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Th13a

Prepared July 8, 2019 for July 11, 2019 Hearing

To: Commissioners and Interested Persons

From: Susan Craig, Central Coast District Manager
Kevin Kahn, Central Coast District Supervisor

**Subject: Additional hearing materials for Th13a
CDP Application Number 3-19-0463 (Morro Bay Water Reclamation Facility)**

Where checked in the boxes below, this package includes additional materials related to the above-referenced hearing item as follows:

- Staff report addendum
- Additional correspondence received in the time since the staff report was distributed
- Additional ex parte disclosures received in the time since the staff report was distributed
- Other



CITY OF MORRO BAY
PUBLIC WORKS DEPARTMENT
955 Shasta Avenue
Morro Bay, CA 93442



July 8, 2019

Kevin Kahn
District Supervisor
Central Coast District Office
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060

RE: Application # 3-19-0463 – Morro Bay Water Reclamation Facility Project Affordability

Dear Kevin,

The City of Morro Bay re-affirmed seven (7) goals in 2017 to provide clear direction for the Water Reclamation Facility (WRF) project. Two of the goals related to affordability are:

- 1. All aspects of the WRF project shall be completed ensuring economic value with a special emphasis on minimizing rate payer and City expense; and*
- 2. Design to produce reclaimed wastewater to augment the City's water supply, by either direct or indirect means, as described in a master water reclamation plan and to maximize funding opportunities*

Minimizing Rate Impacts

In keeping with its goals, the City of Morro Bay has made every attempt to minimize the impacts of the City's largest ever capital project on its ratepayers by obtaining low-interest loans and grants for the WRF project. In 2017, the City received a \$10.3 million planning loan from the California Clean Water State Revolving Fund (CWSRF) with an interest rate of 1.70 percent and was chosen to apply for a low-interest loan from the EPA's Water Infrastructure Financing Innovation Act (WIFIA) program that will fund up to 49 percent of the total program cost with an interest rate of approximately 3 percent. The City also received a \$75,000 recycled water planning grant from the State for the completion of a recycled water feasibility study.

Assuming the funding sources mentioned above combined with conventional revenue bonds, the City completed a rate study in July 2018 that recommended a surcharge of \$41 per month for the average, residential water and sewer customer to fund the \$126 million WRF project. While the City was pursuing SRF construction financing at the time, staff made the determination to not include this funding source in the recommended rate scenario due to timing and the fact that the SRF program was significantly overprescribed. However, the rate study did include a scenario that utilized low-interest SRF funding in lieu of conventional revenue bonds and the result was a reduction in the surcharge by \$7 per month (total surcharge of \$34 per month). While, these illustrations are for the residential customer, staff expects to see similar percentage reductions for our commercial customers.

On June 18, 2019 the State Water Resources Control Board adopted the Fiscal Year 2019/2020 Intended Use Plan for the CWSRF, which places the City on the fundable list for up to \$105 million for the City's WRF project. Of this \$105 million, the City is eligible for up to a \$5 million grant. Now that the City has

been placed on the fundable list, they are confident that they will sign a construction loan agreement with the State that would allow them to lower rates by approximately \$7 per month. Additionally, the City is again working with its rate consultant (Bartle Wells Associates) to determine what the impacts of the additional grant funding could be on the rates. Anecdotally, the City staff has indicated a \$1 million grant equates to a reduction in the monthly surcharge of approximately \$0.75 to \$1. Therefore, if the City receives the full \$5 million grant from CWSRF, rates could be further reduced by up to \$5 per month.

Further committing to the goal of minimizing rate payer impacts, on October 09, 2018 the City Council adopted Resolution No. 84-18, which established the annual rate review process for the WRF project. This rate review will occur in spring 2020 concurrent with development of the next fiscal year's annual budget. At that time, the City anticipates having a signed CWSRF construction loan agreement and will be able to consider reducing rates based on the final amount of grants received.

Respectfully Submitted,

Rob Livick, PE/PLS
Public Works Director/City Engineer

C: Scott Collins, City Manager
Eric Casares, WRF Program Manager

Kahn, Kevin@Coastal

From: Cynthia Hawley <cynthiahawley@att.net>
Sent: Monday, June 24, 2019 10:36 AM
To: Effie.Turnbull-Sanders@coastal.ca.gog; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Mark.Vargas@coastal.ca.gov; Ryan.Sundberg@coastal.ca.gov; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal
Cc: Carvill, Sarah@Coastal; Carl, Dan@Coastal; Kahn, Kevin@Coastal; Schwartz, Noaki@Coastal
Subject: A copy of this has been sent to staff: Unlawful consolidation and usurpation re Morro Bay treatment works
Attachments: CCC ltr_unlawful consolidation, usurpation.pdf

Dear Chairwoman Bochco and Commissioners,

I represent the members and supporters of Citizens for Affordable Living, Home Front Environmental Justice Morro Bay, and LandWatch San Luis Obispo County. Attached is a letter informing the Commission that its actions to consolidate permitting and its attempt to usurp the City of Morro Bay's and County of San Luis Obispo's statutory development review authority and implementation authority over Morro Bay's proposed treatment works are in violation of, among other laws, the California Coastal Act, the California Constitution, and the California Civil Code and that these violations have caused and will cause public harms and losses.

If you have any questions please don't hesitate to contact me

On behalf of my clients I thank you for your attention to these matters.

Sincerely,

Cynthia Hawley

Cynthia Hawley, Attorney

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CYNTHIA HAWLEY
ATTORNEY

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June 21, 2019

Dear Chairwoman Bochco and Commissioners,

On behalf of members and supporters of Citizens for Affordable Living, Home Front Environmental Justice Morro Bay, and LandWatch San Luis Obispo County this letter is to inform the Commission that its actions to consolidate permitting and to usurp the City of Morro Bay's and County of San Luis Obispo's statutory development review authority and implementation authority over its proposed treatment works are in breach of, among other laws, the California Coastal Act and the California Civil Code and that these violations have caused and will cause public harms and losses.

The Coastal Commission's powers and authorities are limited to those that are delegated to it by the Legislature in State statute. Section 30003 mandates that the Commission "shall comply with the provisions of this division" Actions without authority are violations of the Coastal Act. Pursuant to Coastal Act section 30820, civil liability may be imposed on the Commission "for any violation" of the Coastal Act.

The products of the unlawful activities described below are, among other things, denial of the public's statutory right to full participation in coastal development decisions and the public's Constitutional procedural due process right to the public hearing opportunities to express those rights. The outcome of these acts is a breach of the purpose and principles of Environmental Justice which is meaningless if people are denied the fundamental due process rights to participate in land use decisions that determine their environment.

Specifically, people have been denied their right to fully participate in the permitting decisions related to Morro Bay's proposed sewage treatment facility that is so unnecessarily expensive that people will be forced to leave this coastal town because they cannot afford water and sewer rates. People have been denied all opportunity to participate in developing a less expensive sewer plant through the permitting process because local permit hearings – at which this issue might be raised to some effect – have been eliminated and the Coastal Commission's review authority is explicitly limited to whether a project is consistent with the Coastal Act.

In addition, while Commission staff dismissed our concerns as a "disagreement" between reasonable people, we point out that our concerns are about the law and the Commission's duty to follow it. Given the facts in this report and those that have been previously reported to the Commission related to this project and to the harms and losses that will be suffered by the public, the Commission could be exposing itself to litigation, and Commissioners and involved staff could be exposing themselves to allegations of, among other things, official malfeasance.

1. Coastal staff initiated and is "driving" this unauthorized consolidation.

Under Coastal Act section 30601.3 the Coastal Commission has limited authority to consent to an application to consolidate only 1) where permits must be obtained from the local government and the Commission (dual permits), and 2) when public participation is not substantially impaired by the consolidation, that is, by loss of the local public hearings. According to legislative analysis of the bill, consolidation is intended for small projects like seawalls and bridges. And consolidation is allowed only to "...process and act upon a consolidated coastal development permit application...". This section does not govern or authorize any action after permit approval.

It is important to understand that the dual-permit projects to which consolidation applies involve development in highly sensitive areas including those within specified distances from coastal bluffs (300 feet) beaches (300 feet), wetlands (100 feet), estuaries (100 feet), and streams (100 feet). These places are also the most sought after real estate in California. Consolidation eliminates local public hearings and denies local public participation in decisions that determine the fate of these crown jewels of California's coast.

In mid June 2018, Morro Bay and San Luis Obispo County staff members were coordinating the County's permitting process for this project. Around this same time the City received an email message from Coastal Commission staff who "... reached out to us last week to discuss looking at options for processing the CDP application as a consolidated permit through Coastal."

The fact that elimination of local public hearings for this project through consolidation would impair participation of active, outspoken, dedicated, and knowledgeable public opposition to the project was well known by Commission staff at that time. Commission staff knew that consolidation in this case was not authorized. In addition, this is not a small project. It is the largest, most complex, and most costly public works project in the City's history.

On April 23, 2019, as a consent agenda item, the San Luis Obispo County Board of Supervisors approved consolidation of the County's permit for Morro Bay's proposed treatment works. At the meeting, in response to questions by Supervisor Compton, Planning Director Trevor Keith informed the Board that "these are typically small bridge projects. That's the intent for consolidation. It's not something that we can dictate, it's something that coastal wants and they're driving for the project kind of like this one."

Mr. Keith stated "...it's coastal telling us we think this is a good idea to bundle this permit for efficiency because it's going to get to coastal anyway." Supervisor Compton asked: "So they came to us and said we want to consolidate this one". Planning Director Keith answered "Yeah. And so it's worked with the jurisdictions to make sure that everybody's on board."

II. Consolidation of local public hearings substantially impairs public participation in this case and the Commission must discontinue it to act within the law.

Again, section 30601.3 authorizes consolidation provided that "... public participation is not substantially impaired by that review consolidation" – that is, by the loss of local public hearings and decisions.

At the Commission's April 8, 2019 meeting, Commission staff did not inform the Commission and the public that, under the law, consolidation is not allowed where it would substantially impair public participation. Staff misinformed the Commission and the public that the Commission determines consolidation on "whether the local government had provided adequate opportunity for participation at the local level." And staff misinformed the Commission and the public that "The main objective for permit consolidation is to help streamline project review particularly for large public projects...."¹

Based on the law, there are multiple grounds on which public participation is substantially impaired by consolidation. And there are unavoidable and irreversible harms that are being and will be experienced by Morro Bay's citizens and ratepayers due to the loss of public participation at local public hearings. Please take note.

Citizens and ratepayers who oppose or want to improve the project are being denied their statutory and Constitutional procedural due process rights to fully participate in local permit hearings. Where there is productive critique of and opposition to a project, that critique and opposition are substantially impaired by elimination of local public hearings where they can be expressed. According to Commission staff, the Commission typically does not agree to permit consolidation if there is opposition to the project.

Citizens and ratepayers are denied review entirely of all non-coastal act issues. The scope of the Commission's review is limited by law to Coastal Act consistency, with a local LCP used for reference. Major project-related issues, some of which were described in an earlier report, like public health and safety, costs, funding, Brown Act violations, misappropriation of water and sewer rate funds, falsification of public record documents, and unconstitutional gifts of public property will all be eliminated from the single permit discussion and decision by the Commission. Proceeding with this denial of citizens' and ratepayers' statutory rights to public hearings assists the City of Morro Bay in its concealment of the corruption that is at the core of this project in this City.

No local hearings means no administrative record and no writ of mandate on non-coastal issues. Elimination of local hearings and issues denies citizens and ratepayers the right to generate an administrative record and, consequently, denies them of the right to petition for administrative writs of mandate on non-Coastal Act grounds.

This is substantive impairment of public participation.

¹ See April 23, 2019 meeting video at 1:38:50.

III. Consolidation does NOT shift development review authority or implementation authority to the Commission and Morro Bay's proposed treatment works is NOT the Coastal Commission's project.

Consolidation under section 30601.3 is allowed where “A proposed project requires a coastal development permit from both a local government with a certified local coastal program and the commission”. The proposed project includes development near and potentially in at least one wetland and multiple streams. As a result, section 30601 requires a permit from the Coastal Commission in addition to Morro Bay's permit. This section does not extend to authorize or require any act by the Coastal Commission beyond issuance of the permit. Specifically, it does not authorize post-permit development review authority or implementation authority by the Commission – which is explicitly prohibited by section 30519 unless the development is in a tideland, submerged land, or public trust land.

The purpose of consolidation of these dual permits is to streamline the permitting process by combining applications, and processing them both within a single Commission hearing and decision.

According to the *Pocket Oxford American Dictionary*, second edition (2008), “consolidate” means “To combine two or more things into a single unit”. The Commission’s authority under section 30601.3 is to “process and act upon” a combined local and Commission coastal development permit application. The City’s applications to its planning department and the County do not cease to exist. The Commission permit is required “in addition to” the local government’s permit under section 30601. The local agency has post-certification development review authority over projects in these dual permit areas and the Commission permit is added. Consolidation combines them, for purposes of streamlining, into a single approval process. Again, this section gives no other authority or duty to the Coastal Commission beyond requiring a permit.

Statutory development review authority and permit implementation authority were not consolidated. Under section 30519, after certification “...the development review authority ... shall no longer be exercised by the commission over any new development in the area ... and shall at that time be delegated to the local government...” with an LCP.²

This local authority is also over “implementing actions” – including the development control ordinances, regulations, and programs that implement a certified LCP and Coastal Act policies. (See section 30108.4.) After certification, it is the local agencies that are authorized to monitor and enforce the requirements and conditions of approved permits.

²§ 30519. Delegation of development review authority

(a) Except for appeals to the commission, as provided in Section 30603, after a local coastal program, or any portion thereof, has been certified and all implementing actions within the area affected have become effective, the development review authority provided for in Chapter 7 (commencing with Section 30600) shall no longer be exercised by the commission over any new development proposed within the area to which the certified local coastal program, or any portion thereof, applies and shall at that time be delegated to the local government that is implementing the local coastal program or any portion thereof.

After an LCP is certified, the only exclusive permit and implementation authority the Commission has left is over appeals and for new development in tidelands, submerged lands, and public trust lands. Section 30519 is very clear that, other than development in these three retained jurisdiction areas “...the development review authority ... shall no longer be exercised by the commission over any new development...” (“Shall” means a thing is mandatory under Pub.Res. Code section 15.)

Consolidation of projects in the dual permit areas described above is not in conflict with section 30519’s strict delegations of development review authorities between local agencies and the Coastal Commission. Section 30601.3 clarifies explicitly that the narrow extent of the Commission’s authority under 30601.3 is to “...process and act upon a consolidated coastal development permit application...”

And the law is also unambiguously clear that the Commission’s authority under section 30601.3 is to process and act upon the permit application. No authority under this section extends beyond the hearing and the permit issuance or denial on the consolidated application.

The law is clear 1) that what is being processed and acted upon are the consolidated applications, the product of which is a consolidated/combined permit where a permit is required by law from both agencies (section 30601), 2) that consolidation does not extend to any functions beyond the streamlined permitting process (section 30601.3), and 3) that the Commission is prohibited from exercising any authority over any new development other than its authority over development on the tidelands, submerged lands, and public trust lands. (Section 30519)

Under sections 30519, 30601, and 30601.5, as they are carried out after the consolidated application, hearing and decision processes:

1. The City of Morro Bay has development review authority and permit implementation authority over the parts of its treatment works project that are within City limits.
2. The County of San Luis Obispo has development review authority and permit implementation authority over the parts of the treatment works project that are in the County unincorporated area.
3. The Coastal Commission has sole development review authority and permit implementation authority over work on Morro Bay’s existing sewage effluent ocean outfall on submerged land that amounts to development.
4. The Coastal Commission is prohibited from exercising sole development review authority and permit implementation authority over any part of the proposed treatment works except for work on the existing effluent ocean outfall.
5. In addition to permits from the City and County, the Commission must also issue a permit related to approved development within the specified distances from coastal bluffs, beaches, wetlands, estuaries, and streams. (The dual permit areas.)

The Coastal Commission through its staff is doing exactly what it is prohibited from doing. Commission staff has claimed, that this is “our CDP”. Staff has claimed that “conditions for the project will be enforced by the Commission”, “the Commission has jurisdiction over the CDP”, the Commission will enforce the issued permit, and that post-permit amendments to the project will be applied to, and decided by the Commission.

Commission staff has claimed that it has permit implementation and enforcement authority over the subdivision of land, the grading and construction of the treatment facility, and the decommissioning of the existing wastewater treatment plant.

The Commission is openly planning on exercising sole development review authority and implementing authority over the entire project in violation of and contradiction to, among other laws, sections 30519, 30601, and 30601.3 and in breach of the public’s trust.

First, the Commission through its staff caused loss of local control and local public participation in the project decision making processes by initiating and “driving” the unlawful consolidation. Now the Coastal Commission attempts to use consolidation as a pretext for usurping all local post-permit development review authority and preventing all local participation in oversight of permit conditions, mitigation measures, and project amendments.

By these unlawful actions the Coastal Commission and its staff have denied and continue to deny the public their statutory rights to full participation in coastal development decisions and their Constitutional procedural due process rights to the public hearing opportunities to express those rights. The Commission and its staff are breaching and abusing the very purpose of Environmental Justice which is intrinsically embedded in due process rights to participate in development decisions and shape the environments in which people live.

