and, believe me, this is on all our minds as we ponder current events in Malibu and Southern California.

There is a small but vocal "no growth" minority who would chance having Cambria wiped out by fire, rather than allow a new water source. Some of these people are non-residents. Our CCSD Board has addressed population growth by integrating a lot reduction plan to be implemented hand-in-hand with desal and other aspects of the Local Coastal Plan. It would be an absolute travesty to waste all the staff time, planning work, and money that has gone into this.

Please listen to the majority of actual residents and vote to allow the test wells. Thank you for considering our input.

Respectfully submitted,



Marian & Mike Willis
Cambria, California

California Coastal Commission
Central Coast District Office
Charles Lester, Senior Deputy Director
725 Front Street, Suite 300
Santa Cruz, CA 95060-4508
FAX (831) 427-4877

RECEIVED
DEC 05 2007
CALIFORNIA
COASTAL COMMISSION

Honorable Commissioners:

I write you on behalf of the owners of vacant residential lots in Cambria who have now been waiting seven years for Cambria Community Services District (CCSD) to find water and lift its moratorium.

Please don't be fooled by the small number of Cambria residents who lobby you and speak at your hearings and would have us believe that all of Cambria is against building a desalination plant. Instead, consider the fact that the CCSD Board of Directors has been consistently unanimous for years in its agreement that a desalination plant of limited capacity is the best solution to Cambria's water shortage. The community endorsed this position by not contesting the last election for CCSD board. Clearly, the majority in the community are supportive of a well-planned desalination project.

What this is really about for a few Cambrians is growth control. They are trying to block a necessary water project for the simple reason that they don't want any more homes built in their town, and they don't own the property. This in spite of the fact that the property in question is zoned single family residential and your Commission has identified it as the first place that any future growth should be allowed. This is just another episode in 30 years of blocking water projects. Please do not participate in the charade.

We do not support the allegation that subsurface drilling violates the spirit of protections required in the State Park. We also do not support the allegation that CCSD plans to have permanent structures in the park. In reviewing their plans, it is clear that such is not the case. Your Commission owes it to all of us to take enough time to review and understand CCSD's plans.

We are simply asking at this time that you give conditional approval to allow CCSD to proceed with test drilling only to verify feasibility of this proposed desalination facility. The project is needed by the community, and it is needed by owners of property that is being rendered useless by CCSD's inability to develop an adequate water supply.

Thank you for your support,

Sincerely,

Deryl Robinson

Dec. 2, 2007

RECEIVED

DEC 06 2007

California Coastal Commission
Central Coast District Office
Charles Lester, Senior Deputy Director
725 Front Street, Suite 300
Santa Cruz, CA 95060-4508

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Subject: Dec. 13, 2007 Coastal Commission Agenda Items 7a & 7b
Reconsideration of Test Well Drilling for Desal Plant at Cambria, California

Honorable Commissioners:

As Cambria citizens and full time residents of 18 years, we implore you to allow the drilling of test wells for a future ocean water desalination plant for Cambria. The very temporary and small impact of these test wells on the beach is outweighed by the critical need of people for water for our daily lives and fire protection. Permission from State Parks and the County of San Luis Obispo was obtained long ago, and the actual plant will be built inland, and out of the view shed of Highway 1.

Finding our community a reliable back up source of water has been studied for much longer than the 18 years we've lived here, at very substantial cost to taxpayers. Our local officials have concluded that desalination is the best option for us. Several years ago local property owners sent in ballots to the Cambria Community Services District Board, with more than a majority voting for desalination. We don't have adequate water to fight a fire and, believe me, this is on all our minds as we ponder current events in Malibu and Southern California.

There is a small but vocal "no growth" minority who would chance having Cambria wiped out by fire, rather than allow a new water source. Some of these people are non-residents. Our CCSD Board has addressed population growth by integrating a lot reduction plan to be implemented hand-in-hand with desal and other aspects of the Local Coastal Plan. It would be an absolute travesty to waste all the staff time, planning work, and money that has gone into this.

Please listen to the majority of actual residents and vote to allow the test wells. Thank you for considering our input.

Respectfully submitted,

Marian & Mike Willis

Marian & Mike Willis
Cambria, California

RECEIVED
DEC 07 2007
CALIFORNIA
COASTAL COMMISSION

DATE: December 5, 2007

TO: Sara Wan
45 Fremont St.
Suite 2000
San Francisco, CA 94105
(415) 904-5200

FROM: Sherwin and Marilyn Rubin
4414 Greenmeadows Ave.
Torrance, CA 90505
(310) 375-4483

RE: Cambria test drilling for desalinization project re-vote on 12/13/07

Dear Ms. Wan:

You voted against test drilling. I don't know if you misunderstood the relevant details because of information not presented. The main point is that this is to be a tiny test site (the size of a car) and in no way to be the site of the actual desal plant. This test site was chosen because it is more cost effective. The site is in a parking area so the temporary impact is minimal.