To proceed according to the law and restore the City’s and County’s full development review authority and the public’s statutory and constitutional procedural due process rights, the Commission must withdraw from its unlawful consolidation of this project. In addition, the Commission must withdraw from its unlawful usurpation of the City’s and County’s development review authorities and implementation authorities over this project. To proceed otherwise would involve violations of, among other laws, the California Constitution, Coastal Act, and Civil Code for which the Commission could be exposing itself to the risk of litigation for, among other things, civil fines, and for which Commissioners and involved staff members could be exposing themselves to allegations of official malfeasance.

Thank you for your consideration of these matters.

Sincerely,

Cynthia Hawley

**A Report to the San Luis Obispo County Board of Supervisors
Showing Why the Staff Recommendation to
Eliminate Coastal Development Permit Hearings Should Be Denied**

Prepared on behalf of

Home Front Environmental Justice Morro Bay

By

Cynthia Hawley, Attorney

Home Front Environmental Justice Morro Bay submits the following to show that “consolidation” under Coastal Act §30601.3 is not legal in this case and recommend that the Board of Supervisors should not agree with the City and the Coastal Commission to violate the law.

Fundamentally, it should be understood that the issue is not “consolidation”. There is no “consolidation”, no combining of permit hearings. The issue is the **elimination of local coastal development permit hearings and decisions**. This report contains the following information.

- I. The County’s staff report misrepresents the law by omitting the part of §30601.3 that prohibits consolidation in this case.
- II. Eliminating local public hearings would be in violation of County Land Use Ordinance 23.02.034 which requires them.
- III. The public has the statutory and constitutional procedural due process rights to full participation in coastal development permit decisions and to the hearings that provide the opportunity for that participation.
- IV. Eliminating local hearings for coastal development permits would substantially impair public participation on multiple levels.
- V. The City of Morro Bay has systematically evaded public participation.
- VI. The record shows that there is no project budget and no project schedule and that the City of Morro Bay has shown no interest in expediting this process or conserving public funds.
- VII. This project needs to be permitted locally on order to condition any permit with completion of an evacuation plan to be used in case of emergency when South Bay Boulevard is closed at Highway One.

I. The County's staff report omits the part of Coastal Act §30601.3 that prohibits consolidation in this case.

Eliminating local public hearings on coastal development permits is authorized under §30601.3 **only** when two conditions exist:

1. The agencies and the applicant must consent to it and
2. **Public participation is not substantially impaired by it.**¹

Consolidation is not legal in this case because the City of Morro Bay's proposed sewage treatment plant is heavily opposed and eliminating four local public hearings would obviously substantially impair participation of those opposed to the plant.

The staff recommendation to consent to consolidation can only be made by concealing the section of the law that prohibits it which the staff report does. This is a fundamentally **deceptive act that misleads the public and decision makers to believe** that the law supports the staff recommended action to approve consolidation which – based on the concealed language – it does not. This deceit, for the purpose of encouraging people to rely on it, is aimed at denying the people who oppose this project of their fundamental, statutory, and constitutional rights to participatory government as discussed more fully below.

The second prong is cited in the proposed resolution and misrepresents it in order to find that public participation would not be impaired. The resolution makes the false conclusion that public participation would not be "impaired" because the coastal commission hearing will be noticed and the public can attend it. That is, public participation will not be impaired **at the consolidated hearing**. This finding transparently misrepresents the law, which explicitly and unambiguously states that consolidation is authorized "provided that public participation is not substantially impaired **by that review consolidation**". It does not say that consolidation is allowed where public participation is not impaired **at** the consolidated hearing – which is contrary to the purpose of the second prong to protect the public's rights to full participation and the opportunities to participate.

¹ Section 30601.3:(a) Notwithstanding Section 30519, **the commission may process and act upon a consolidated coastal development permit application if both of the following criteria are satisfied:** (2) The applicant, the appropriate local government, and the commission, which may agree through its executive director, consent to consolidate the permit action, **provided that public participation is not substantially impaired by that review consolidation.**

This misrepresentation of the second prong shows that the deception is purposeful. This is called fraudulent deceit and can also amount to other violations including breach of trust and official malfeasance.

II. Eliminating local public hearings would be in violation of County Land Use Ordinance 23.02.034 which requires them.

While the Coastal Act authorizes elimination of local public permitting hearings under its “consolidation” statute, the County has no such authorizing law. Section 23.02.034 requires a development plan permit for this project with no exceptions. “The Development Plan process includes a public hearing before the Review Authority” and “The Planning Director **shall** schedule the Development Plan for public hearing before the Review Authority as set forth in Section 23.01.060.”

Not only does Coastal Act §30601.3 “... not confer authority to the Planning Director to approve or deny consolidation of a CDP”, as stated in the proposed resolution, it does not automatically confer the authority to the Board of Supervisors to approve or deny consolidation of a CDP under the Coastal Act.

Until the County’s Land Use Ordinance is amended to allow elimination of local hearings for approval of coastal development permits, adopting the staff recommendations would be violations of the County’s own Land Use Ordinance. To take these actions the County must amend its Local Coastal Program Land Use Ordinance at a notice public hearing.

III. The public has the statutory and constitutional procedural due process rights to full participation in coastal development permit decisions and to the hearings that provide the opportunity for that participation.

Even if the County did have an ordinance to eliminate coastal development permit hearings, the law does not allow it in this case because it would substantially impair public participation. The public has, as a matter of law:

- the statutory right under Coastal Act §30006 to fully participate in coastal development decisions, and
- the Constitutional right to procedural due process.

Procedural due process means that where the public has a statutory right to full participation, the **public has a right to the procedural opportunities to fully participate**. Where the right exists, the public has the right to exercise it.²

Where a project is opposed, elimination of local public hearings and decisions on a coastal development permit impairs public participation by **eliminating the opportunities** for those opposed to the project to full participation in the decision making process.

These laws are carried out by §30601.3 which allows elimination of local public hearings on coastal land use decisions only where the elimination of the hearings would not significantly impair public participation.

IV. Eliminating local hearings for coastal development permits would substantially impair public participation on multiple levels.

It cannot be denied that where a coastal development permit is opposed in full or challenged on specific issues, elimination of local permit hearings and the opportunity to participate in the shaping of the project is by definition a substantial impairment of public participation on multiple levels:

- Denial of the public's right to participate in shaping coastal development permit conditions of approval to address local issues.
- Denial of the public's right to two hearings at which issues can be developed, focused, and refined.
- Exhaustion of administrative remedies.³
- Elimination of the public's right to participate in CEQA review.⁴
- Denial of opposing party's right to develop a thorough administrative record.⁵

² *People v. Ramirez*, 25 Cal. 3d 260, 275, 599 P.2d 622, 631–32 (1979)

³ One purpose of testifying at local public hearings on land use decisions is to “exhaust administrative remedies” by giving the local agency a chance to remedy whatever is challenged. Elimination of local hearings eliminates this process. It denies those who challenge or see the need for improvement of specific elements of a project the opportunity to work with the local agency to remedy the problem with project amendments or conditions of approval.

⁴ Elimination of local hearings eliminates the public's opportunity to participate in environmental review under CEQA at the local permitting hearing and the public is denied this opportunity to contribute to the discussion of project alternatives and incorporation of mitigation measures into the conditions of approval.

⁵ Where a project is opposed, elimination of local public hearings denies the opposing parties the opportunity to create a thorough administrative record of the project at the local level – some of which materializes from public and expert testimony, and agency deliberations at the hearings.

- Elimination of opportunities to raise non-Coastal Act issues like project costs and emergency preparedness for evacuations.⁶

V. *The City of Morro Bay has systematically evaded public participation.*

Morro Bay Mayor John Headding wrongly implies that the City has provided the public with the statutory and constitutional rights to full participation in the City's decisions related to this project. Over the past years the City has provided meetings at which the project was discussed but it has systematically evaded and excluded public participation in **decisions** related to this project. The City Council has:

- made secret, closed door decisions,
- buried project decisions in contract approvals camouflaged as business agenda items, and
- delayed applying for coastal development permits.

Closed-door decisions, prohibited under the Brown Act, are often discovered by what is missing. For example, this project began as an upgrade to the existing sewage treatment plant. There is no record of a meeting at which the City Council took a noticed public action based on deliberations and findings to build a new plant instead of upgrading the existing one. A "new WWTP facility" simply began to show up in documents such as, for example, in a Flood Hazard Study.

When these hearings are eliminated, the public is denied the opportunities to prepare a thorough administrative record for judicial review.

⁶ The scope of review within which the public can participate at the Coastal Commission level is narrowed to whether a project does or does not conform to Coastal Act's Chapter 3 policies with the applicable "Local Coastal Program used as guidance".⁶ This means that if a person opposes a project on an issue other than Coastal Act policies and LCP compliance, consolidation would **eliminate all opportunities to even raise that issue** at a public hearing.

For example, in Morro Bay the high cost of the treatment works is heavily challenged. If the County agrees to consolidate the permitting of this project into a single Coastal Commission hearing, people who oppose the project on the basis of the cost **will be denied utterly all opportunities to express their opposition** because the local hearings at the City of Morro Bay, at which costs can be considered, will have been eliminated and the Coastal Commission, under §30601.3, doesn't have the authority to consider or act on project costs.

Another important example (discussed more fully below) is the lack of emergency preparedness in the City's planned closure of South Bay Boulevard. There is strong opposition to the project as planned because of the full closure of one of two emergency evacuation routes for people who live and work Los Osos. If the County agrees to consolidation, people who oppose the project on the basis of the total absence of preparedness for this closure **will be denied all opportunities to speak and be heard** because local hearings at the City and the County will have been eliminated and the Coastal Commission has no authority over the issue.

There is no record of a meeting at which the City Council made a noticed public decision based on deliberations and findings to change the "new waste water treatment plant" project into a reclamation facility. The record shows that the City started spending money on it. For example, there is a December 2014 siting study on the "*New Water Reclamation Facility Project*".⁷

Agendized as a "business item" and with no notice or hearing, the City Council did vote unanimously on April 25, 2017 to **exclude water reclamation** as part of the sewer project and to spend money only on secondary and possibly tertiary wastewater treatment.⁸ But in a May 25, 2017 public record letter, the City Council astonishingly claimed that it did not take this action (even though it's recorded on youtube) and soon after sent out glossy mailers promoting the Water Reclamation Facility and began spending money on it. Other examples include the following:

- The City Council approved the project site in a series of disguised and secret decisions.⁹
- The City Council illegally executed the option-to-buy the site in an October 15, 2018 closed session.¹⁰

⁷ "Deliberation in this context connotes not only collective decisionmaking, but also 'the collective acquisition and exchange of facts preliminary to the ultimate decision.'" *Frazer v. Dixon Unified Sch. Dist.* (1993) 18 Cal. App. 4th 781, 794.

⁸ <https://www.youtube.com/watch?v=zVTEyxRSgws> at time 5:24:00 to 5:34:40

⁹ The Mayor's claim that the City Council identified the South Bay Boulevard site as the preferred location in 2017 is not correct. After a public records act request in mid-2018, the City Council's October 25, 2016 option to buy 27 acres of a 400-acre parcel from property owner Tri-W Inc. came to light. This memorandum of understanding (MOU) was noticed on the City Council's October 11, 2016 meeting agenda as a "Business Item". The staff report did not disclose all of the terms of the MOU including the City's agreement to apply to the Local Area Formation Commission (LAFCO) to expand the City's sphere of influence (SOI) to include the whole 400 acres north of Highway One and provide vehicle access to this now-landlocked parcel. This was a major land use decision made behind closed doors and memorialized in a contract with the property owner.

¹⁰ On October 15, 2018 the City Council secretly decided to execute the option to buy the property in a closed session meeting that was agendized falsely as "negotiation: price and terms of payment" and was recorded falsely in the meeting minutes as "no reportable action". In an October 26, 2018 letter to Tri-W attorney Marshall Ochylski (also LAFCO commissioner), the City Manager confirmed that the Council "decided to exercise its option to purchase the property" at the closed session meeting and stated that "The City looks forward to completing this purchase as soon as possible....". Since there was no public record of the City Council's October 15, 2018 closed session decision to buy the property, the public didn't find out about it until the February 13, 2019 Council meeting. That night the City Attorney falsely reported that "the City **properly** provided a timely notice to Tri-W in October of last year of the City's intention to exercise its option to purchase the property..." when in reality the action was taken illegally in a closed session meeting.

- On October 23, 2018 the City Council approved a treatment works project by awarding a contract for over \$67,000,000 for design and construction of the project that is described in Exhibit B to the contract.¹¹
- The City Council unlawfully decided to apply to LAFCO to expand its sphere of influence disguised on the agenda as a business item.¹²
- Acting without authorization from the Council, City staff signed an amendment of the option-to-buy MOU.¹³

Now the City of Morro Bay and the Coastal Commission want the County to join them in this coup d'état of illegal public exclusion from the coastal development permitting process for the most expensive and most impactful public works project in the City's history and for a project that has not even been disclosed publicly. We ask the County Not to agree to it.

A. The City of Morro Bay has evaded public participation by not applying for and obtaining a CDP for this project.

By not applying for and obtaining coastal development permits years ago the City has successfully evaded disclosure and approval of any stable project description that the public can review and to which the City can be held accountable.

Council meetings with "project related items" and Advisory Committee meetings to which the Mayor refers in his April 17, 2019 letter in support of consolidation do not amount to public participation in the coastal development permit decision-making processes.

City staff is negotiating potential change orders with the design-build team for the project. The public just learned in the Mayor's letter that the City plans "to perform maintenance and potentially add modification to the City's ocean outfall to the project cost. Since there is no stable project description in an approved coastal development permit to which the public can hold the City accountable through public approvals of design changes, this situation translates to open-ended spending with no accountability of purpose, need, or reasonableness of cost.

¹¹ The treatment works project described in the contract - on which the City has spent over \$1,500,000 to the design/builder this year - has never been disclosed publicly. There is no development permit for the project and, therefore, no stable, permitted project design to which the City can be held accountable in its spending. "Change orders" to the unpermitted project are also taking place with no accountability.

¹² Camouflaged as a "Monthly Review" "Business Item" on the City Council's January 22, 2019 meeting agenda, the City Council made another major land use decision to direct staff to apply to LAFCO to expand its sphere of influence to include the 400 acre parcel based on the single finding that the City had agreed in the MOU to do so.¹² Selection of this site benefits **only** Tri-W Inc. and provides no public benefit that other sites do not offer.

¹³ On February 4, 2019 City staff, without Council approval,¹³ executed an amendment of the MOU stating that the "City and Tri-W shall enter into a purchase and sale agreement" for the property.

VI. *The record shows that there is no project budget and no project schedule and that the City of Morro Bay has shown no interest in expediting this process or conserving public funds.*

In his letter, Mayor Headding stated falsely that eliminating local hearings on this project is needed “In order to make best use of limited public resources and complete the WRF project on time and on budget...” But the record shows that the City has dragged its feet for several years on this project and **does not even have a budget or schedule for the project.**

At the March 26, 2019 City Council meeting, staff clarified that among other things that are still missing:

- There is no baseline program for a project schedule or a budget for the project.
- The City does not own the property (which does not even have it’s own APN).
- There is only “a preliminary draft of the basis of design report and 30% design drawings”.
- Whether reclamation is even feasible is unknown because needed tests have not been done related to the injection of treated water into the Morro Creek basin.

And Mayor Headding’s claim that the City wants to eliminate local permit hearings because of its interest in making the best use of limited public resources is not supported by the facts. For example, the City agreed with the design builder to pay the company more money if construction isn’t started before the end of the year, then delayed applying for permits to start that construction, and has spent over \$7,000,000 on a project with no permit to build it, no property, and no public oversight.

VII. *This project needs to be permitted locally on order to condition any permit with completion of an evacuation plan to be used in case of emergency when South Bay Boulevard is closed at Highway One.*

As you know, Los Osos has a population of approximately 15,000 people and there are only two roads – only two lanes wide - leading in and out of Los Osos. One of those roads is South Bay Boulevard, which connects with Highway One in Morro Bay. South Bay Blvd. is heavily used by visitors, commuters, locals, and public transportation including school buses, and is an essential evacuation route.

Diablo Canyon nuclear power plant is less than seven miles south of Los Osos. While the City of Morro Bay plans to close South Bay Boulevard entirely at Highway One during construction, the project EIR does not address the issue at all. The City has negligently ignored the possible impacts closure could have on everyday traffic and on a possible emergency evacuation.

This project needs to be reviewed locally by the County and the City so plans for emergency evacuation and for routing every day traffic during the closure can be prepared in cooperation with the County's Office of Emergency Services and other local agencies and be imposed on the permit as conditions of approval. Consistency with the County's Safety Element would require preparing response teams with information of the closure and providing the response teams with instructions and equipment necessary to adapt an evacuation to the road closure.

This will not happen if the County agrees to consolidate its permit because the Coastal Commission would not have the authority to condition the project based on requirements for emergency preparedness.

Based on all of these reasons, and on behalf of their supporters, Home Front Environmental Justice Morro Bay respectfully requests that the County Board of Supervisors deny the staff recommendations. If the Board is interested in the issue of eliminating coastal development permits under the Coastal Act's consolidation statute, the Board should direct staff to development a proposal for amending the Land Use Ordinance to include it.

Kahn, Kevin@Coastal

From: Fidell, Linda <lfidell@csun.edu>
Sent: Thursday, June 27, 2019 6:46 AM
To: Kahn, Kevin@Coastal
Subject: Please SUPPORT Consolidation for Morro Bay WRF

Dear Commissioners,

I am a resident of Morro Bay and I STRONGLY SUPPORT our WRF project and want it completed as soon as possible. I am STRONGLY IN FAVOR of water reclamation and view it as absolutely essential under threat of drought and climate crisis.

1. I notice that many of the people who oppose consolidation do not live in Morro Bay and will not be paying for the project. Why are they objecting? What business is it of theirs?
2. I notice that many of the people who oppose consolidation also opposed the reclamation project in Los Osos that ended up costing several times what it should have cost due to lengthy delays.
3. There is a claim of corruption in Morro Bay. I live here. What corruption? The City bent over backwards to hear and hear again from residents. Every vote taken by the city was in favor of the project.
4. The City has succeeded in obtaining a larger loan under more favorable conditions that will reduce the cost of the project.
5. This issue has been extremely divisive (and driven by outsiders?) and the sooner it is resolved the better for our city.

PLEASE SUPPORT CONSOLIDATION!

Linda Fidell, Ph.D.
280 Andros Street
Morro Bay, CA 93442
818 921-0765

Kahn, Kevin@Coastal

From: Dave Cindy Betonte (DaCiBeto) <dacibeto@gmail.com>
Sent: Thursday, June 27, 2019 10:05 AM
To: CentralCoast@Coastal
Cc: Carl, Dan@Coastal; Kahn, Kevin@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)
Attachments: 2019july11_CDPhearingComments.pdf

This email message has been sent to Coastal Commission Staff.

CDP Hearing, July 11, 2019
Application Number: 3-19-0463
Applicant: City of Morro Bay

We are Morro Bay residents, property owners and City water and wastewater utility customers who support the City of Morro Bay's proposal to construct a new Water Reclamation Facility (WRF) at the South Bay Blvd site. We respectfully request that Coastal Commission Members concur with your staff's recommendation and vote "YES" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) for this project on July 11, 2019.

Below are reasons why we support the City's WRF project and Coastal Commission approval of the CDP:

- **The proposed City's WRF project at the South Bay Blvd. site is the only viable alternative to replace Morro Bay's aging and non-compliant wastewater treatment plant:** This vital infrastructure project is buildable, has an identified location and budgeted cost, and is well on the path to a completed design by a qualified design-build contractor. Following CDP approval and issuance, said contractor can start the project and complete the WRF before the February 2023 deadline in Regional Water Quality Boards Time Schedule Order (TSO). Denial of the CDP will almost certainly result in the City failing to meet its obligations under the TSO.
- **The proposed WRF project is affordable for the community:** In its recent Prop 218 process, the City estimated a monthly residential surcharge of up to \$41 to pay for the WRF, increasing a typical five unit customers water and sewer bill to \$191 per month. This rate is consistent with the Cayucos CSD's estimated Prop 218 rate of \$192 for a five unit water and sewer customer for the new Cayucos WRF. The estimated \$126 million dollar project cost is a big hit for a community of approximately 10,500 residents. However, the City is well on the path to securing grant funds and low interest financing for the project from the Clean Water State Revolving Fund and Federal EPA WIFIA loan programs that may allow a reduction in the monthly surcharge. Delays caused by denial of the CDP and relocating the project will result in the City losing these lower cost financing opportunities, driving up project costs and monthly utility rates even higher.
- **The proposed WRF project meets the Coastal Commission's and the communities objectives:** Your staff report for this agenda item clearly details how the proposed WRF project complies with the Coastal Act (with one exception) and addresses all of the concerns expressed by the Commission in its 2013 CDP denial. City Council and staff have cooperated and worked with your staff to develop a project that's located inland away from coastal

hazards, has minimal view impact, treats effluent to tertiary levels thus exceeding clean water discharge standards and provides a new drinking water source for the community by injecting reclaimed water into the Morro Creek groundwater basin where it can be extracted from existing City wells - with the additional benefit of improving groundwater basin water quality. The only exception is the project requires conversion of 15 acres of agricultural land to industrial use which will be mitigated by the City as a requirement for CDP approval.

- **Morro Bay's City Council has conducted an open and inclusive community process for the proposed WRF project:** Since the Coastal Commissions 2013 denial of Morro Bay's previous CDP application for a new sewer plant, City Council has conducted numerous workshops and public meetings to inform citizens and receive their input. We have personally attended many of these workshops and meetings, including numerous regular city council meetings where both supporters and opponents have had ample opportunity to be heard through public comment and written correspondence. That is why we support the consolidated CDP process. Holding additional local public hearings may allow dedicated opponents more opportunities to repeat their negative views but it won't change the facts: This WRF project is environmentally sound, can realistically be built and is the lowest cost option to replace Morro Bay's aging and noncompliant sewer plant.
- **The broader Morro Bay community supports the City's proposed WRF Project:** Since 2012, Morro Bay residents have voted 8 times (in one primary, four general elections, one recall election, and two Prop 218 votes) supporting the move off the beach to an inland location, with water recycling a high priority. Both Prop 218 votes were to raise utility rates to pay capital costs of a sewer system. In each election, candidates who supported moving the wastewater treatment plant inland won. It's clear to us that a "silent majority" of the community supports the City Council's processes and actions that have resulted in the proposed WRF project.

The Coastal Commission has primarily heard from a dedicated and well organized group of opponents to the City's proposed WRF project who continue to oppose the project for their own reasons. We (and hopefully many other citizens of Morro Bay) are writing and will speak during public comment to express our support for the City Council and staff in their diligent efforts to move this project forward to completion. Our community has the responsibility to treat its sewage to legal standards, expand its water supply, improve its water and wastewater infrastructure, and pay for it ourselves with whatever outside assistance we can get to help to mitigate the cost. This project is necessary to fulfill those community responsibilities.

We respectfully request that the California Coastal Commission Members vote "**YES**" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) 3-19-0463 for the City of Morro Bay Water Reclamation Facility project. We further request that the vote to approve the CDP is by unanimous consent of all Members present at the hearing to send a strong message of support for the Project and Morro Bay's City Council and staff for their collaboration with your staff to bring this innovative infrastructure project before you for approval. We also believe that a unanimous "**YES**" vote will help Morro Bay get past the sometimes acrimonious and divisive debate over this project.

Sincerely,

David and Cindy Betonte
Morro Bay, California

Kahn, Kevin@Coastal

From: Carol Swain <carolswain96@gmail.com>
Sent: Thursday, June 27, 2019 12:14 PM
To: CentralCoast@Coastal
Subject: Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Carol Swain
305 Bernardo Avenue
Morro Bay, CA 93442
carolswain96@gmail.com
(805)225-1145

June 27, 2019

California Coastal Commission
725 Front Street, #300
Santa Cruz, CA 95060

Dear California Coastal Commission Members:

I am a Morro Bay resident and water/sewer utility customer. I am in support of the City of Morro Bay plan to build a Water Reclamation Facility as currently proposed. I respectfully request that you approve the Motion and Resolution for a consolidated Coastal Development Permit when you consider it at your July 11, 2019 meeting.

The progress the City has made to date has been steady and deliberate. Citizen input has been solicited and considered in selecting the site and design of this facility. We citizens have spoken, both verbally, and by official ballot. We want to build a modern, compliant water treatment facility at the most affordable cost.

The City Council and staff have worked diligently to find a suitable place to build the plant. They have sought, applied, and been approved for low-interest funding. Their process has been fully transparent and inclusive of citizen concerns.

Please help us remain on a path for progress. Please vote to approve to consolidate the Coastal Development Permit. A YES vote, as recommended by your staff, will help keep us on our path to progress. Thank you.

Sincerely,

Carol Swain

From: Orris <orriscowgill@gmail.com>
Sent: Thursday, June 27, 2019 3:42 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

CDP Hearing, July 11, 2019 Application Number: 3-19-0463 Applicant: City of Morro Bay We are Morro Bay residents, property owners and City water and wastewater utility customers who support the City of Morro Bay's proposal to construct a new Water Reclamation Facility (WRF) at the South Bay Blvd site. We respectfully request that Coastal Commission Members concur with your staff's recommendation and vote "YES" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) for this project on July 11, 2019.

Below are reasons why we support the City's WRF project and Coastal Commission approval of the CDP:

- The proposed City's WRF project at the South Bay Blvd. site is the only viable alternative to replace Morro Bay's aging and non-compliant wastewater treatment plant: This vital infrastructure project is buildable, has an identified location and budgeted cost, and is well on the path to a completed design by a qualified design-build contractor. Following CDP approval and issuance, said contractor can start the project and complete the WRF before the February 2023 deadline in Regional Water Quality Boards Time Schedule Order (TSO). Denial of the CDP will almost certainly result in the City failing to meet its obligations under the TSO.
- The proposed WRF project is affordable for the community: In its recent Prop 218 process, the City estimated a monthly residential surcharge of up to \$41 to pay for the WRF, increasing a typical five unit customers water and sewer bill to \$191 per month. This rate is consistent with the Cayucos CSD's estimated Prop 218 rate of \$192 for a five unit water and sewer customer for the new Cayucos WRF. The estimated \$126 million dollar project cost is a big hit for a community of approximately 10,500 residents. However, the City is well on the path to securing grant funds and low interest financing for the project from the Clean Water State Revolving Fund and Federal EPA WIFIA loan programs that may allow a reduction in the monthly surcharge. Delays caused by denial of the CDP and relocating the project will result in the City losing these lower cost financing opportunities, driving up project costs and monthly utility rates even higher.
- The proposed WRF project meets the Coastal Commission's and the communities objectives: Your staff report for this agenda item clearly details how the proposed WRF project complies with the Coastal Act (with one exception) and addresses all of the concerns expressed by the Commission in its 2013 CDP denial. City Council and staff have cooperated and worked with your staff to develop a project that's located inland away from coastal hazards, has minimal view impact, treats effluent to tertiary levels thus exceeding clean water discharge standards and provides a new drinking water source for the community by injecting reclaimed water into the Morro Creek groundwater basin where it can be extracted from existing City wells - with the additional benefit of improving groundwater basin water quality. The only exception is the project requires conversion of 15 acres of agricultural land to industrial use which will be mitigated by the City as a requirement for CDP approval.

Page 1

CDP Hearing, July 11, 2019 Application Number: 3-19-0463 Applicant: City of Morro Bay • Morro Bay's City Council has conducted an open and inclusive community process for the proposed WRF project: Since the Coastal Commissions 2013 denial of Morro Bay's previous CDP application for a new sewer plant, City Council has conducted numerous workshops and public meetings to inform citizens and receive their input. We have personally attended many of these workshops and meetings, including numerous regular city council meetings where both supporters and opponents have had ample opportunity to be heard though public comment and written correspondence. That is why we support the consolidated CDP process. Holding additional local public hearings may allow dedicated opponents more opportunities to repeat their negative views but it won't change the facts: This WRF project is environmentally sound, can realistically be built and is the lowest cost option to replace Morro Bay's aging and noncompliant sewer plant.

- The broader Morro Bay community supports the City's proposed WRF Project: Since 2012, Morro Bay residents have voted 8 times (in one primary, four general elections, one recall election, and two Prop 218 votes) supporting the move

off the beach to an inland location, with water recycling a high priority. Both Prop 218 votes were to raise utility rates to pay capital costs of a sewer system. In each election, candidates who supported moving the wastewater treatment plant inland won. It's clear to us that a "silent majority" of the community supports the City Council's processes and actions that have resulted in the proposed WRF project.

The Coastal Commission has primarily heard from a dedicated and well organized group of opponents to the City's proposed WRF project who continue to oppose the project for their own reasons. We (and hopefully many other citizens of Morro Bay) are writing and will speak during public comment to express our support for the City Council and staff in their diligent efforts to move this project forward to completion. Our community has the responsibility to treat its sewage to legal standards, expand its water supply, improve its water and wastewater infrastructure, and pay for it ourselves with whatever outside assistance we can get to help to mitigate the cost. This project is necessary to fulfill those community responsibilities.

We respectfully request that the California Coastal Commission Members vote "YES" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) 3-19-0463 for the City of Morro Bay Water Reclamation Facility project. We further request that the vote to approve the CDP is by unanimous consent of all Members present at the hearing to send a strong message of support for the Project and Morro Bay's City Council and staff for their collaboration with your staff to bring this innovative infrastructure project before you for approval. We also believe that a unanimous "YES" vote will help Morro Bay get past the sometimes acrimonious and divisive debate over this project.

Sincerely,

Orris & Pat Cowgill
Morro Bay, California

Page 2

Kahn, Kevin@Coastal

From: Norma Wightman <norma.wightman@gmail.com>
Sent: Thursday, June 27, 2019 4:46 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 agenda item Thursday 13a- application No. 3-19-0463

re: Morro Bay Water Reclamation Facility Dear Commissioners and staff:

I support the Consolidated Permit Process.

I support all fine elements of the Coastal Permit application as submitted by the City of Morro Bay.

Keep this project affordable without delays. Please unanimously approve the Morro Bay WRF CDP application on July 11, 2019.

Since 2012 Morro Bay residents have voted 8 times to support the move of a WRP off the beach to an inland location. On June 18, 2019 the City of Morro Bay secured a position on the States fundable list for up to \$105 million in loans and grants. In 2017 the WRF project was selected to apply for EPA funding up to 49% of the project costs in low interest loans. There is an urgent need to get the project moving as proposed to secure the loans as they are targeted for the specific current proposed project. Delays threaten the availability of low interest loans.

the location of the proposed sewer plant is well out of harms way regarding flooding and sea level rise and it will be largely invisible to the community.

since 2012 the city of Morro Bay has held numerous public workshops including three hearings for each Prop 218 process and one on the draft EIR. while the projected costs are high the estimated rates will be in the range of \$191 for a household using 5 units of water per month. Rates may even be lower if low interest loans keep total costs lower than projected.

Please unanimously approve the Morro Bay WRF CDP application on July 11, 2019 to help the city move forward with a regulation-compliant, build able, affordable project which has strong support from a majority of the community.

Respectfully Submitted,

Peter and Norma Wightman (senior citizens)

2905 Coral Ave.

Morro Bay, CA 93442

Sent from my iPad

Kahn, Kevin@Coastal

From: morrobayswains@gmail.com
Sent: Thursday, June 27, 2019 6:00 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

June 26, 2019

Dear California Coastal Commission Members,

I am writing this letter to state my opinion on the Morro Bay WRF.

First the previous city council has been challenging the CCC to keep the existing plant for many years. We have now moved past that dead end and have made great progress toward building a new up to date 21st century WRF that will supply our city with recycled water and last our city for another 50 plus years.

Second our current city staff and council have heard all objections by holding about 100 meetings and then answered those concerns by decreasing the cost of the WRF by over 30 million dollars.

Third IF we meet the demands by the loan and bond groups we will lower the cost per household by even more. But we MUST PROCEED IN A TIMELY MANNER to meet their demands.

Fourth opinion is only DELAYING THIIIS ANY LONGER WILL COST MORE in the long run for the same plant or even a less quality and performance facility. This seems to be unacceptable and makes even less sense.

Fifth opinion is WATER of the future is going to be a quantity EQUYAL TO GOLD. Just look at the big companies buying up land for the water rights here in Paso Robles Wineries area.

Sixth opinion is state water is running out and will only get more expensive.

Seventh opinion is De-Sal plants have put very toxic brine back into the ocean and they are expensive to operate. This brine will destroy our coastal waters environment as we know it.

I have keep this to the point and hope you will consider in favor of the City of Morro Bay to go forward with the WRF as proposed.

Sincerely

Dr. Robert Swain

Sent from Mail for Windows 10



Virus-free. www.avast.com

Kahn, Kevin@Coastal

From: Pat Reed <pnr315@yahoo.com>
Sent: Friday, June 28, 2019 9:56 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Please support the staff recommendation to approve the permit for the Morro Bay water reclamation facility. Patricia and James Reed, Morro Bay

Sent from my iPad

Kahn, Kevin@Coastal

From: Homer Alexander <homeralexander@charter.net>
Sent: Friday, June 28, 2019 12:10 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

June 28, 2019

Dear Chair Bochco and Commissioners

I am writing in support of your staff's recommendation to approve the City of Morro Bay's application # 3-19-0463 for a consolidated permit to build a Water Reclamation Facility.

I have been paying attention to the City's WRF Project for the last ten years. In my opinion the first eight pages of your staff's report did an excellent job of summarizing the events that have taken place since the last time this project was in front of you and the reasons the project should be approved.

Last spring, I was appointed to a four person citizens committee to review the proposed sewer and water rate increases. The four of us met eight times with key City Staff, the rate consultant and the project manager. Our mission was to challenge the project team's assumptions with the goal of reducing the rates before the release of the 218 vote notice. We were successful. During those meetings it became very clear to me that of all the alternatives that had been discussed the current project at the proposed location was the least expensive option for the Morro Bay ratepayer. I also learned during our meetings that a delay in the permitting process would jeopardize the financing package which will create a significant hardship for the ratepayer.

Please vote to approve the City's application.