The Cambria area has had a tenuous water supply for many decades and has debated the way to fix the problem for over 30 years. We have finally come together by a 78% margin to agree on the desal solution.

About seven years ago one of the main water wells was contaminated by the chemical MTBA leaking from a gas station tank. This left the town in a more perilous position. A reliable source of water is needed urgently for these salient reasons: fire suppression, lodging resources for the main area business of tourism, and comfort of residents to lead a normal way of life.

As a property owner we hope you will not unravel a carefully planned solution which took 30 years to devise. Please approve the temporary Cambria test drill site.

Sincerely,


Sherwin and Marilyn Rubin

December 4, 2007

Central Coast District Office
Charles Lester, Senior Deputy Director
725 Front Str, Suite 300
Santa Cruz, CA 95060-4508

RECEIVED

RE: Appeal No. 07-3-510-06-053

DEC 07 2007

Application No.

E-07-001

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Dear Mr Lester and Commissioners:

I was very disappointed when finding out that staff had recommended a "NO" vote and thus wished to deny a rehearing of the proposed test wells for Cambria desalination facility. If I recall, the staff originally recommended the project be approved, though I understand this opinion was merely on the rehearing issue.

I was not @ the Sept. meeting, but I watched it live on the webcast on my computer. It was frustrating to hear such confusion over the facts. There were statements absolutely implying that the commissioners should vote no on the test wells because a desal plant did not belong on this property. I believe from watching the meeting that this was a key factor in some commissioners voting no. How can this not be considered an error in fact? Even if correct facts were in writing somewhere in a report, when facts are stated incorrectly just before a vote is taken, this is incredibly misleading and creates the potential to alter votes.

It is only fair and lawful that a rehearing be ordered to allow all a clear understanding of the facts. It is crucial to make this right.

Thank you, Sincerely

Ron Keck
2571 Wilcombe Rd
Cambria, CA 93428

Tina S. Dickason
574 Leighton St.
Cambria, CA 93428

December 6, 2007

California Coastal Commission
Commissioners & Alternate Rosters
45 Fremont St. Ste. 2000
San Francisco, CA 94105

RECEIVED

DEC 10 2007

CALIFORNIA
COASTAL COMMISSION

RE: COMMISSION HEARING 12-13-2007 ITEM 6B

Dear Calif. Coastal Commissioners and Alternate Rosters:

I am writing today to convey my opposition to the Cambria Community Services District's request for a re-hearing to drill temporary wells and conduct tests on the beach at San Simeon State Park, for a proposed desalination plant inland.

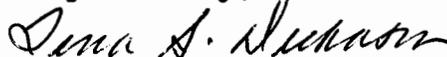
While I am fully aware that Cambria and Cambrians have to address the critical need for a water supply, I am unable to support any intrusion into and onto a State Park Beach, which happens to also be a marine sanctuary and a bird habitat, including the endangered Snowy Plover. State parks and beaches should be off limits to any utility infrastructure and possible development.

Living along the Central Coast is, I consider, a privilege, and one I do not take for granted. But there are trade-offs; one of which is the conservation of our precious resource, water! More creative solutions need to be explored and instituted in the area of conservation and the recycling of existing water. These should be at the top of Cambria's priorities!

I am enclosing along with this request, a copy of the CCSD's letter/report dated 9-10-2007 to its ratepayers proposing a rate increase under the title, "Long-Term Financial Management Plan". Included in this proposal under Exhibit "A", CCSD PROPOSED WATER CAPITAL IMPROVEMENT PROGRAM are: (2) entries for Desal Project (see high-lighted), amounting to \$1,692,400.00. I'm curious as to why the ratepayers were being asked to pay for these entries, when no approval for a desal plant, or even testing procedures were approved. (This proposal was rejected by a Majority Protest under "Proposition 218").

I fear if approval is granted to the CCSD for a re-hearing and to ultimately approve testing for a desal plant on a state park beach, a harmful precedent will have been set. I urge the commissioners to take careful, considerate and responsible deliberation over this most sensitive and important decision.

Respectfully,



Tina S. Dickason

encl. Cambria Comm. Services District's notice/report 9-10-2007



Rejected under Proposition 13
Vote 11/2/2007

CAMBRIA COMMUNITY SERVICES DISTRICT

P.O. Box 65 • Cambria, CA 93428 • Telephone: (805) 927-6223 • Fax: (805) 927-5584

September 10, 2007

Dear Cambria Property Owner and Tenant Customer:

The Cambria Community Services District's (CCSD) Water and Wastewater treatment plants, transmission lines, collection systems, storage tanks, and other facilities are owned and operated by you and all the rate payers who live in Cambria. The CCSD Board of Directors is elected by the ratepayers to oversee the operations and maintenance of the utility systems and plan for future needs like the on-going search for an alternative water supply. To this end the Board embarked on a Long-Term Financial Management Plan and as a result is now proposing a significant rate increase for Cambria residents.

You will learn as you read this entire letter and attached notice that you will have the opportunity to express your feelings about the rate increase. To assist you in making that judgment we have attached information, which fully explains each aspect of the proposed changes and provides examples of how the changes will affect you personally. We hope you will take the time to carefully review this printed material and then attend a public information meeting to get your questions answered before you make your personal decision.

First here are the reasons WHY we have decided to request a rate increase for everyone at this time:

- Best business practices for public utilities require that it maintain a balance between rate income and expenditures. For a variety of reasons the CCSD has not been in compliance with this practice for some time.
- Without a reasonable balance between revenue and expenditures the CCSD will have difficulty obtaining funding from the bond market for its capital improvements (such as new water supply), as one of the requirements for approval is an unequivocal balance between revenue and expenditures.
- A major reason for the imbalance is that the CCSD has chosen not to increase rates to adequately cover costs for a number of years and has relied rather on using General Fund reserves to make up the shortfalls.
- During the Long-Term Financial Management Plan study the need became abundantly clear that the CCSD must do something it has never done and that is to maintain at least a 60-day working capital account (equaling 60 days of operating expenses), which is a requirement of existing bond covenants.
- Additional revenue through a rate increase will enable a more systematic approach to planning for important Capital Improvement Projects from resolving water storage deficiencies for firefighting to bringing in an alternative water source.

- Periodic maintenance of the existing facilities in advance of costly breaks in pipelines for example require a depreciation fund set aside for those contingencies rather than hoping cash will be available when the need arises as we do now.

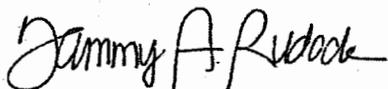
What Changes Ratepayers Can Expect

A bi-monthly bill that clearly specifies your costs based on the following:

- Your designation as one of three classes of customers/ratepayers.
- The size of your water meter and your consumption. These changes should eliminate any need for future water conservation surcharge actions.
- An amount based on your customer classification, and proportioned per EDU allocation for commercial and lodging customers, to partly fund the Buildout Reduction Program (BRP). This Program is designed to manage growth to ensure an adequate water supply for the Board-approved cap of 4,650 residential connections through the retirement and conservation of vacant lots. We are proposing only a partial fee (50%) for the BRP through June 30, 2008, which is sufficient to fund the Program's planned activities during that time period. Effective July 1, 2009, the full fee recommended by the Citizens Finance Committee for the BRP will be implemented.
- An increased level of confidence that there is a balanced budget for all utility functions with specified funding for an approved list of capital improvement projects and a depreciation fund for continued systematic replacement and maintenance of the utility infrastructure.

We encourage your active involvement in the important decisions to be made by the CCSD Board of Directors concerning the proposed rate increases at the scheduled public hearing on Thursday, October 25, 2007, at 12:30 p.m. Additionally, the proposed rates will be discussed as a regular business item at the next CCSD Board Meeting on Thursday, September 27, 2007, at 12:30 p.m. Both meetings will be held at the Veterans Memorial Building, 1000 Main Street, in Cambria.

Sincerely,



Tammy A. Rudock
General Manager



September 10, 2007

Dear Property Owner and Tenant Customer:

As part of its Long-Term Financial Management Plan that provides for adoption of best management practices within the industry and establishes sustainability within each utility as a self-supporting enterprise fund, the Cambria Community Services District (CCSD) is proposing increases in the water and sewer rates.

Along with the established residential and commercial classifications, a third customer class is being proposed for lodging establishments, including hotels, motels, lodges, vacation rentals, and B&Bs (Bed and Breakfasts) to address the unique service characteristics.

Water rate increases will include a fee for the CCSD Buildout Reduction Program. Development of these fees is outlined and discussed in the report developed by the Citizens Finance Committee for the Buildout Reduction Program.

This notice explains the proposed rate increases as required by Proposition 218. The proposed rate increases are recommended for adoption by the CCSD Board of Directors at a public hearing described in this notice. Property owners and tenant customers are encouraged to attend.