Thank you
Homer Alexander
Morro Bay

From: Sandra Santoianni <bear2tandem@gmail.com>
Sent: Saturday, June 29, 2019 9:46 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

CDP Hearing, July 11, 2019

Application Number: 3-19-0463

Applicant: City of Morro Bay Page 1

We own three (3) residential properties in Morro Bay: our residence on Ironwood, plus two rental homes on Rennell. We are City water and wastewater utility customers and **strongly support the City of Morro Bay's proposal to construct a new Water Reclamation Facility (WRF) at the South Bay Blvd site.** We respectfully request that Coastal Commission Members concur with your staff's recommendation and vote "YES" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) for this project on July 11, 2019. Below are reasons why we support the City's WRF project and Coastal Commission approval of the CDP:

1. We do not want a repeat of the Los Osos Sewer fiasco as detailed in "Small Town Perfect Storm," by Barbara Wolcott. We personally experienced the final years of the Los Osos sewer process as we owned three (3) residential properties in Los Osos at the time. An extraordinary amount of money, time and resources were caused to be wasted by a small handful of Los Osos residents while the cost(s) associated with the inevitable sewer project continued to escalate.
2. The broader Morro Bay community supports the City's proposed WRF Project: Since 2012, Morro Bay residents have voted eight (8) times (in one primary, four general elections, one recall election, and two Prop 218 votes) supporting the move off the beach to an inland location, with water recycling a high priority. Both Prop 218 votes were to raise utility rates to pay capital costs of a sewer system. In each election, candidates who supported moving the wastewater treatment plant inland won. It's clear to us that a "silent majority" of the community supports the City Council's processes and actions that have resulted in the proposed WRF project. The Coastal Commission has primarily heard from a dedicated and well-organized group of opponents to the City's proposed WRF project who continue to oppose the project for their own reasons. **We are writing to express our support for the City Council and staff in their diligent efforts to move this project forward to completion.** Our community has the responsibility to treat its sewage to legal standards, expand its water supply, improve its water and wastewater infrastructure, and pay for it ourselves with whatever outside assistance we can get to help to mitigate the cost. This project is necessary to fulfill those community responsibilities. **We respectfully request that the California Coastal Commission Members vote "YES" to the Motion and Resolution approving a consolidated Coastal Development Permit (CDP) 3-19-0463 for the City of Morro Bay Water Reclamation Facility project.** We further request that the vote to approve the CDP is by unanimous consent of all Members present at the hearing to send a strong message of support for the Project and Morro Bay's City Council and staff for their collaboration with your staff to bring this innovative infrastructure project before you for approval. We also believe that a unanimous "YES" vote will help Morro Bay get past the sometimes acrimonious and divisive debate over this project.
3. Morro Bay's City Council has conducted an open and inclusive community process for the proposed WRF project: Since the Coastal Commissions' 2013 denial of Morro Bay's previous CDP application for a new sewer plant, City Council has conducted numerous workshops and public meetings to inform

citizens and receive their input. That is why we support the consolidated CDP process. Holding additional local public hearings may allow dedicated opponents more opportunities to repeat their negative views but it won't change the facts: **This WRF project is environmentally sound, can realistically be built and is the lowest cost option to replace Morro Bay's aging and noncompliant sewer plant.**

4. The proposed City's WRF project at the South Bay Blvd. site is the only viable alternative to replace Morro Bay's aging and non-compliant wastewater treatment plant: This vital infrastructure project is buildable, has an identified location and budgeted cost, and is well on the path to a completed design by a qualified design-build contractor. Following CDP approval and issuance, said contractor can start the project and complete the WRF before the February 2023 deadline in Regional Water Quality Boards Time Schedule Order (TSO). Denial of the CDP will almost certainly result in the City failing to meet its obligations under the TSO.

5. The proposed WRF project is affordable for the community: In its recent Prop 218 process, the City estimated a monthly residential surcharge of up to \$41 to pay for the WRF, increasing a typical five-unit customers water and sewer bill to \$191 per month. This rate is consistent with the Cayucos CSDs estimated Prop 218 rate of \$192 for a five-unit water and sewer customer for the new Cayucos WRF. The estimated \$126 million-dollar project cost is a big hit for a community of approximately 10,500 residents. However, the City is well on the path to securing grant funds and low interest financing for the project from the Clean Water State Revolving Fund and Federal EPA WIFIA loan programs that may allow a reduction in the monthly surcharge. Delays caused by denial of the CDP and relocating the project will result in the City losing these lower cost financing opportunities, driving up project costs and monthly utility rates even higher.

6. The proposed WRF project meets the Coastal Commission's and the community's objectives: Your staff report for this agenda item clearly details how the proposed WRF project complies with the Coastal Act (with one exception) and addresses all of the concerns expressed by the Commission in its 2013 CDP denial. City Council and staff have cooperated and worked with your staff to develop a project that's located inland away from coastal hazards, has minimal view impact, treats effluent to tertiary levels thus exceeding clean water discharge standards and provides a new drinking water source for the community by injecting reclaimed water into the Morro Creek groundwater basin where it can be extracted from existing City wells - with the additional benefit of improving groundwater basin water quality. The only exception is the project requires conversion of 15 acres of agricultural land to industrial use which will be mitigated by the City as a requirement for CDP approval.

Sincerely,

Bruce and Sandra Santoianni, 2570 Ironwood, Morro Bay, California 93442

Kahn, Kevin@Coastal

From: Cynthia Hawley <cynthiahawley@att.net>
Sent: Saturday, June 29, 2019 1:50 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Escalante, Linda@Coastal; Rice, Catherine@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Padilla, Stephen@Coastal; Uranga, Roberto@Coastal; Mann, Zahirah@Coastal; Faustinos, Belinda@Coastal; Pendleton, Brian@Coastal; Urias, Bryan@Coastal; Ward, Christopher@Coastal
Cc: Kahn, Kevin@Coastal; Carl, Dan@Coastal; Ng, Michael@Coastal; Schwartz, Noaki@Coastal; Selvaraj, Sumi@Coastal; Cheddar, Ann@Coastal
Subject: This letter has been provided to staff inadequate & nonexistent notice 13.a. Application No. 3-19-0463
Attachments: 06_21_2019.MB.ApplicationToSubdivide396-AcreParcel.pdf

This letter has been provided to staff

Agenda Item 13.a. Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Request for postponement due to inadequate notice and nonexistent notice

Dear Chairwoman Bochco and Commissioners,

I write on behalf of Citizens for Affordable Living, Home Front Environmental Justice Morro Bay, and LandWatch San Luis Obispo County to inform you that public notice for Agenda Item 13a. is inadequate and nonexistent as described below and to request a postponement of this hearing pending adequate and complete notice.

As you know pursuant to the Bagley-Keene Open Meeting Law Government Code section 11125(b),

“The notice of a meeting of a body that is a state body shall include a specific agenda for the meeting, containing a brief description of the items of business to be transacted or discussed in either open or closed session.”

The stated objectives of the Bagley-Keene Act are to assure that “actions of state agencies be taken openly and that their deliberation be conducted openly.” (Gov. Code section 11120.) The Commission’s efforts to notify interested persons must “...serve the statutory objectives of ensuring that state actions taken and deliberations made at such meetings are open to the public.” *N. Pacifica LLC v. California Coastal Com.* (2008)166 Cal. App. 4th 1416, 1432.

The Commission’s agenda for its July 11, 2019 meeting Agenda Item 13.a. Application No. 3-19-0463 (Morro Bay Water Reclamation Facility) and the notice of this Agenda Item sent by U.S. Mail (see below) provide the following notice:

Application of City of Morro Bay to: (1) subdivide 396-acre parcel into 2 parcels (roughly 368 and 28 acres apiece); (2) construct new wastewater treatment and recycled water facility (water reclamation facility) on smaller parcel, as well as to construct associated pipelines, 2 new lift stations, and underground recycled water injection wells; (3) modify existing ocean outfall; (4) operate new water reclamation facility and overall system, including groundwater injection and other related components, moving forward; and, (5) decommission and demolish existing wastewater treatment plant and related components and to restore all affected areas, with project components spanning unincorporated San Luis Obispo County, City of Morro Bay, and the Pacific Ocean.

First, the notices do not mention and thus do not advise the public that the action is on a consolidated permit application.

The business to be transacted on this permit application is a consolidation of permits that would otherwise be issued by the City of Morro Bay, the County of San Luis Obispo, and the Coastal Commission. The business involves all three of these government agencies that have agreed to the consolidation and the interested public where local permits have been eliminated. Without differentiating this as a consolidated permit application, this is notice of an application for development in the Coastal Commission's retained jurisdiction (submerged land, tideland, or public trust land) or on appeal. Without notification that this is a consolidated permit the public is not informed that this is the only hearing on a matter that would otherwise be heard and acted upon by the local government. As the process is set up in San Luis Obispo County, the notice on the Coastal Commission's agenda may be the only public notice that a consolidation has occurred and that a project is pending in the local jurisdiction.

In addition, the omission of this information creates a flawed public record with false / incomplete information. We suggest that the Agenda Item should say something to the effect of "Application of the City of Morro Bay on consolidation under Coastal Act section 30601.3."

Second, the notices do not mention and thus do not advise the public that the Agenda Item includes discussion of the highly contested consolidation of the permit application under Coastal Act section 30601.3. See staff report pages 6-8, 30, 61, and 65-66.

The Agenda Item staff report discusses 1) the propriety of the consolidation process as it is applied in this case, 2) the staff perspective of the effect consolidation may have on Environmental Justice, 3) the standard of review for consolidated permit hearings and decisions, 4) and the staff perspective related to legislative intent of consolidation, purposes of the statute, and tests for determining whether consolidation will cause significant impairment of public participation. The staff report argues why, in their opinion, consolidation should be allowed in this case.

My clients request that the Commission postpone this hearing pending 1) adequate and proper notice that the application before the Commission is on consolidation under Coastal Act section 30601.3 and 2) a description of consolidation as business to be discussed.

Thank you for your attention to these important matters.

Sincerely,

Cynthia Hawley

Cynthia Hawley, Attorney

P.O. Box 697

Morro Bay, CA 93443

cynthiahawley@att.net

Phone: (805) 776-5102

CONFIDENTIALITY NOTICE

The information contained in this e-mail message is privileged, confidential, and protected from disclosure. If you are not the intended recipient, any dissemination, distribution, or copying is strictly prohibited. If you have received this e-mail message in error, please notify this office immediately. Thank you.

CALIFORNIA COASTAL COMMISSION

CENTRAL COAST DISTRICT OFFICE
725 FRONT STREET, SUITE 300
SANTA CRUZ, CALIFORNIA 95060-4508
(831) 427-4863 FAX (831) 427-4877

WWW.COASTAL.CA.GOV



Page: 1

Date: June 21, 2019

**IMPORTANT PUBLIC HEARING NOTICE
COASTAL PERMIT APPLICATION****APPLICATION #** 3-19-0463**APPLICANT:** City of Morro Bay Public Works Department**PROJECT DESCRIPTION:**

Application by the City of Morro Bay to subdivide a 396-acre parcel into two parcels (roughly 368 and 28 acres apiece); to construct a new wastewater treatment and recycled water facility (water reclamation facility) on the smaller parcel, as well as to construct associated pipelines, two new lift stations, and underground recycled water injection wells; to modify the existing ocean outfall; to operate the new water reclamation facility and overall system, including groundwater injection and other related components, moving forward; and to decommission and demolish the existing wastewater treatment plant and related components and to restore all affected areas, with project components spanning unincorporated San Luis Obispo County, the City of Morro Bay, and the Pacific Ocean.

PROJECT LOCATION:

Various locations in the City of Morro Bay; and on an undeveloped property inland of the intersection of South Bay Boulevard and Highway 1 in unincorporated San Luis Obispo County.

HEARING DATE AND LOCATION:

DATE Thursday, July 11, 2019
TIME 9:00am
PLACE Embassv Suites Hotel
333 Madonna Road, San Luis Obispo
PHONE (415) 407-3211

ITEM NO: Th 13a

HEARING PROCEDURES:

This item has been scheduled for a public hearing and vote. People wishing to testify on this matter may appear at the hearing or may present their concerns by letter to the Commission on or before the hearing date.

AVAILABILITY OF STAFF REPORT:

A copy of the staff report on this matter will be available no later than 10 days before the hearing on the Coastal Commission's website at <http://www.coastal.ca.gov/mtgcurr.html>. Alternatively, you may request a paper copy of the report from Kevin Kahn, Central Coast District Supervisor, at the Central Coast District Office.

IMPORTANT PUBLIC HEARING NOTICE COASTAL PERMIT APPLICATION

SUBMISSION OF WRITTEN MATERIALS:

If you wish to submit written materials for review by the Commission, please observe the following:

- Submit your written materials to the Commission staff no later than 5:00 p.m. on the Friday before the hearing (staff will then distribute your materials to the Commission). Note that materials received after this time will not be distributed to the Commission.
- Mark the agenda number of your item, the application number, your name and your position in favor or opposition to the project on the upper right hand corner of the first page of your submission. If you do not know the agenda number, contact the Commission staff person listed on page 2.
- A current list of Commissioners' names and addresses is available on the Coastal Commission's website at <http://www.coastal.ca.gov/roster.html>. If you wish to submit materials directly to Commissioners, we request that you mail the materials so that the Commissioners receive the materials no later than Thursday of the week before the Commission meeting. You must provide Commission staff with a copy of any materials that you provide to Commissioners. Please mail the same materials to all Commissioners, alternates for Commissioners, and the three non-voting members on the Commission with a copy to the Commission staff person listed on page 2.
- You are requested to summarize the reasons for your position in no more than two or three pages, if possible.

Please note: While you are not prohibited from doing so, you are discouraged from submitting written materials to the Commission on the day of the hearing, unless they are visual aids, as it is more difficult for the Commission to carefully consider late materials. The Commission requests that if you submit written copies of comments to the Commission on the day of the hearing, that you provide 20 copies.

ALLOTTED TIME FOR TESTIMONY:

Oral testimony may be limited to 3 minutes or less for each speaker depending on the number of persons wishing to be heard.

ADDITIONAL PROCEDURES:

No one can predict how quickly the Commission will complete agenda items or how many will be postponed to a later date. The Commission begins each session at the time listed and considers each item in order, except in extraordinary circumstances. Staff at the appropriate Commission office can give you more information prior to the hearing date.

Questions regarding the report or the hearing should be directed to Kevin Kahn, Central Coast Supervisor, at the Central Coast District Office.

Kahn, Kevin@Coastal

From: Steve Francis <steve@cathyfrancis.com>
Sent: Saturday, June 29, 2019 6:32 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

We respectfully request that the Coastal Commission approve Application No. 3-19-0463 (Morro Bay Water Reclamation Facility).

We are full time residents of Morro Bay and rate payers of the City Water/Wastewater Utility. We also support the City of Morro Bay's plan for a new Water Reclamation Facility (WRF) at the South Bay Blvd. site. The City of Morro Bay Council and City Staff have invested significant time, money and emotional resources to evaluate and select a new facility site. While all the location options have challenges, the selected South Bay Blvd site is the "best fit" solution. The City of Morro Bay did extensive outreach to the citizens and rate payers, heard hundreds or hours of public comment, and approved the plan.

The cost of the facility increases with every delay. It is time to get final approval by all the involved governmental bodies and start the permit process.

Please support our community by adopting the application in item 13 on Thursday's agenda.

Respectfully,

Steve and Cathy Francis
Morro Bay Residents
805-458-7342

Kahn, Kevin@Coastal

From: maeve holden <dragonrunner805@gmail.com>
Sent: Sunday, June 30, 2019 9:17 AM
To: CentralCoast@Coastal
Subject: Comment on Thurs, July 2019 Agenda 13a - Application No. 3-19-0463-Morro Bay Water Reclamation Facility

To Coastal Commissioners and staff,

We are a young family in Morro Bay who own a home. My husband is a teacher, and I am a nurse with Dignity health. We have a young son, and love Morro Bay. We looked at the materials independently, and strongly support the consolidated Permit Process, and the application as submitted by the City of Morro Bay.

We are unable to attend the meetings due to work, but want to **voice support** toward the proposed permit process, and the current plan. Most other families with children our age are also unable to attend, but within the Del Mar elementary school families, there is strong support for this project.

We and other people and families like us will be the ones who pay the entire cost of the project and are here to reap the rewards. The current facility is badly needed upgrade, and the placement is really not feasible for the town anymore. We are all anxious to secure a plan to clean water that is modernized, able to reclaim and recycle more, and move our infrastructure into the 21st century.

We feel the city has worked hard to have plan that is affordable, and clearly most voters think so as well, many I know have voted because of this project or candidates who support it. We strongly support moving forward with this plan as proposed. Although we, as working parents, do not have the time to attend and organize, our voices are through those we elect and the measures we approved...All have been towards the implementation of the project.

Please do not delay this project longer. I do not want us to be fined by the state for our antiquated system, (That would really frustrate us) or have to buy more water in drought years because we have failed to procure a system in a timely manner.

Please Approve the Morro Bay application!

Thank you,
Maeve, Jan, and Max Holden
469 Arbutus Ave, Morro Bay
dragonrunner@gmail.com

Kahn, Kevin@Coastal

From: Patricia A. Dale <paticaake@gmail.com>
Sent: Sunday, June 30, 2019 1:12 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Reclamation Facility)

June 30, 2019

Dear Commissioners and Staff,

The California Coastal Commission, the County of San Luis Obispo and the City of Morro Bay have all agreed to consolidate the permitting process for the City's Proposed Water Reclamation Facility (WRF).

- I support the Consolidated Permit Process
- I support all 5 elements of the Coastal Permit Application
- Timely support by the CCC is necessary to keep this project affordable

After 16 years Morro Bay has a project ready that meets all the criteria required by national, state and local laws and is still affordable. The grants and low interest loans that depend on recommending the Coastal Development Permit (CDP) will expire soon, leaving the residents of Morro Bay back to square one, with increased costs.

The small but vocal minority that is opposing this permit are introducing arguments that are in fact specious. The facts demand action now. We have no more time for talk. Numerous occasions since 2013 have allowed for the opponents to voice their concerns and each time the majority have voted down their arguments. In addition to the workshops and public meetings, there have been 8 elections during that time period in which the inland WRF was a major talking point and each time the candidate who supported moving the wastewater treatment plant off the coast won.

We respectfully request that the California Coastal Commission Members vote **Yes** on the motion and resolution approving a consolidated Coastal Development Permit 3-19-0463 for the City of Morro Bay Water Reclamation Facility project.