NOTICE OF PUBLIC HEARING

At a public hearing the CCSD will consider proposed increases in the water and sewer rates. The proposed changes are listed in this notice. The public hearing will be held:

Date: Thursday, October 25, 2007
Time: 12:30 p.m.
Place: Veterans Memorial Building, 1000 Main Street, Cambria 93428

This notice is being sent to all property owners and customers who are tenants of leased properties that are directly responsible for payment of water and sewer services within the CCSD. If adopted, the proposed rate increases will become effective beginning January 1, 2008, and will be reflected in the customer's bill mailed on March 10, 2008.

Subsequently, water and sewer rate increases are proposed to take effect at the beginning of each fiscal year as follows: July 1, 2008; July 1, 2009; July 1, 2010; and July 1, 2011.

One-half of the recommended fees for the Buildout Reduction Program will be included in the water rate increases effective January 1, 2008. The remaining half will be incorporated with the water rate increases effective July 1, 2009.

WHY CHANGE WATER AND SEWER RATES?

The CCSD is required to provide water and sewer services primarily through user rates. Each utility has its own enterprise fund, one for water and the other for sewer operations. These utilities are

expected to be self-sufficient pursuant to professional best management practices within the water and sewer utility industry. Each operation should generate enough revenues to cover its expenses.

An interim rate adjustment was implemented by the CCSD in 2006 to cover inflationary costs. Also, CPI (Consumer Price Index) adjustments were made to the rates in 2002 and 2003. Otherwise, the CCSD has not implemented a rate increase since 1992. While managed for cost containment, service expenses increased throughout the past 15 years, while revenues remained the same. The CCSD customer base became fixed when the moratorium was imposed in 2001 as a result of insufficient water supply. Revenues from connection fee resources became relatively nonexistent.

Therefore, the water and sewer enterprise utilities have generated negative cash flow for the last several years. Revenues have not kept up with the operating costs of providing water and sewer services. Operating budgets have been balanced with "borrowed" reserves from the General Fund.

Finally, the CCSD has curtailed routine infrastructure maintenance and improvement projects. Further delays may result in system failures, operational deficiencies, and regulatory compliance concerns.

Priority capital improvement projects have been funded with cash for the past few years, and availability of utilities cash reserve funds has been depleted. The proposed water and sewer rates provide for bond financing using respective utility revenues for identified priority projects as follows:

- CCSD Water Capital Improvement Program attached as **Exhibit "A"**; and
- CCSD Wastewater Capital Improvement Program attached as **Exhibit "B"**.

Therefore, the proposed water and sewer rate increases are necessary to:

1. Provide sufficient funds for ongoing operations and maintenance.
2. Support rehabilitation and repair of water and sewer infrastructure and facilities, which provide service, and to comply with governmental regulations.
3. Maintain working capital reserves to reduce risk and prudently manage the CCSD's utility system resources, and to comply with revenue bond requirements.

WHY DEVELOP A CLASS FOR LODGING ESTABLISHMENTS?

In developing an equitable rate structure, revenue requirements are allocated to various customer classifications according to the cost of service rendered. Allocation to customer classes within the CCSD is based upon annual volume of water consumed, capacity related to peak flow periods (including fire protection requirements), strengths of wastewater, and the number of customers. Customers are classified to reflect groups of customers with similar system demand requirements who can be served at a similar cost.

Each customer class is allocated its share of base, maximum day and peak hour costs. The number of units of service required by each customer class provides a means for the proportionate distribution of costs.

Lodging establishments were extracted from the commercial class because of the large volume of water consumed and the system demand requirements to serve these business enterprises. The proposed rate structure for lodging establishments recognizes the higher service demands and provides for rate tiers to accommodate the increased usage.

PROPOSED WATER AND SEWER RATE INCREASES

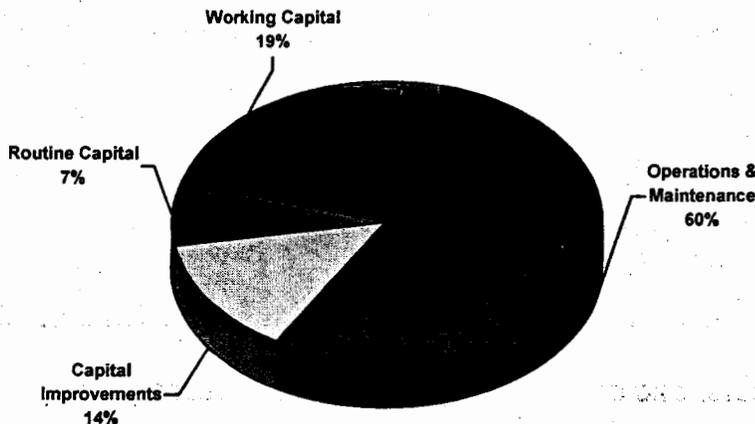
The proposed water rate structure takes into consideration the service demands of each customer class and reflects inclining tiers for each unit (ccf) of water consumed, for continued and enhanced water conservation. One unit of water equals 748 gallons.