Sincerely,

Thomas H. and Patricia A. Dale, residents since 2005
Morro Bay, CA 93442

Kahn, Kevin@Coastal

From: Judith Newman <tnewman805@charter.net>
Sent: Sunday, June 30, 2019 3:19 PM
To: CentralCoast@Coastal
Cc: tnewman@charter.net
Subject: Public comment on July 2019 agenda item Thursday 13a - application no.3-19-0468 (Morro Bay Water Reclamation Facility)

Dear Commission Members:

We supposed the consolidated permit process, including all five elements of the permit as submitted by the City of Morro Bay. Keep this project affordable and timely. Please approve the application on July 11, 2019.

Sincerely,

Judith and Terry Newman

Sent from my iPad

Kahn, Kevin@Coastal

From: Cindy B (EBNC) <ebnccbetonte@gmail.com>
Sent: Sunday, June 30, 2019 3:22 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Commissioners and Staff:

The California Coastal Commission, the County of San Luis Obispo and the City of Morro Bay have all agreed to consolidate the permitting process for the City's Proposed Water Reclamation Facility (WRF).

- **I SUPPORT the Consolidated Permit Process.**
- **I SUPPORT all (5) elements of the Coastal Permit Application as submitted by the City of Morro Bay.**
- **Keep this Project Affordable. Please Unanimously Approve the Morro Bay WRF CDP Application on July 11, 2019**

Respectfully Submitted,
Karen Schwarzmann
Morro Bay, CA



Virus-free. www.avg.com

Kahn, Kevin@Coastal

From: Glenn Silloway <gsilloway@mac.com>
Sent: Sunday, June 30, 2019 5:25 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

To the Coastal Commission:

As a resident of Morro Bay, I support the City of Morro Bay's application 3-19-0463 for a coastal permit to pursue the Water Reclamation Facility project at what we call the South Bay Boulevard site. The CCC staff report and the recommendation based on it reflect reality based on evidence. I urge the Commission to accept your staff recommendation for approval of the consolidated permit, which is fully appropriate in this instance, and let our little town move forward with this difficult project that has taken so long to get so close to fruition.

You should know that a majority of the citizens in Morro Bay support the project. Over the course of many years (including long before the Commission's unanimous rejection of the plan to rebuild on the beach in January 2013), and many elections, two 218 processes, and countless public hearings, meetings, and Council discussions, the evidence that the majority support a technically modern plant capable of recycling and off the beach has emerged with full clarity. The South Bay Boulevard project meets these objectives.

We have a good plan in place; low interest funding is available for it. Delay would be costly, as we saw in the Los Osos case. That's a bit of history we really don't want to repeat.

Sincerely,
Glenn Silloway

Glenn Silloway
gsilloway@mac.com
m: 805-748-9475

Kahn, Kevin@Coastal

From: Ric Deschler <ric.deschler@att.net>
Sent: Monday, July 01, 2019 12:02 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay WRF)

Dear Commissioners,

I have lived in Morro Bay for over 45 years and am very aware of and involved in the well being of our coast and our community. I have followed and attended dozens of public meetings and outreach workshops dealing with the waste water treatment plant for nearly twenty years. This project has evolved dramatically and I hope that we have finally reached a conclusion to this serious and necessary public works project.

I urge you to support and approve the CDP as presented by the City of Morro Bay and conditioned by your staff.

This project has been delayed and changed by people relying on false, old, and out-dated information as well as by people that just refuse to consider or listen to anything other than the belief that all we need to do is just rebuild the plant where it now sits and it will be cheap and easy. There has been no lack of public outreach. Nothing has been hidden from the public. Some people just do not accept the fact that a major infrastructure is going to be expensive. Ridiculous claims of backroom deals and ignoring the public are frivolous attempts to poison the project.

I live on a fixed retirement and understand that more delays will only make this project more expensive. All of our elected officials and all of the various committee members will need to live with this project and its costs. None of them, nor myself, want to pay more than we must but this is a good project and a necessity and we need to get it done.

For the good of Morro Bay and for the good of the California coast, I urge you to support the Morro Bay Water Reclamation Facility as presented and conditioned by staff.

Thank you,

Ric Deschler
2471 Hemlock
Morro Bay, CA 93442

July 1, 2019

Dear Mr. Ainsworth,

Please consider these comments as they relate to the Thursday agenda for the Commission's July meeting in San Luis Obispo.

The day's agenda is packed with several controversial matters that will likely bring many people to the meeting at the Embassy Suites hotel. The ODSVRA matter alone could take all day, as it is a highly publicized and impassioned subject. Moreover, OHV enthusiasts have mischaracterized the staff report and are promoting possible closure of the park as soon as this December. Their online petition states this as fact and has tens of thousands of signatures based on false information.

The consolidated permit on the Morro Bay wastewater matter came before the San Luis Obispo County Board of Supervisors on April 23rd. It was represented that your commission would merely take up the question of consolidating the permit at the July meeting, not as your agenda states, the entire permit is up for consideration. The California Public Resources Code section 30601(a)(2), says, "The applicant, the appropriate local government, and the commission, which may agree through its executive director, consent to consolidate the permit action, *provided that public participation is not substantially impaired by that review consolidation.*" That Morro Bay has to share Thursday with the ODSVRA substantially impairs the public's ability to participate. From parking and seating to speaking at the hearing, citizens interested in the Morro Bay matter will be forced to compromise their efforts to participate in the meeting and the matter should be postponed to the next available agenda.

Other items that may take up substantial portions of the day include the LCP amendments for cannabis, affordable housing, Pismo Beach vacation rentals and the after-the-fact approval for the San Simeon's wastewater project violations.

Please consider postponing the Morro Bay item.

Sincerely,

A handwritten signature in cursive script that reads "Julie Tacker".

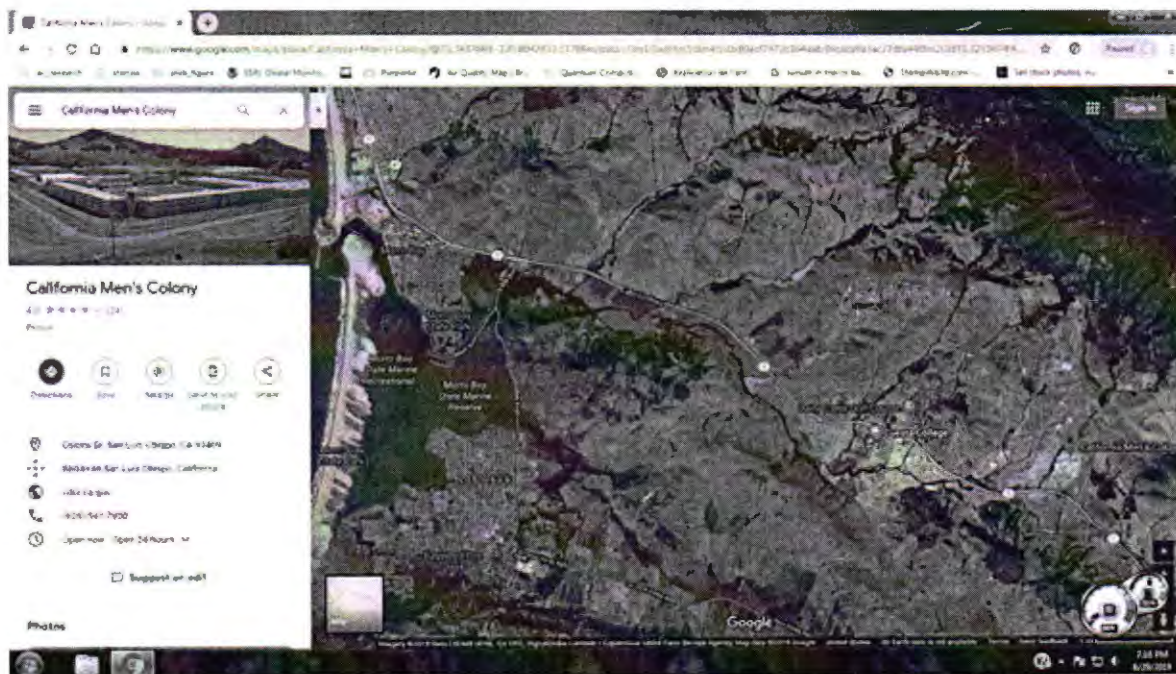
Julie Tacker
PO Box 6070
Los Osos, CA 93412

Kahn, Kevin@Coastal

From: Brom Webb <brompwebb@yahoo.com>
Sent: Monday, July 01, 2019 2:46 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Coastal Commission,

The National Morro Bay Estuary has been severely impacted over the past 15 years due to California Men's Colony (CMC) sewage spills in 2008 & 2012 combined with drought conditions. The CMC sewage spills went into Chorro Creek which flows into the Estuary approximately 14 miles away (see below), depleting the majority of eelgrass and its natural carbon sink. Eelgrass restoration efforts are in place and protection continues to be a major priority. Locating a sewer plant adjacent to the Estuary will be in direct conflict with these efforts and flirting with destroying one of the few Estuaries left in California.



Case Study 7.11.19: Morro Bay Estuary, Ca: Black or Blue Carbon?

A carbon dioxide (CO₂) sink is a carbon reservoir that is increasing in size, and is the opposite of a carbon "source". The main natural sinks are the oceans and plants and other organisms that use photosynthesis to remove carbon from the atmosphere by incorporating it into biomass. Blue carbon is the carbon stored and sequestered in coastal ecosystems such as mangrove forests, eelgrass meadows or intertidal saltmarshes. These valuable ecosystems hold vast carbon reservoirs; they sequester atmospheric CO₂ through primary production, and then deposit it in their sediments. Losing eelgrass is a double whammy for our environment's health – not only do we lose the plant's ability to capture and store CO₂, all the CO₂ that's already being stored gets released back out into the ecosystem. As of 2012, the concentration of carbon dioxide in Earth's atmosphere was 400 parts per million (ppm). As of April 2018, the average monthly level of CO₂ in Earth's atmosphere exceeded 410 ppm. That constitutes about 0.041% by volume of the atmosphere, which corresponds to approximately 3200 billion metric tons of CO₂, containing approximately 870 billion metric tons of carbon. 2019 average CO₂ for May peaking at 414.7 ppm, unfortunate evidence showing the overall need for protecting nature's natural resources more than ever. The Earth needs all the help it can get at the moment.

<https://www.esrl.noaa.gov/gmd/ccgg/trends/global.html#global>

Kahn, Kevin@Coastal

From: Maurice <mcgendron2002@yahoo.com>
Sent: Tuesday, July 02, 2019 11:14 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Here are my comments about this proposal:

1. Since 2012, Morro Bay residents have voted 8 times (in one primary, 4 general elections, 1 recall election, and two prop 218 votes) supporting the move off the beach to an inland location, with water recycling a high priority. Both of the Prop 218s were to raise utility rates to pay capital costs of a sewer system. In each election, candidates who supported moving the sewer inland won.

2. On June 18, 2019 the City of Morro Bay reached a significant step in obtaining low interest funding for its Water Reclamation Facility (WRF) Project by securing a position on the State's fundable list for up to a total of \$105 million in loans and grants. In 2017 the WRF project was selected to apply to EPA for funding up to 49% of the project cost in low interest loans.

There is some urgency in getting the project moving since both State Revolving Fund and EPA Wifia loans are targeted to the specific current project as proposed. These low interest loans cannot be postponed indefinitely, and may not be available for any project significantly different than the one proposed at South Bay Blvd site (Tri W).

3. Delay will increase costs. The consolidated coastal development permit is designed to help keep costs of the service to ratepayers as low as possible, and also reduces the time and cost of processing. Multiple approval points increase the chances that minority groups who oppose the project will sue to stop it, and long term costs will continue to increase. And, again, these delays threaten the availability of low interest loans.

4. Since 2012, the City of Morro Bay has held numerous public workshops and meetings to inform citizens and to take input. Among these meetings were 3 public hearings, including one for each Prop 218 process and one on the draft Environmental Impact report. Since the sewer was one of the most important issues discussed in the 6 elections for Mayor and/or Council during this time, the public has received extensive information about the proposed project and its projected costs.

5. The proposed project is expensive, but its impact on rate payers is well within the expected range for an advanced technology sewer system. As evidence of this, the estimated monthly rate for an average sewer and water user for the new Cayucos sewer plant will be about \$192 according to their Prop 218 process rate estimates. The comparable figure for Morro Bay (again, average water and sewer user = 5 units of water per month) is \$191. The Morro Bay rates may be reduced if the low interest loans keep total costs lower than projected.

6. The location of the proposed sewer plant is well out of harm's way regarding flooding or sea level rise, and it will be largely invisible to passersby. The CCC staff report accurately describes the proposed project and its location.

Maurice Gendron
2271 Emerald Circle
Morro Bay, Ca 93442

Sent from Mail for Windows 10



Virus-free. www.avast.com

Kahn, Kevin@Coastal

From: Nancy Bast <fairviewnancyb@gmail.com>
Sent: Tuesday, July 02, 2019 3:05 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Escalante, Linda@Coastal; Rice, Catherine@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Padilla, Stephen@Coastal; Uranga, Roberto@Coastal; Mann, Zahirah@Coastal; Faustinos, Belinda@Coastal; Pendleton, Brian@Coastal; Urias, Bryan@Coastal; Ward, Christopher@Coastal
Cc: Kahn, Kevin@Coastal; Carl, Dan@Coastal; Ng, Michael@Coastal; Schwartz, Noaki@Coastal; Selvaraj, Sumi@Coastal; Cheddar, Ann@Coastal; Ainsworth, John@Coastal
Subject: Morro Bay Proposed Wastewater Treatment Plant Consolidated Permit. Copied to CCC Staff

Dear Commissioners,

PLEASE DO NOT ALLOW A CONSOLIDATED PERMIT as the City of Morro Bay has requested from the CCC.

The City has spent 6 years and \$10 million to date putting this project together in piecemeal fashion, is only 30% designed, has prematurely certified the EIR, and prematurely awarded a \$69 million contract to construct only the wastewater treatment plant itself, a contract that must be renegotiated at a higher price since it was written to begin construction as of August 2019, an impossibility.

Now, to fast track, the City is asking to cut out of the process 5 local Agency Public Hearings while residents have had only 2 (EIR) public hearings in the past 5 plus years - all City Council Agenda project discussion has been as Business or Consent Calendar items (that do not count as administrative record) **the vehement opposition by a large sector of the community.**

By consolidating the permit to the CCC, citizens will have no appeal recourse, except by lawsuit!

Since certifying the FEIR, essential components have been added - the main lift station sited in the highly visible middle of town, the routing of 3 miles of multiple pipelines on the town's main commercial street, re-routing onto a major entrance to the City of the advanced treated recycled water - yet the cursory analysis of the impacts to the community of these massively disruptive changes are declared to be insignificant, so no new EIR "is necessary".

The certified EIR does not consider how closure of streets will affect 80 businesses, including

the primary market and drug store, or the 200 occupant elder-care home, it's 200 employees,
or daily emergency vehicles to the home made **isolated** by the road laying of piping.

The proposed project is grossly overpriced for this 10,000 population community of many low income residents.

It is illogical - 3 1/2 miles and 137 feet uphill from the existing wastewater treatment plant.

Unlike the present gravity flow system, the proposed plant requires 4 high pressure lift stations that will be energy intensive, only to increase with time and age. When any and all efforts to counter Climate Change is necessary, this proposed design's intensive use of fossil fuel is unconscionable and

ironic as the reason for moving the WWTP is to counter sea level rise - the effects of fossil fuel use!

There are much cheaper and more effective locations that were given inadequate consideration due to the Council's implacable decision to the site at South Bay Blvd.

Please do not exacerbate the flawed process that has characterized this proposal from it's beginning, sited only to facilitate growth inducing development of 550 hillside acres of private property and turn the City into an enclave of only the wealthy.

PLEASE DENY A CONSOLIDATED PERMIT.

Sincerely,
Nancy Bast
450 Fairview Ave.
Morro Bay
(805) 772-4238

Sent from my iPad

Kahn, Kevin@Coastal

From: slomiller@aol.com
Sent: Tuesday, July 02, 2019 6:39 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay)

Dear Coastal Commission,

My wife and I are long-time retired, tax-paying residents of Morro Bay. As such we urge your unanimous support the CCC staff recommendation to approve the CDP for the Morro Bay wastewater treatment plant. We are counting on you to see that our aging utility infrastructure does not fall any further behind our present needs, and will be in place to meet future demands.

Sincerely,

Howard S. Miller & Marlo L. Miller
205 Kern Ave., Morro Bay, CA 93442

Kahn, Kevin@Coastal

From: Martin R.Lomeli <martinrlomeli@gmail.com>
Sent: Tuesday, July 02, 2019 11:48 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

California Coastal Commissioners,

We are writing you today to ask that you approve the consolidated permit process for the Morro Bay Water Reclamation Facility (WRF) and allow the project to be built. We are supportive of all Five elements of the Coastal Permit Application and urge your approval to help Morro Bay meet the requirements of the Clean Water Act and the State Water Board criteria for such a project. Your approval is critical, because most important of all the many reasons to approve this permit....THERE IS NO PLAN B!

This is realistically the only project that meets your goals of moving the plant off the coast and safer from potential sea level rise. It has been narrowly, but continually supported, by a majority of the citizens of Morro Bay. This project is funded by a combination of grants and loans that will expire if the project does not continue to move forward. A recently contested 218 vote was also passed to fund the project which indicates the majority of the community supports the project. Further delay of the project will jeopardize the mosaic of funding sources and make the project much more expensive. The current projected monthly cost for residents is similar to neighboring communities. While it is indeed expensive, there are no other viable practical alternatives to move it off the coast.