Please see the attached rate schedules:

- CCSD Proposed Water Rates – Exhibit “C”; and
- CCSD Proposed Wastewater Rates – Exhibit “D”.

WHERE DOES YOUR DOLLAR GO?

For both water and sewer, during the first year of rate increases, the revenues generated will go to:



Inflationary increase alone is \$26.28/bill

WHY IS THE BRP FEE ADDED TO PROPOSED WATER RATES?

The fee for the Buildout Reduction Program is proposed to be included into the water rate increases. Implementation of the Buildout Reduction Program is underway and funds are necessary for maintenance of the retired lots and acquisition of vacant lots to meet the program's objectives.

The Buildout Reduction Program is a water conservation program, which reduces the future demand for water within the Cambria community. Its implementation allows for accurate planning as to the size of storage tanks, transmission lines, and supplemental water projects. Recently, the CCSD contracted with the Land Conservancy of San Luis Obispo County to assist with this process.

The report of the Citizens Finance Committee for the Buildout Reduction Program is available at the CCSD website: www.cambriacsd.org, or at the Administrative Offices for the CCSD located at 1316 Tamson Drive, Suite 201, in Cambria, California. It proposes BRP fees as follows:

- Residential: \$8.81 monthly, or \$17.62 bi-monthly
- Commercial: \$39.40 monthly, or \$78.80 bi-monthly (varies depending upon use)

PROPOSED BRP FEES

The following BRP fees will be added to the water rate increases:

- Residential: \$8.81 bi-monthly, effective 1/1/08
\$17.62 bi-monthly, effective 7/1/09

- Commercial and Lodging, based upon EDU allocation as follows:

BRP FEE TIER	EDU ALLOCATION	BI-MONTHLY BRP FEE, EFFECTIVE 1/1/08	BI-MONTHLY BRP FEE, EFFECTIVE 7/1/09
1	0.33 – 3.99	\$9.85	\$19.70
2	4.00 – 9.99	\$19.71	\$39.40
3	10.00 – 14.99	\$39.40	\$78.80
4	15.00 – 19.99	\$59.10	\$118.20
5	20.00 and above	\$78.80	\$157.60

SAMPLE RESIDENTIAL UTILITY SERVICE BILL (CONSUMPTION: 12 UNITS)

Current Charges:		Proposed Charges: (Effective 1/1/08)	
Water	\$ 54.76	Water	\$ 92.99 (including BRP)
Sewer	\$ 75.14	Sewer	\$ 99.95
TOTAL	\$129.90	TOTAL	\$192.94

OPPORTUNITY FOR COMMUNITY INPUT

The CCSD consulted and contracted with the professional engineering firm of Black & Veatch, which conducted a thorough cost of service analysis of the water and sewer utilities. The development of a Long-Term Financial Management Plan for the CCSD ensures financial sustainability and ~~and~~ ~~is~~ ~~a~~ ~~utility~~ ~~business~~ ~~enterprise~~. Annual findings were reported to the community during a workshop conducted on Wednesday, June 13, 2007, at 6:30 p.m., at the Vets Hall in Cambria.

Last month, on August 23, 2007, Black & Veatch presented the Draft Long-Term Financial Management Plan for the Water and Wastewater Utilities to the Board of Directors at its regular meeting. The draft report is available for review at the CCSD website: www.cambriacsd.org, or at the Administrative Offices for the CCSD located at 1316 Tamson Drive, Suite 201, in Cambria, California.

Property owners and tenant customers may express their support or opposition to the proposed water and sewer rate changes and/or added customer class for lodging establishments during the public hearing on Thursday, October 25, 2007, at 12:30 p.m. Alternatively, a written statement of support or protest may be filed by the both the property owner and tenant customer with the CCSD District Clerk at or before the time set for the public hearing. A written statement of support or protest must include:

- The portion of the rate changes that are being supported or protested;
- Name of property owner or tenant customer;
- Service address; and
- Original signature of property owner or tenant customer; no copies will be accepted.