There have been numerous public workshops, public hearings and an extensive and full EIR process which provided many opportunities for public comment and input. The project itself has been the center of discussion and contention in the last six municipal elections for Mayor and Council. The outcome of these elections has been a Council that has continued to move the project forward to this point in time.

Please approve this project for the safety and security of our coast and of our water quality.

Martin and Roni Lomeli
Morro Bay Residents.

Kahn, Kevin@Coastal

From: Merrill <Infmerrill@charter.net>
Sent: Wednesday, July 03, 2019 6:50 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

In Support of Application No. 3-19-0463 (Morro Bay Water Reclamation Facility) in July 10-12 meeting in San Luis Obispo

We've been following the Morro Bay sewer plant relocation discussion for years. After all the hearings and public input, we feel we have a good grasp of the issues. City's present design may not be universally supported by the local citizens but its been exhaustibly studied and meets all the necessary criteria. Therefore, please include us with those asking you to approve City of Morro Bay's application for all the items necessary to allow the project to move forward.

Lynda and Frank Merrill
391 Sequoia St.
Morro Bay, California

Kahn, Kevin@Coastal

From: Robert J Keller <rjk1lbn@me.com>
Sent: Wednesday, July 03, 2019 8:21 AM
To: CentralCoast@Coastal
Subject: Public comment on July 2019 agenda item Thursday 13a application No, 3-19-0463
(Morro Bay Water Reclamation Facility)

Dear Commissioners & Staff

I support the consolidated permit process.

coastal permit application as submitted by the city of Morro Bay.

Please unanimously approve the Morro Bay CDP application on July 11, 2019.

Sent from my iPad

I support all 5 elements of the

Bob Keller, Morro Bay, Ca.

Kahn, Kevin@Coastal

From: Eric Greening <dancingsilverowl@gmail.com>
Sent: Wednesday, July 03, 2019 9:55 AM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Linda.Excalante@coastal.ca.gov; Rice, Catherine@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Padilla, Stephen@Coastal; Uranga, Roberto@Coastal; zahira.mann@coastal.ca.gov; Faustinos, Belinda@Coastal; Pendleton, Brian@Coastal; Urias, Bryan@Coastal; Christopher.Ward@coastal.ca.gov; Kahn, Kevin@Coastal; Carl, Dan@Coastal; Ng, Michael@Coastal; Schwartz, Noaki@Coastal; sumi.sevaraj@coastal.ca.gov; Cheddar, Ann@Coastal
Subject: Comments from Eric Greening on Item 13a on the Coastal Commission agenda for July 11th

Dear Commissioners and staff,

I am Eric Greening of Atascadero, urging staff to remove Item 13a from the July, 2019 agenda due to inadequate noticing that it is a consolidated hearing--indeed that it encompasses a precedent-setting decision about the applicability of consolidation that could erode the rule of law in the California Coastal Zone.

In the event that staff declines to remove the item from the agenda, I urge the Commission to do one of two things. If it is consistent with the Bagley Keene Act relative to the scope of the item as agendized, the Commission should decline to act on the application, either to approve or to deny, due to the inapplicability of the consolidation process to this item under Public Resources Code 30601.3, and should remand the item to the governments of Morro Bay and San Luis Obispo County for their action. If such an action is not consistent with the Bagley Keene Act, then I would urge the Commission to continue the item, with the specification that before the project itself is heard, there be an agenda item at which the sole issue is the legality and applicability of consolidation to this project, and at which one of the alternatives available to the Commission and spelled out in the noticing is to decline to act on an illegitimately consolidated project, remanding the decision to the local governments spelled out above.

The Coastal Act makes clear that consolidation is only warranted on projects under the original, not the appeal, jurisdiction of your Commission (the words "...and the commission" in 30601.3 a.1), which is only true of the outfall, a relatively minor piece of a huge project, and that it is not legal to consolidate, as per a.2, if public participation is not substantially impaired. It is impossible to make such a finding of non-impairment.

A local process would involve hearings in both Morro Bay and in San Luis Obispo, before the planning commissions of the city and of the county, and in the event the project were appealed (which is nearly certain given the controversy it elicits), by the Morro Bay City Council and the San Luis Obispo County Board of Supervisors. Both day and evening hearings would be available, given the schedules of the different bodies. Each of these hearings would allow members of the public 3 minutes apiece to comment, and the opportunity to raise concerns outside the domain of the Coastal Act and have them addressed by appropriate staff and decision-makers. The public could have an important role in SHAPING the project, as well as the ultimate decision to approve or to deny.

In contrast, the process proposed for July 11th gives members of the public "Up to 1 to 2 minutes each" at a time that is HIGHLY uncertain given the level of public controversy that attends the item before it relative to vehicles in the ODSVRA. I understand that the off-roader community is seeking to mobilize great numbers of people to attend that hearing, and those supportive of staff recommendations are likely to do likewise to the

greatest extent they can. Thus, while would-be participants in the Morro Bay WWTP hearing would be wise to show up in the morning, just in case, it is likely to be afternoon, and possibly late afternoon or even evening before they have a chance to testify. One minute apiece, or less, is the likely outcome if the preceding hearing has run long. This uncertain timing, and the likelihood that the Commission will be fatigued from the preceding item, and perhaps rushed by the time they get to the Morro Bay WWTP item, represent a VERY SUBSTANTIAL impairment of public participation. Any action to approve or deny this project would likely draw litigation, and would be vulnerable to overturning due to the clearly illegal process by which the item was consolidated.

Not only citizens of Morro Bay, but those in all jurisdictions the length of California's Coastal Zone, have a stake in preventing the misuse of PRC 30601.3 and for preventing a precedent for such misuse from being set by action on this item. If consolidation can happen where the law is clearly being misused, then any local government can avoid accountability for any controversial decision in its Coastal Zone by punting the entire process to the Coastal Commission. This would be a mammoth step backwards for democracy and for coastal stewardship and protection.

In addition to the reasons why proceeding with a consolidated hearing are illegal, there are reasons why it is unwise. The primary purpose of sewage treatment relates to public health and safety. Local governments are required to make health and safety findings on projects of this type, and have staffs with the relevant expertise to help decision-making bodies properly address such issues, which have no clear standing in the Coastal Act. The Coastal Commission tends to be uncomfortable with being a CEQA lead agency, and does not have local staff on the ground to oversee and monitor mitigations. They do not have a clear authority to direct local staff who are essential to the outcome of sewage treatment projects, such as the Environmental Health Division of the County Health Department. If the Coastal Commission approves a project which runs into problems, public recourse to remediation is far more indirect if it is the Commission's project rather than that of a local government. These concerns should add weight to the necessity of stepping back from the consolidation process on this project, but in any event, the law COMPELS you to do so! Please, whether it is on the staff level or the commission level, do the legal thing and the right thing!

Many thanks,

Eric Greening

Kahn, Kevin@Coastal

From: Lynette Tornatzky <luneto2@yahoo.com>
Sent: Wednesday, July 03, 2019 3:53 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)
Attachments: cost of delays.doc

Commissioners:

We hope to be able to deliver this message in person, but an important and conflicting meeting at the San Luis Obispo Planning Commission might preclude our attendance at your July 11 meeting.

We support the consolidated permit process, all elements of the City's application, and especially support this effort to keep the project as affordable as possible; see our reasoning below for the affordability issue.

While we are not residents of Morro Bay, but veterans of the Los Osos sewer war, we do have friends, and frequent many businesses, in Morro Bay. We feel it vital to advocate for the City of Morro Bay's decision to streamline and reduce the time frame to design and build their new water reclamation facility. We have seen, and are still feeling, the consequences of that long delay on the building of the Los Osos sewer that stopped the plant from being affordable for many in our community. Maybe that was the purpose to the other edge of the sword, to RID the community of low income people and their sometimes shabby homes—which are now disappearing from Los Osos, as many low/fixed income people can't afford to live here anymore. Homes are now being bought up and rehabbed.

Please note the chart attached to this letter. It was prepared by Sorrel Marks, staff on our local Regional Water Quality Control Board in 2005 (then the cost was \$110 million), which does not of course show the FINAL cost of \$183 million, plus an addition of \$9.95 million due to the late settling of a contractor lawsuit. You can see the progression of costs. Never once did the costs drop due to delays caused by the multiple attempts for "affordability."

The repetitive arguments that plagued Los Osos are being replicated in Morro Bay. We hope that residents realize that the decades-long Los Osos "discussions" were a big hinderance to addressing the water issues, and most importantly, caused a multiplication in the project costs. Affordability was a key delay tactic, but there were others, such as lack of public input, corrupt officials, a flawed 218 vote, dangerous location(s), and more. It is interesting to note some of Los Osos sewer protesters are resurfacing to object to the Morro Bay project.

We were hoping to see at least one commissioner remaining from the old Los Osos sewer days who could attest to the unsuitability of delay, to wit, our 11th hour De Novo hearing in 2012 for one last try to stop the project. Perhaps there is staff remaining that can fill you in on any details that may be relevant to this hearing. We hope this letter will persuade each of you to support the Morro Bay Water Reclamation Facility CDP on July 11.

Thank you for reading this and for your consideration to evaluate these comments.

Sincerely,

Louis and Lynette Tornatzky
1341 16th Street
Los Osos, CA 93402
(805) 534-9196

Los Osos Wastewater Project – Timeline and Project Costs Increases

| <u>Date</u> | <u>Project Cost</u> | <u>Basis of Delays & Cost Estimates</u> |
|-------------|---------------------|--|
| 1984 | \$34.6 million | Phase II Facilities Planning Study by Brown & Caldwell |
| 1987 | \$48.5 million | Final Los Osos Wastewater Project EIR by The Morro Group |
| 1991 | | CAWS v. SLO County & RWQCB (Superior Court)* |
| 1992 | | CAWS v. SLO County (Superior Court)* |
| 1995 | \$62.3 million | Los Osos Wastewater Study Task G Report on Detailed Evaluation of Alternatives by Metcalf & Eddy |
| 1997 | | Supplemental EIR addressing treatment plant locations |
| 1997 | | TAPPS Appeal Coastal Development Permit to Coastal Commission |
| 1997 | | Coastal Commission requires additional Alternatives Evaluation |
| 1997 | | CAWS v. SLO County (Superior Court)* |
| 1999 | | CSD formed, begins new project development |
| 2001 | \$84.6 million | Final Project Report by Montgomery Watson |
| 2001 | | Coleman v. Los Osos CSD (Superior Court)* |
| 2001 | | Keller v. Los Osos CSD (Federal Court)* |
| 2001 | | Keller v. Los Osos CSD (Federal Appeals Court)* |
| 2002 | | Keller v. Los Osos CSD (request for en banc review)*. |
| 2002 | | Grand Jury Investigation Report* |
| 2002 | | CASE v. California Coastal Commission (Superior Court)* |
| 2003 | \$93 million | 50% Design cost estimate |
| 2004 | | Cal Cities v. RWQCB & Los Osos CSD (Superior Court)* |
| 2004 | | CCLO/CASE Appeal Development Permit to Board of Supervisors |
| 2004 | | CCLO/CASE/Bhuta Appeal Development Permit to Coastal Commission |
| 2004 | \$110 million | Redesign cost estimate |

*All litigation has been ruled in favor of the wastewater project

CCLO = Concerned Citizens of Los Osos
CASE = Citizens for Affordable and Safe Environment
CAWS = Citizens for Affordable Wastewater Systems
TAPPS = Taxpayers Against Percolation Ponds

Kahn, Kevin@Coastal

From: Rick Carlstrom <rickcarlstrom53@gmail.com>
Sent: Thursday, July 04, 2019 7:31 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

The site selection of the new Morro Bay waste water plant needs to be revisited. Locating the plant, with the drainage of any accidents, into the sensitive National Estuary, is beyond comprehension. When- and not if- this occurs, would be catastrophic to the ecosystem of the bay, destruction of oyster farms, loss of city revenues due to tourism reduction. There are better, more ecological sound sites available to build this plant , without these liabilities. They need to be addressed, prior to any advancement of permits for the present project. Thank you

Sent from my iPhone

Kahn, Kevin@Coastal

From: Robert Hyde <hydebayside@yahoo.com>
Sent: Thursday, July 04, 2019 9:40 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463
(Morro Bay Water Reclamation Facility)

With the withdrawal of Cayucos from our current facility, there is no need to move our current facility. Second, the proposed location poses a direct threat to the Morro Bay estuary, which the city council has totally ignored. Please consider denial of this application. Robert and Josephine Hyde, 438 Arcadia Ave, Morro Bay.

Kahn, Kevin@Coastal

From: Gayla Newman <gaylaaliasmimi@gmail.com>
Sent: Thursday, July 04, 2019 10:52 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

My comment is this:

Regarding the proposed WTF, The CCC staff identified 7 parts to the Project Description. Payment for these weren't included in the 218 vote. Demolition of the current plant was left off, thus making it apparent that the City has attempted to sway us into thinking that it will cost less than **ORIGINALLY** published. The City will have to ask for more money by putting out another 218 (or assess us). I understand that the City has already made 1.8 million in change orders before we have even begun. With the drawings only 30% done, that tells me that the cost is going to continue to rise and rise again.

Also, once Cayucos leaves the current site, we will meet the standards for the Water Board and there will be **NO NEED** to even move, so we will not need a permit or CCC involvement.

Respectfully submitted,

Gayla Newman, homeowner
1225 Main Street
Morro Bay, Ca. 93442

From the Desk of Julie Tacker

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

July 5, 2019

RE: Agenda Item Th13a – Morro Bay Water Reclamation Facility

Dear Commissioner's,

Please consider these comments as they relate to the agenda item referenced above.

As a countywide government watcher from Los Osos, I have been expecting the long-awaited City of Morro Bay's Water Reclamation Facility permit to make its way through the approval process; locally at the San Luis Obispo County Planning Commission and Board of Supervisors then, perhaps on appeal, to the California Coastal Commission. This would be the normal process, since the city has chosen a location outside city limits near South Bay Blvd. and HWY 1, in the county's jurisdiction.

That time has come, but instead of the normal course of the Coastal Development Permit (CDP) process, the city requested the San Luis Obispo County Board of Supervisors authorize the California Coastal Commission truncate the process by consolidating the approval process for its permit. As approved by the supervisors, it greatly inhibits the public's right to be heard locally. Public comment shapes projects to better fit their community and mitigate its impacts. This, coupled with the packed Thursday, July 11th agenda, the Commission has set forth "Hearing Procedures" (public comment reduced to 1-2 minutes and no ability to cede time) that further diminishes the public's ability to participate in the process, and is in direct conflict with Public Resources Code section 30601(a)(2), The applicant, the appropriate local government, and the commission, which may agree through its executive director, consent to consolidate the permit action, ***provided that public participation is not substantially impaired by that review consolidation.***

Furthermore, the staff report available on the CCC website has a link to just 39 pages of exhibits. Nowhere is there a link to the project's Certified Environmental Impact Report, past correspondence or the City's own permit and adopted Conditions of Approval. The Commission and the public is disadvantaged without easy access to this information.

Many comparisons have been made between Los Osos' wastewater woes and the Morro Bay situation. What hasn't been articulated is that the local approvals for Los Osos took into consideration the full breadth of the public's knowledge, which ultimately lives with the finished product, its impacts and will pay handsomely for it. The local approvals for Los Osos included 111 regular conditions crafted by the county planning commission. The Coastal Commission added just nine Special Conditions. The heavy lifting was done locally, benefitting the public and resulting in a superior project.

Morro Bay City's permit consolidation request was on the Board of Supervisors April 23, 2019 Consent Agenda with 27 other items on that calendar. Consent calendars are for routine items, that are approved collectively and generally have little, or no public comment or concerns. The details of the project were not heard, only the question of consolidation.

Specific Concerns

Growth inducing impacts at TRI-W

As stated in the staff report the project as proposed is larger in treatment capacity. The existing system is designed for 0.88 mgd average daily flow with 2.5 mgd for wet weather. The proposed system is 0.97 mgd average daily flow with 8.5mgd for wet weather. The city's reasoning for this increase in capacity is to "better treat" the wet weather flows. This larger treatment capacity is unnecessary. If the City were to adequately address their collection systems inflow and infiltration (I&I) that drives the need for additional capacity. Money spent on extra capacity would be better spent on collection system improvements that are necessary regardless of where the treatment plant is located. Furthermore, the City cannot ignore this wet weather infiltration. When there is infiltration during wet weather, there is exfiltration when it is dry weather. Which, in turn, equates to untreated sewage leaching into the ground and groundwater and possibly, Morro Bay. Anecdotally, much of the I&I occurs along the Embarcadero from tidal exchanges. Eventually the City will be forced to repair the collection system leaving a tremendous amount of treatment capacity available for new users; which means the project is growth inducing.

Coastal Act Section 30241(a), "...By establishing stable boundaries separating urban and rural areas, including where necessary, clearly defined buffer areas to minimize conflicts between agricultural and urban land uses."

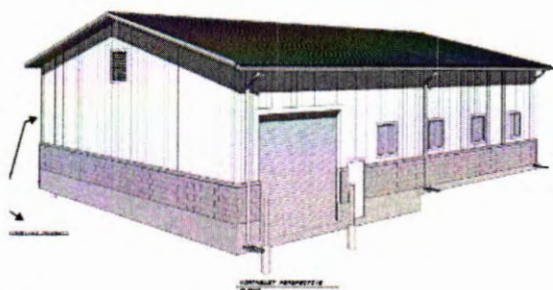
The City's preferred location will breach its long-standing boundaries. The Commission should use a belt and suspenders approach and protect the City from new users by incorporating a "Watsonville Straightjacket" or "Utility Easement Donut" around the site to restrict additional service.

Visual Impacts

Coastal Act Section 30251 provides for the protection of the scenic and visual qualities of coastal areas. Permitted development shall be sited and designed to protect views of and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas shall be subordinate to the character of its setting.

From the Desk of Julie Tacker

Highway 1 is a designated scenic corridor; the City's project mitigation measures are inadequate. The architectural design is industrial in nature and, if approved, should be thoughtfully designed with agrarian features to fit the agricultural landscape (as was the case with the Los Osos Recycled Water Facility, also located in a scenic corridor).



Morro Bay's Renderings



Los Osos Recycled Water Facility photos (note the buildings are oriented for solar panels in the future).

Traffic Impacts

Many residents of Morro Bay have made their concerns known concerning construction traffic impacts on local businesses and emergency services, including those to Los Osos. It is important to note that there is one ambulance service that serves this area of the coast. The two response stations that service Los Osos are in Morro Bay and San Luis Obispo, with Morro Bay's being the closest and most frequent responder. Staff's solution to the public's concerns is Special Condition 2(d), requiring the City to *prepare a traffic management plan to ensure that construction activities have the least impact on road closures and emergency access as possible.*

A traffic management plan processed between the agencies may not have the benefit of public input from the residents who may be affected throughout the area. Residents who use these roads would have a better sense of what the impacts closures will have than CCC staff in Santa Cruz. Impacts to public transit, school bus routes, and most importantly the cooperative agreements with Cal Fire and San Luis Ambulance need careful consideration.

From the Desk of Julie Tacker

If necessary, the City should provide funding for additional emergency vehicles and personnel to be staged at the south west city limit during construction to address those commitments for service.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Julie Tacker".

Juliana M. Tacker

Kahn, Kevin@Coastal

From: Dawn Borst <dawnborst@icloud.com>
Sent: Friday, July 05, 2019 8:17 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

There are at least 2 **legitimate alternatives** that are less expensive making the WIFIA or any loan irrelevant. Compare:

Hanson site--distance is .25 mile, so pipelines, energy consumption, pollution are minimized, no new pump stations needed, no disruption to business district costing the City tax dollars.

Giannini site--distance is .75 mile, so pipelines, energy consumption, pollution are 1/4 the distance, only 1 new pump station needed, disruption to Hwy 41 and Main St. businesses for 1/4 the time.

Respectfully submitted, Dawn Borst, homeowner and business owner in Morro Bay, Ca

Sent from my iPhone

Kahn, Kevin@Coastal

From: Dawn Borst <dawnborst@icloud.com>
Sent: Friday, July 05, 2019 8:26 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Environmental Justice. Who is Morro Bay? The median resident of Morro Bay is a renter, single, on a fixed income, over 50 years old. She has live/worked here for decades, maybe raised a family here. We live in the smaller houses, 800-900 square foot ones, while the large 2-story houses are second homes for people elsewhere or vacation rentals for investors. If you look at our families, our single elementary school is a Title One school. Our neighbors around the school are on the poverty map. This proposed permit contributes to the mansionization and gentrification of our town. Our visitors come from Fresno and Bakersfield; they will not be able to afford the higher motel/B&B prices due to high water costs. This is not keeping the Coast accessible. It is not keeping the town accessible to its inhabitants.

South San Luis County Sanitary District (Oceano) is in a very similar circumstance to Morro Bay: the plants are the same age, they are both situated near a creek that flows into the ocean and behind dunes. However, in 2017 this CCC gave Oceano 30 years to do its managed retreat, so it would be done correctly and less expensively. Our city didn't ask for the same consideration, though our residents would have preferred it. We are asking now. It won't take long and we will still meet the Water Board requirement by 2023 because Cayucos is projected to be offline in 2020.

Dawn Borst, Home and business owner for 35 years.

Sent from my iPhone



Culligan Central Coast Water Conditioning Co., Inc.
355 Quintano Place • Morro Bay, CA 93442
(805) 772-8164 • (805) 927-8165
FAX (805) 772-6030

June 5, 2019

RE: Request for single permit - Morro Bay WRF

To: California Coastal Commission

As a business owner in the City of Morro Bay, and one of its highest water users, I urge you to approve the request from the City of Morro Bay to allow a consolidated CDP process for the new Water Reclamation Facility.

Even though I was honestly against moving the location of the existing facility in the first place, I now recognize the need for a secure and least expensive form of financing for this critically important project. I worry that any delay of permitting from the Coastal Commission could threaten our low interest loans and grants. The increase that my business is already scheduled to incur is significant. Our business needs these low interest loans and grants to avoid the project cost becoming economically crippling. We simply cannot pay more for water and sewer.

Since the Coastal Commission has made such an issue of moving our sewer plant inland for environmental reasons, I urge this Commission to choose the expedient path to navigate forward. Morro Bay has been given numerous opportunities to voice its concerns about the project. Aside from a loss of low interest funding because of delay, nothing new will come of more community input.

A consolidated coastal development permit is one way you can reduce the burden on the rate payers of the City of Morro Bay to pay for a "managed retreat" of our infrastructure off the Coast.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Rob Kitman", with a long horizontal flourish extending to the right.

Rob Kitman

Culligan Central Coast Water Conditioning Company, Inc. President and General Manager

Kahn, Kevin@Coastal

From: Melody A. De Meritt <mdemerit@calpoly.edu>
Sent: Friday, July 05, 2019 9:41 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

I have lived in Morro Bay for 26 years and served on the Morro Bay City Council from 2004 to 2008. During my term the majority invented a plan to build a new wastewater plant near the ocean; we also set in place rate increases to do this job. I objected to both.

The current and recently past councils have now concocted an overly expensive plan. Because they do not know the real capacity needed for the plant (due to leakage of feeder pipes along Main St), they have blatantly increased the size of the plant...for a city that does not grow in population. And, they cite the need for a high capacity plant even though Cayucos has withdrawn from the project years ago, reducing our need for higher capacity. This has increased the costs for the plant far beyond what they could and should be.

Two alternative sites were examined and dismissed. Both should be feasible. Hanson site brings the plant back from the ocean while greatly reducing costs. Giannini site is also possible. Both will lessen disruption to businesses along Quintana and decrease the costs to residents.

Finally, the rates they propose for citizens in this town are and will make it an impossible place to live for several people. Many, including me, are already making plans to move to other areas in the County. This gentrification of Morro Bay should not happen! It is not fair for an out of control and uninformed City Council to take the most expensive approach to this project when options exist.

Melody DeMeritt

Kahn, Kevin@Coastal

From: Melani Smith <melanivsmith@gmail.com>
Sent: Friday, July 05, 2019 9:52 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Thank you for this opportunity to comment on the Morro Bay Water Reclamation Facility, Agenda Item 13a at the July Coastal Commission meeting. As a residential property owners in Morro Bay, looking forward to retiring in the community, my husband and I are of course monitoring the Water Reclamation Facility issue closely. We fully support the City's application to construct a new Water Reclamation Facility on South Bay Blvd, and hope that the project can be approved and constructed expeditiously. While, of course, few property owners seek water and sewer rate increases, we recognize that they are necessary in order to move the plant to a location more appropriate, further from the ocean, and with modern capabilities for local water reclamation that are so critical to future proof our community against water insecurity, in this age of climate change.

Regards,
Craig and Melani Smith
Harbor Tract
Morro Bay, CA

Kahn, Kevin@Coastal

From: Silverman Luigi <luigi@craigsteely.com>
Sent: Friday, July 05, 2019 10:29 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13c - Application No. 3-18-1039 (Cieslak, Asilomar Dunes, Pacific Grove)

I work for Craig Steely Architecture, and am the project manager for the proposed residence for Jeremy and Tiffany Cieslak, located at 1635 Sunset Drive, Pacific Grove. In February 2018 we presented the project to the city and received approval from the Architectural Review Board. During the hearing, multiple ARB members voiced strong support for the design, commenting on its sensitivity to the site, thoughtful materials, modest size, and low visibility from Sunset Drive.

While we were designing the house, I had multiple conversations with Pacific Grove Planners, Wendy Lao and Anastazia Aziz, and with California Coastal Commission Planners Brian O'Neill and Mike Watson, in which we reviewed the driveway layout, the second story pop-up at the rear of the house, and the cantilevered foundation that creates a low-profile angled plinth that allows the existing habitat plants to grow under the structure, in lieu of flat, massive retaining walls.

When I spoke, first to Mike Watson and then to Brian O'Neill in September 2016 to review plans of the house I'd sent, both told me that they saw no problem approving our proposed 5 ft. tall second story Master Bedroom pop-up since it was located at the rear of the house, conformed to planning height requirements and clearly wasn't visible from Sunset Drive. Brian also told me that, as long as our Biologist, Tom Moss, and Coastal's in-house biologist were confident that it wouldn't impede healthy growth of the existing plant species, the cantilevered portion of the foundation would not count toward the allowable Site Coverage Area totals. For the driveway layout, I discussed two options with Brian that we were considering, including one that makes use of the existing adjacent neighbor's driveway and reduces the site coverage on our project site. In our conversation, however, I explained that there was slim chance of the adjacent neighbor granting the owners an easement to use their driveway, and that the likely configuration we would propose would be the one we submitted to the ARB. At no point did Brian mention having any issues approving this version of the driveway.

Craig Steely and I feel strongly that our clients, Jeremy and Tiffany, have put so much effort and good will into this project, and that their intentions come so much from respect and not entitlement, that this has made it possible for us to design a house that responds sensitively to the site, has minimal visual impact to the public on Sunset Drive and blends into the dune habitat.

Sincerely,
Luigi Silverman

CRAIG
STEELY
ARCHITECTURE

(415) 864-7013
craigsteely.com

From: Andrea Lueker <alueker@sbcglobal.net>
Sent: Friday, July 05, 2019 11:21 AM
To: CentralCoast@Coastal
Cc: Richard Hubbard; Andrea Lueker
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

July 5, 2019

RE: Comments on Application No. 3-19-0463 Morro Bay Water Reclamation Facility

Good Day Commissioners,

As 33+ year residents of Los Osos, we strongly oppose the issuing a Coastal Development Permit for the Morro Bay WWTP. This industrial project is being proposed on agricultural land outside the city limits of Morro Bay and in an area, which could affect the estuary and ultimately the residents of Los Osos. The residents of Los Osos have not been afforded the opportunity to speak on this issue and in fact the approval of the consolidated permit further exacerbated this issue by eliminating a necessary step where the project would first be heard at the County of San Luis Obispo level. Further, while the residents were assured at the County hearing and by Coastal Staff that “we would have our time for public comment”, we now see that pursuant to your “California Coastal Commission Public Hearing” procedures, our time to comment will be reduced to 1 to 2 minutes - this is shameful, for such an important project. Finally, the place on the agenda, after the Oceano Dunes State Vehicular CDP Review, almost ensures time for the WWTP item will be shortened and/or the hearing will go late into the evening when participants, public, staff and Commissioners are all fatigued.

Our ask it that you send this project back to the City of Morro Bay with instructions to locate or relocate their sewer plant in an area that doesn't have the significant potential to harm a neighboring community, the estuary and watershed!

Looking back in history, you may know that in January 2013, immediately after appointment, the newly elected Morro Bay City council majority (Christine Johnson, Noah Smuckler and Jamie Irons) requested the California Coastal Commission deny the coastal development permit for the rebuild of the Morro Bay sewer plant at its current location. The Coastal staff was not supportive of the project but the decision makers, the Coastal Commissioners were never afforded the opportunity to discuss the project and approve the permit due to the unprecedented request the Morro Bays city council to deny their own project. At that time the estimated project cost was \$37 million, today the proposed project is estimated at over \$150 million and will likely rise.

Move ahead to 2018, after much hand wringing in Morro Bay, the proposed site for the new sewer project is basically at the intersection of South Bay Blvd. and Highway 1, just north of the Bayside Care Center. If built, **the sewage will be piped uphill almost 3 miles** from a large lift station (pump) that will remain at or near the site of the current plant. Most importantly, parts of that pipeline with raw sewage and the proposed sewer plant are less than a mile to Chorro Creek and less than two miles to the estuary.

The siting of the proposed plant, within the Morro Bay watershed, on agricultural land that is outside the City limits of Morro Bay, presents a clear impact to Chorro Flats, Chorro Creek, the estuary and resident of Los Osos. The proposed location should be of concern based on the potentially significant environmental impacts

including input of pollutants to the creeks and estuary both from normal operations and accidental discharges – otherwise known as spills.

Los Osos, our community for the last 33+ years, has made significant progress on dealing with our wastewater and now to see a neighboring community propose an industrial project on agricultural land in an area that could impact Los Osos is wrong and it is not necessary.

Again, send this project back to the City of Morro Bay with instructions to locate or relocate their sewer plant in an area that doesn't have the significant potential to harm a neighboring community, the estuary and watershed.

Sincerely,

Andrea Lueker & Richard Hubbard

33+ Year Residents of Los Osos

Kahn, Kevin@Coastal

From: Lee Johnson <leejohnson@gmail.com>
Sent: Friday, July 05, 2019 11:25 AM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Coastal Commission,

As one of the original appellants of the City's original application back in 2013, I fully support the new proposed plan and agree with the staffs recommendation to approve the current CDP.

Please approve the CDP at your meeting so that the City can move forward quickly on this important project.

Thank you for your time and your dedication to the important work that you do for our state.

Sincerely,

Lee

--

Lee U. Johnson
117 Mindoro Street
Morro Bay, CA 93442
805-710-1824

July 4, 2019

Dear Chairwoman Botcho and Coastal Commissioners ;

We know that the objective of the CCC is to protect the health of the ocean – a goal that we all share. Unfortunately, in regard to the achievement of that goal in Morro Bay, the CCC has obviously been misled into placing its priorities in the wrong places.

Documentation indicates that the CCC believes that moving forward quickly with construction of the currently-proposed WRF is the best way to safeguard Morro Bay's marine environment. Unfortunately those actions would do more harm than good. In addition, major sewage "spills" from leaky collection system pipes have been ongoing for decades - ignored and even concealed by the City of Morro Bay.

CCC staff reports demonstrate that unfortunately, your staff has bought into Morro Bay's false and misleading statements and failure to share critical evidence. For example, the staff report for this hearing says, "*...Thus, the proposed project is a water quality enhancement project that should result in improved Estuary and Pacific Ocean health relative to the baseline conditions.*"

The City of Morro Bay has also made misleading statements in its attempt to secure a WIFIA loan. Morro Bay's Letter of Interest to the WIFIA states, "*Morro Bay water quality is impaired by pathogens, sediment and nutrients. Bacteria contamination in Morro Bay has increased to a point where many of the shellfish growing beds are no longer viable. Bacteria levels exceed standards for shellfish growing in half of the sampled locations in the shellfish beds, and have often exceeded county and state limits for body contact recreation.*"

In addition, the City has attempted to portray the existing plant as dilapidated and failing.

The city's claims are false and misleading, and it would be a major mistake to allow the currently- proposed WRF project to move forward while ignoring the real cause of significant environmental damage to the Bay and Estuary. Critical facts include the following:

1. References made in the offshore monitoring reports state that the current plant, that is currently treating wastewater from the city of Morro Bay and Cayucos, is performing at a high level, with no evidence of degradation of its performance over the years.

The City's NPDES permit for operation of the current plant requires continuous monitoring to ensure that effluent discharged at the outfall causes no harm to the marine environment. Reports for the years 2005 through 2018 are online. Earlier reports are also available.

Marine Research Specialists began conducting the Offshore Monitoring and Reporting Program for the City of Morro Bay/Cayucos Sanitary District in July 1993 and has continued doing so ever since. According to the earliest available report, the one for 2005,

- "Data collected during 2005 augment 19 years of prior monitoring information. This extensive database discloses a treatment process that has consistently performed at a high level for two decades"
- "Over the 20 years of continuous benthic monitoring, there has never been any indication of an effluent-related degradation of marine organisms within Estero Bay"
- "This annual report summarizes two decades of monitoring data. These data consistently demonstrate that the MBCSD WWTP has been operating as it was

designed, and that the discharge of effluent has not adversely impacted the marine environment within Estero Bay.”

- “Even with the use of highly sensitive instrumentation, the presence of effluent constituents could not be detected more than 61 m beyond of the diffuser structure. Consequently, it is inconceivable that the discharge could materially affect the sheltered Bay waters lying 2.8 km to the south.”

The 2018 report reconfirms the conclusions of the 2005 report, stating that,

- “...Moreover, the plant has consistently discharged exceptionally high quality effluent over its long history, and there has never been an indication of deteriorating plant performance.”
- Benthic environments are important indicators of the presence of marine pollution because they act as a major reservoir for most contaminants that enter the ocean. The lack of perceptible impacts to the benthic environment surrounding the diffuser structure during 2018 confirmed that the treatment process successfully removed organic loads from the influent stream and that the diffuser structure efficiently diluted wastewater upon its discharge into receiving waters.
- A large colony of club-tipped anemones (*Corynactis californica*), bright pinkish-red in color, covers the top surface of the port. The continued presence of these filter-feeding organisms attests to the benign nature of the effluent discharge, and to the outfall's value as an artificial reef.
- Extremely sensitive instrumentation is incapable of discerning the effluent signature at dilutions exceeding 800-fold. Thus, detectable discharge-related changes to seawater are largely restricted to the 15-m ZID surrounding the outfall. The shoreline is located 827 m east of the discharge (Figure 3.4 on Page 3-12), so impingement of unmixed effluent onto the adjacent coastline implausible.