Support or protest statements can be mailed or personally delivered to the CCSD District Clerk on or before the close of the public hearing on Thursday, October 25, 2007, at 12:30 p.m., as follows:

<u>By Mail:</u>	Cambria CSD Post Office Box 65 Cambria, CA 93428	<u>In Person:</u>	Cambria CSD 1316 Tamson Drive, Suite 201 Cambria, CA 93428
-----------------	--	-------------------	--

QUESTIONS?

For more information regarding this notice of the proposed water and sewer increases, or for personal consultation regarding the impact of these proposed water and sewer rates on your bi-monthly CCSD utility bill, please contact the CCSD at (805) 927-6223.

EXHIBIT "A" – CCSD PROPOSED WATER CAPITAL IMPROVEMENT PROGRAM

Description	Budget	Projected					Total
	Year	FY07/08	FY08/09	FY09/10	FY10/11	FY11/12	
	\$	\$	\$	\$	\$	\$	\$
Water Projects							
Water Master Plan: EIR Certification	129,400	0	0	0	0	0	129,400
Desal Project - 30% Design/Geotech Investigation	742,600	668,400	0	0	0	0	1,411,000
Desal Project EIS/EIR	281,400	0	0	0	0	0	281,400
Pine Knolls Storage Tank Replacement	619,000	650,000	0	0	0	0	1,269,000
Rodeo Grounds Booster PS Replacement	395,700	531,400	580,100	245,600	0	0	1,752,800
Stuart Street Tank Fire Storage	168,700	274,000	295,900	0	0	0	738,600
SCADA System - Water Portion	391,600	0	0	0	0	0	391,600
Subtotal (Priority 1)	2,728,400	2,123,800	876,000	245,600	0	0	5,973,800
Leimert Tank - Seismic Upgrade	0	0	0	228,100	246,600	0	474,700
Fiscallini Tank - Seismic Upgrade	0	0	0	0	239,500	258,900	498,400
Charing Road Emergency Fire Pump Station	112,600	182,600	131,700	0	0	0	426,900
Water Yard Relocation	70,300	182,600	197,400	0	0	0	450,300
Financial Management Software	0	182,600	0	0	0	0	182,600
Subtotal (Priority 1&2)	2,911,300	2,671,600	1,205,100	473,700	486,100	258,900	8,006,700
Non-specified Replacement Projects	112,600	121,800	131,700	142,300	0	0	508,400
Automated Creek Metering& SCADA	0	16,200	17,500	19,000	0	0	52,700
Total Water CIP (Priority 1,2,3)	3,023,900	2,809,600	1,354,300	635,000	486,100	258,900	8,567,800

EXHIBIT "B" – CCSD PROPOSED WASTEWATER CAPITAL IMPROVEMENT PROGRAM

Description	Budget Year		Projected				Total
	FY07/08	FY08/09	FY09/10	FY10/11	FY11/12	FY12/13	
	\$	\$	\$	\$	\$	\$	\$
Wastewater Projects							
Biosolids Dewatering	478,400	0	0	0	0	0	478,400
SCADA System - Wastewater Portion	239,200	0	0	0	0	0	239,200
State Park Wetlands Effluent Pipe Relocation	0	0	0	0	168,200	0	168,200
Subtotal (Priority 1)	717,600	0	0	0	168,200	0	885,800
WWTP Facilities Master Plan							
Power Reduction & Reliability Study	33,700	0	65,900	0	0	0	126,700
Collection System Facilities Plan/GIS	45,000	48,700	26,300	0	0	0	33,700
Pump Station B-1 Flood Rehabilitation	0	0	0	122,800	129,000	135,400	120,000
Hydro-geological Modeling / San Simeon Lagoon Area	84,400	0	0	0	0	0	387,200
Blower Building Generator Transfer Switch	0	0	0	0	0	0	84,400
WWTP Denitrification Process Upgrades	0	0	0	0	193,400	331,700	331,700
Recycled Water Park Supply	0	0	0	148,600	0	209,200	402,600
Title 22 Recycled Water Facilities	0	0	0	0	0	0	148,600
RW pipeline, WWTP to Future Elementary School	0	0	0	0	211,400	259,000	470,400
RW Storage & Pumping	0	0	0	0	0	229,800	229,800
Collection System Safety Improvements	66,300	69,600	73,100	76,800	80,600	84,600	73,900
Financial Management Software	0	182,600	0	0	0	0	451,000
Subtotal (Priority 1&2)	947,000	361,700	165,300	348,200	782,600	1,323,600	3,928,400
Non-Specified, Future Replacement Projects							
RAS & Clarifier Piping Improvements	0	0	0	0	136,800	148,000	284,800
Flow Equalization Improvements	0	0	0	0	37,400	0	37,400
Salt Management Plan	0	0	0	0	144,600	0	144,600
Total Wastewater CIP (Priority 1,2&3)	947,000	361,700	165,300	348,200	1,135,600	1,508,600	4,466,400

EXHIBIT "C" - CCSD PROPOSED WATER RATES

FY 2007/2008

Meter Size	Service Charge	Usage	Residential	Usage	Commercial	Usage	Lodging (Motels/B&Bs)
inches	\$/bi-monthly	ccf	\$/ccf	ccf	\$/ccf	ccf	\$/ccf
5/8" x 3/4"	28.45	0-6	0.00	0-6	2.40	0-6	2.28
1"	37.29	7-10	7.85	7-15	4.80	7-15	5.36
1 1/2"	62.79	11-18	12.17	16-40	9.60	16-40	9.92
2"	88.28	19-25	21.59	41-80	14.40	41-85	15.96
3"	200.46	>25	31.40	81-125	24.00	86-150	20.52
4"	327.93			125-175	28.80	151-350	34.20
6"	646.62			>175	36.00	>350	45.60
8"	965.30						

FY 2008/2009

Meter Size	Service Charge	Usage	Residential	Usage	Commercial	Usage	Lodging (Motels/B&Bs)
inches	\$/bi-monthly	ccf	\$/ccf	ccf	\$/ccf	ccf	\$/ccf
5/8" x 3/4"	30.72	0-6	0.00	0-6	2.59	0-6	2.46
1"	40.28	7-10	8.48	7-15	5.18	7-15	5.79
1 1/2"	67.81	11-18	13.14	16-40	10.37	16-40	10.71
2"	95.34	19-25	23.31	41-80	15.55	41-85	17.24
3"	216.50	>25	33.91	81-125	25.92	86-150	22.16
4"	354.17			125-175	31.10	151-350	36.94
6"	698.35			>175	38.88	>350	49.25
8"	1,042.53						

FY 2009/2010

Meter Size	Service Charge	Usage	Residential	Usage	Commercial	Usage	Lodging (Motels/B&Bs)
inches	\$/bi-monthly	ccf	\$/ccf	ccf	\$/ccf	ccf	\$/ccf
5/8" x 3/4"	33.18	0-6	0.00	0-6	2.80	0-6	2.66
1"	43.50	7-10	9.16	7-15	5.59	7-15	6.25
1 1/2"	73.23	11-18	14.19	16-40	11.20	16-40	11.57
2"	102.97	19-25	25.17	41-80	16.79	41-85	18.62
3"	233.82	>25	36.62	81-125	27.99	86-150	23.93
4"	382.50			125-175	33.59	151-350	39.90
6"	754.22			>175	41.99	>350	53.19
8"	1,125.93						

FY 2010/2011

Meter Size	Service Charge	Usage	Residential	Usage	Commercial	Usage	Lodging (Motels/B&Bs)
inches	\$/bi-monthly	ccf	\$/ccf	ccf	\$/ccf	ccf	\$/ccf
5/8" x 3/4"	35.83	0-6	0.00	0-6	3.02	0-6	2.87
1"	46.98	7-10	9.89	7-15	6.04	7-15	6.75
1 1/2"	79.09	11-18	15.33	16-40	12.10	16-40	12.50
2"	111.21	19-25	27.18	41-80	18.13	41-85	20.11
3"	252.53	>25	39.55	81-125	30.23	86-150	25.84
4"	413.10			125-175	36.28	151-350	43.09
6"	814.56			>175	45.35	>350	57.45
8"	1,216.00						

FY 2011/2012

Meter Size	Service Charge	Usage	Residential	Usage	Commercial	Usage	Lodging (Motels/B&Bs)
inches	\$/bi-monthly	ccf	\$/ccf	ccf	\$/ccf	ccf	\$/ccf
5/8" x 3/4"	38.70	0-6	0.00	0-6	3.26	0-6	3.10
1"	50.74	7-10	10.68	7-15	6.52	7-15	7.29
1 1/2"	85.42	11-18	16.56	16-40	13.07	16-40	13.50
2"	120.11	19-25	29.35	41-80	19.58	41-85	21.72
3"	272.73	>25	42.71	81-125	32.65	86-150	27.91
4"	446.15			125-175	39.18	151-350	46.54
6"	879.72			>175	48.98	>350	62.05
8"	1,313.28						

EXHIBIT "D" - CCSD PROPOSED WASTEWATER RATES

	FY 2007/2008		FY 2008/2009		FY 2009/2010		FY 2010/2011		FY 2011/2012	
	Phased In Rates		Phased In Rates		Phased In Rates		Cost of Service Rates		Cost of Service Rates	
	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial	Residential	Commercial
Bi-Monthly Service Charge (0-3 Units)	\$/bi-mo 68.00	\$/bi-mo 68.00	\$/bi-mo 55.00	\$/bi-mo 55.00	\$/bi-mo 33.00	\$/bi-mo 33.00	\$/bi-mo 19.34	\$/bi-mo 19.34	\$/bi-mo 20.50	\$/bi-mo 20.50
Commodity Service Charge	\$/ccf 3.55	\$/ccf 5.14	\$/ccf 6.20	\$/ccf 9.19	\$/ccf 8.80	\$/ccf 13.23	\$/ccf 11.10	\$/ccf 16.69	\$/ccf 11.77	\$/ccf 17.69

Tom Luster

From: Cynthia Hawley [cynthiahawley@att.net]
Sent: Tuesday, December 11, 2007 11:29 AM
To: Tom Luster; Peter Douglas
Cc: Alison Dettmer
Subject: Brown Act violation - Cambria CSD - no public meeting for decision to pursue reconsideration

Dear Peter and Tom,

I've attached a Brown Act "demand letter" to the Cambria Community Services District from LandWatch San Luis Obispo County.

No public meeting was held by the CCSD between September 6th – when the Coastal Commission denied the San Simeon Beach test well project – and September 19th when the District sent its request for reconsideration. Our letter points out that the decision to pursue a reconsideration must have, then, been made in private, in violation of the Brown Act.

Cynthia Hawley



LandWatch

San Luis Obispo County

Post Office Box 174 ♦ Cambria, California 93428

December 11, 2007

Ilan Funke-Bilu, President
Cambria Community Services District
1316 Tamson Drive
P.O. Box 65
Cambria, CA 93428

RE: Brown Act violation by the Cambria Community Services District

Dear President Funke-Bilu:

This letter is to notify you of a violation by the Cambria Community Services District (District) Board of Directors of the Ralph M. Brown Act which requires, among other things, that actions taken by the Cambria Community Services District must occur at open and public meetings.

On September 6, 2007 the California Coastal Commission denied a permit to allow the Cambria CSD to do geotechnical and hydrogeologic testing including installation of test wells at San Simeon State Beach (project) in preparation for the District's proposed desalination facility. On September 19, 2007 the District submitted a formal request to the Coastal Commission for reconsideration of the Coastal Commission's denial pursuant to Public Resources Code sections 30626 and 30627.

Your Board of Director's decision to continue to pursue a permit for this project and to authorize a request for reconsideration by the Coastal Commission of its denial did not occur at an open public meeting and must, therefore, have occurred privately and in violation of the Brown Act.

Section 54952.6 of the Brown Act defines "action taken" expansively, that is, as "a collective decision made by a majority of the members of a legislative body, a collective commitment or promise by a majority of the members of a legislative body to make a positive or negative decision, or an actual vote by a majority of the members of a legislative body when sitting as a body or entity, upon a motion, proposal, resolution, order or ordinance."

Pursuant to the requirements of the Ralph M. Brown Act, LandWatch San Luis Obispo County demands that the Cambria Community Services District Board of Directors cure and correct the illegally taken action by:

1. Formal and explicit withdrawal of the action taken by your board that authorized District Manager Tammy Rudock to make the September 19, 2007 "Request for reconsideration pursuant to Public Resources Code §§ 30626 and 30626 and Article 18 of the Public Resources Code".

2. Disclosure at a subsequent meeting of the individual Board member's considerations relating to the District Board's decision to request the reconsideration by the Coastal Commission.
3. Disclosure at a subsequent meeting of the individual Board member's considerations relating to how the District intended to fund the proposed test project if it were to be permitted by the Coastal Commission as a result of a reconsideration.
4. Full opportunity for informed comment by members of the public at the same meeting, notice of which is properly included on the posted agenda.
5. Full opportunity for informed comment by members of the public by making copies of all documents in the possession of the Cambria Community Services District related to the costs of the proposed project and the District's method of funding the project available to members of the public prior to the meeting at the Cambria Public Library, on request at the District office, and at the meeting as demanded above.

As provided by Brown Act § 54960.1 you have 30 days from the receipt of this demand to either cure or correct the challenged action or inform LandWatch San Luis Obispo County of your decision not to do so.

Respectfully,

Cynthia Hawley
LandWatch San Luis Obispo County

cc: Art Montandon
Peter Douglas
Tom Luster
Joseph T. Francke, Legal Counsel, California First Amendment Coalition