2. The proposed WRF project poses even greater risks of spills resulting from a natural disaster than the current plant.

- WRF plans to put massive lift stations in the same location as the existing plant mean that this project is NOT a managed retreat. Risk is as great as it is for the existing plant
- WRF plans actually increase the risk of disastrous spills, due to need to pump sewage uphill for 3 miles, in earthquake country, to a plant to be located directly upgradient from the Morro Bay Estuary.

3. There is a far greater threat to the environment – a major ongoing 24/7 “sewage spill” from Morro Bay’s dilapidated sewage collection system, and this “spill” has been going on for decades. The City has ignored and attempted to conceal this fact.

In its own words, in its WIFIA Letter of Interest, the City declared that, “*Morro Bay water quality is impaired by pathogens, sediment and nutrients.*” It is clear from the offshore monitoring reports, done as required by the existing plant’s NPDES permit, that this contamination is NOT coming from the existing sewer plant (see number 1, above). A substantial body of irrefutable evidence proves that sewage has been leaking out of Morro Bay’s sewer lines for decades, polluting groundwater, and the Bay.

- Sucralose, a reliable indicator of the presence of sewage, has been found in every well downgradient of Morro Bay sewer lines. It must be noted that the only well tested that had a no detect sucralose reading is a city well in the agricultural area up gradient of the sewer collection system.

- The City's own sewer line inspection videos and logs document at least two decades of evidence of a collection system riddled with holes, cracks, and separated pipe joints, with root intrusion in many of the openings. Videos and logs show worsening conditions over time.
- The City's own Sewer System Management Reports prove that very little has been done to repair the known defects in the lines.
- The City's own municipal well monitoring data, submitted to the California Department of Health and to the SWRCB, indicate the presence of nitrates. The isotopic signature of those nitrates was proven, by tests conducted by a City-hired consultant, to be completely consistent with the signature of nitrates from sewage. It was completely inconsistent with the isotopic signature of nitrates from fertilizer.
- The closer a Morro Basin municipal well is to the leaking Main Street trunk line, the higher the nitrate levels are. Attempts have been made to explain this away by claiming that Morro Creek dilutes the nitrates in the wells to varying degrees, and that Morro Creek carries agricultural nitrates to the wells in differing amounts due to their positions. These claims are debunked by the fact that Morro Creek goes dry for much of the year. Yet, despite conditions in Morro Creek, the relative amounts of nitrate in the wells remain the same throughout the year.
- The pollution of the Bay and contamination of the shellfish beds clearly cannot be coming from the existing sewage treatment plant. That leaves only one other source – the ongoing “spills” from the collection system.

In closing, we ask that you give due consideration to the following:

- Managed retreat is intended to address potential for sewage spill that MIGHT occur if there were a natural disaster that caused flooding at the existing plant. In Morro Bay, there is a REAL, ONGOING “sewage spill” from leaking sewer lines all over town. It also must be noted that the citizens of Morro Bay had voted to approve sewer and water rate increases via a 218 vote in 2015 to have the exfiltrating sewer mains repaired or replaced, to date this issue has not been addressed.
- The currently-proposed WRF project is not a true managed retreat, because critical infrastructure is to be located in the same area as the existing plant, and because it introduces new risks.
- The current plant treats the community of Cayucos as well as the city of Morro Bay. With Cayucos currently building their own Wastewater Treatment Facility(WTF) and scheduled to be operational in about a year, the existing plant will have about 25% less sewage flow than currently being treated. This further reduces the likelihood of a harmful contamination from the existing plant. Also the Hydrogen Sulfide Gas (H₂S) created by the Cayucos' final Lift Station #5, will no longer be an issue in North Morro Bay. However, the MB WRF projects' sewer collection and conveyance system will produce a comparatively exponential amount of H₂S gases. The California Air Quality Control Board should weigh in on this Air Quality mitigation matter. Meanwhile, the sewage collection system is in a deplorable condition and clearly leaking large amounts of sewage into the soil, contaminating ground water and the Bay.

To best achieve the goal of protecting the marine environment, we ask that you deny the requested permit for the current project and set new priorities. We ask that you require that the City of Morro fix its sewer lines immediately and, concurrently, come up with a WRF plan that provides a true managed retreat that actually reduces the potential for serious environmental damage. Also, by prioritizing the sewer collection repairs and waiting until Cayucos' Wastewater Treatment facility is on line, capacity and size of the city's WRF project could be better estimated.

In light of the facts outlined in this document, and the fact that the nearby community of Oceano has been given 30 years to achieve a managed retreat, we believe our request is reasonable and proper, and that following our suggested plan is the best way to achieve the environmental protection goal that we all share.

The link below has a chronology of reports on the condition of Morro Bay sewer collection system and the sewage contamination in the Morro Basin aquifer. These reports span 12 years and it must be noted all these reports and documents were shared with the city of Morro Bay and most with CCC staff.

Ref. Documents

- A. Damaged Lines in Morro Bay's wastewater collection system, Aug. 2007.
- B. Wastewater Treatment Plant Joint Powers Agreement, Aug. 2007.
- C. Sewer Collection Analysis Report, Oct. 2007.
- D. Morro Basin Nitrate Report, April 2008
- E. Morro Basin Wastewater Contamination Report April 2015
- F. Sewage Contamination Morro Bay Collection System June 2015
- G. Collection System and WRF, Feb. 2017
- H. Major Morro Bay WRF Project Cost Impacts Caused by Dilapidated Sewer Collection System, Feb. 2019

<https://1drv.ms/f/s!AjOI9BoyGrJMgTt1hdrctazPppHq>

Richard E.T. Sadowski
Home Front Environmental Justice, Morro Bay

Kahn, Kevin@Coastal

From: Nancy Bast <fairviewnancyb@gmail.com>
Sent: Friday, July 05, 2019 11:43 AM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Escalante, Linda@Coastal; Rice, Catherine@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Padilla, Stephen@Coastal; Uranga, Roberto@Coastal; Mann, Zahirah@Coastal; Faustinos, Belinda@Coastal; Pendleton, Brian@Coastal; Urias, Bryan@Coastal; Ward, Christopher@Coastal
Cc: Kahn, Kevin@Coastal; Carl, Dan@Coastal; Ng, Michael@Coastal; Schwartz, Noaki@Coastal; Selvaraj, Sumi@Coastal; Cheddar, Ann@Coastal; Ainsworth, John@Coastal
Subject: MORRO BAY'S PROPOSED WRF : PUBLISHED LETTER TO EDITOR (copied to CCC staff)

Dear Commissioners,

The following Letter to Editor brings to light the MOU signed between the City and property owner TRI-W that the City signed, without any public knowledge or discussion, which obligates ratepayers to pay for improvements to private property that facilitates development **solely for the benefit of the owner.**

LETTER TO THE EDITOR
July 22, 2018

IS THIS WHAT'S BEHIND MORRO BAY'S BIZARRE WRF PROJECT PLANS?

Many residents have asked WHY the City has so vehemently pursued siting the new WRF at the South Bay Boulevard location, to the exclusion of any other possible site, and despite so much resident opposition. That site is the most expensive of the sites studied, and presents potential major changes in how Morro Bay will look in the future.

Clues to the City's possible motive lie in the terms of the Memoranda of Understanding (MOU) between the City and the TRI-W Corporation, which owns the South Bay Boulevard property. The MOU could indicate major development for the land adjacent to the proposed WRF site.

The 30 acres the City intends to buy from TRI-W is part of a 550 acre tract of land consisting of three parcels. The largest parcel (named the Remainder Parcel in the MOU) which includes the proposed WRF site, is located outside City Limits. The other two are inside City Limits. Why 30 acres? Perhaps as a buffer to development?

To facilitate development of undeveloped land, three conditions are essential. First is approval of the land's inclusion in the City's Sphere of Influence. That designation means adjacent land that logically could be annexed to the City.

Secondly, infrastructure (City Services like sewer and water) must be available.
Thirdly, there must be access to the property.

Two MOU conditions #8 and #10, address the SPHERE OF INFLUENCE and provision of CITY SERVICES to the property.

Condition #8 says "City will process an annexation proposal for the property to modify it's Sphere of Influence to include the Remainder parcel". That would pave the way for annexing the land currently outside City limits into the City. That land then too could receive City infrastructure services.

Condition #10 "City will continue to supply City Services to adjacent parcels within City Limits" which "currently have (historical) water service from City meters and City hereby agrees to continue to provide that water service at rates applied to other similar uses".

A farmhouse and farm buildings, since demolished, once stood on that parcel.

Two MOU conditions #9 and #11, address ACCESS to the entire TRI-W property.

Lack of access has been a major deterrent to otherwise legal development on TRI-W land within City Limits. Although 150 acres of the property already lie within City Limits, they are virtually landlocked. In the late 1980's, access to the property from City streets was estimated to cost \$3 million to be funded by the City's taxpayers.

Condition #9 "The Access and Utility Easements to be provided over the Remainder Parcel...will be improved and maintained by the City".

Condition #11 promises "City will provide assistance to Owner for Owner to confirm the validity of the existing access easements adjoining both the adjacent parcels within the City Limits and the Remainder Parcel and will assist Owner to assure access from the City's right-of-way to those Parcels". The right-of-way is that created by the City from South Bay Boulevard to the new WRF.

Condition #13 addresses water. It says ".....the City agrees to provide that recycled water for agricultural uses on the Remainder Parcel at rates applied to other similar users within the City". The MOU does not specify what quality of recycled water would be made available for agriculture use - could it be the same "highly treated reclaimed" water that the WRF project is to produce for City use. How much water is also not specified. The City water system (and all

City utilities) is planned to be extended to the WRF for fire suppression. From there all utilities could be extended to the TRI-W property.

The three necessary elements for development, Sphere of Influence, Infrastructure and Access will potentially be satisfied by these terms of the MOU.

With the presence of adjacent developed property (the WRF, the Casa de Flores facility, the small housing tract next to Casa de Flores and the Radcliffe housing tract on the property's west end) it would not be difficult for the City to argue that the land for grazing is no longer viable or appropriate (cultivation was ruled out long ago).

Rezoning to commercial, visitor serving and housing could be made to appear very logical.

Any Annexation to Morro Bay must be approved by a vote of it's citizens. How would the City sell this idea to a community that has long resisted the destruction of its small town character?

It isn't difficult to imagine the City arguing that the **onerous burden of sewer/water bills** for the grossly expensive new WRF project and the **City's financial shortfalls** would be alleviated by having hundreds more ratepayers to share the high cost of their sewer/water bills.

Out of desperation, voters might approve annexation of TRI-W property currently outside City Limits and the development of the hillsides would begin.

Many will recognize this scenario's plausibility. The City's dogged insistence on moving forward with it's completely unaffordable and, in many ways, illogical WRF project does not appear to make sense in any other context.

Nancy Bast
450 Fairview Ave.
Morro Bay

Kahn, Kevin@Coastal

From: Kathleen Quigley <outlook_611D437DFCB649B1@outlook.com>
Sent: Friday, July 05, 2019 12:05 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

I am writing to protest the application to consolidate permits for the City of Morro Bay's Water Reclamation Facility project into one permit.

This is a very controversial and highly contested project in the city. A substantial citizen protest was presented in the recent 218 process. Nearly 2,000 protest votes were made to the city. A very large turn-out given that protests require action while support requires no action. Residents continue to have questions and valid concerns about the individual steps of this project. They should be allowed the right to a public hearing each step of the way. Consolidating the permits denies this.

Starting this August, residents will be hit with enormous rate increases. Increases that will heavily tax monthly budgets. These rate increases seem to be a "done deal" before a final project is even approved. Please don't let the permit process be one more "done deal".

Deny the consolidation of permits.

Kathleen Quigley

Morro Bay Resident

Sent from [Mail](#) for Windows 10

Kahn, Kevin@Coastal

From: max-com-sl@charter.net
Sent: Friday, July 05, 2019 12:08 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Commissioners:

The City of Morro Bay has requested a consolidated permit hearing for their proposed new Water Reclamation Facility. If the request is granted, the citizens and ratepayers would be denied the opportunity to comment to their local staff and representatives. This will be an expensive project and local agencies have the responsibility to weigh in and be accountable.

As the project evolved the City made the decision to break it into smaller pieces (ex; treatment plant, conveyance system), and remove some parts (ex: decommission and demolition of existing plant). Now the City seems to be calling all of it one project again for the sake of a quick permit process that severely limits local comment and responsibility.

I ask that you deny the City request to consolidate the permitting process and require that normal hearings and procedures take place.

This is a second correspondence on this issue. I do not see my first (3/20/19) included with the other correspondence. It was emailed and sent USPS. Why is it not included, or did I miss it?

Scott Lawson
38 year homeowner/resident of Morro Bay

Kahn, Kevin@Coastal

From: Aleta Kellett <aletakdesigns@charter.net>
Sent: Friday, July 05, 2019 12:26 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Coastal Commission,

I truly have concerns about the MBWRF. The proposed South Bay site is ridiculous since it will entail 4 pipelines with uphill energy consumption and pollution, the distance is too far, the traffic concerns for Los Osos residents have not been addressed, and the costs have not been revealed to Morro Bay residents. There are 2 legitimate alternatives for this site that are less expensive and I urge the City of Morro Bay and Coastal Commission to consider these sites before going forward with finalization of this project.

I believe this project is way too premature to be finalized. Please consider more public comment, more consideration of the alternative sites, more studies still need to be submitted and more financial accountability that should be presented to residents in Morro Bay.

Thank you for the service you provide to our unique area on the Central Coast,

Aleta Kellett
261 Palm Avenue
Morro Bay, Ca

Kahn, Kevin@Coastal

From: Steve Stevens <steve@beachsidecalifornia.com>
Sent: Friday, July 05, 2019 1:40 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)
Attachments: city fact sheet 2015 prop218.pdf

Coastal Commission

Please find attached a fact sheet officially offered by the City of Morro Bay, at that point defending a maximum \$75 million dollar facility, which (please note last question on page 2) exposes the City's double talk. There the City says there is adequate revenue with approval to build without Cayucos, when subsequently the City of Morro Bay City Council and their advisors stated quite the opposite of approved revenue.

At almost every turn from the beginning and continuing on, the City of Morro Bay has done everything to circumvent proper protocol and honor a process which offers checks and balances. Instead there are myriad examples offered to short circuit input, minimize or entirely ignore statutory requirements, and prematurely determine an outcome prior to exploring alternative approaches which are better suited in the pursuit of the best interest of the citizens and City.

I respectfully request a postponement and an advisement that the process be conducted in a manner which honors proper protocol.

Sincerely

Steve Stevens
Citizen of Morro Bay



CITY OF MORRO BAY

CITY HALL
595 Harbor Street
Morro Bay, CA 93442

Water and Sewer Rate Fact Sheet

We are always supportive of and encourage Morro Bay citizens' active, constructive involvement in City matters, as examples of great local democracy in action. That includes the current efforts of various Morro Bay citizens to enlist support for a "Prop 218 Protest" vote against the City's proposed Water and Sewer Rates.

- It is important, however, for our residents and all our ratepayers to have correct information on such matters, and some information being circulated about the Water and Sewer Rate increase is not correct.
- It is important for our citizens and ratepayers to make decisions based on facts, not on conjecture. The following is provided to assist our residents and ratepayers as they assess the information they may have recently received, regarding this matter, from those supporting the protest.

The Short Story

There is tremendous accountability – the accountability of law - in both the water and sewer funds. It is a violation of state law for the City to charge more than what is reasonably required to provide those basic services. Your City will not break the law.

- Water Rates have not increased for 20 years, and the water fund lost \$900,000 this year. It is not reasonable for the water fund to continue to lose nearly One Million Dollars a year. The costs of providing water, along with almost everything else, have increased significantly over 20 years. In the past 20 years, the cost of milk has gone up 50%, and the cost of gasoline has tripled. Rates must increase so we are able to pay the actual costs for products and services we are using.
- The proposed Sewer rates are not illegal. They are based on precise engineering cost projections for the construction of a new Wastewater Treatment Plant. Those projections have been shared extensively with the community over the past 6 months, since the projections were first clearly laid out for the public in November at various advisory boards and to the City Council. That data included a precise projection of the cost of building a WWTP without Cayucos.

The Longer Story

How are "add-on fees" added on? In order to temporarily increase rates, based on certain extreme conditions, those increases must be approved by a majority of the City Council at the time of the proposed emergency increase.

Why have you proposed "emergency" rates and fees? It is wise to prepare for an emergency before you are in one. The Prop 218 process can take many months, time that is not available during an emergency. We are proposing emergency rate authority now so the City can be

prepared to respond, as needed in the next five years, in the unlikely situation an emergency actually occurs.

How long are the emergency rates good for? Only five years. In five years the authority to impose emergency rates can be renewed, but only after another opportunity for resident and ratepayer protests. If they are not renewed, then they would expire.

Why might we need a Water Shortage Emergency Rate? As long as we are part of the State Water contract (and we committed until 2023), over 90% of our water costs are owed to the State (for infrastructure financing), regardless of how much water we use, or how much water the State makes available to us to use. So, if half of Morro Bay quit using *any* water today, then our water bill to the State would be nearly unchanged. In an emergency situation, if our water use plummeted, then a Water Shortage Emergency Rate could be enacted by Council, at a public meeting, to temporarily increase rates just enough for us to pay our State Water bill.

Why might we need a Temporary Surcharge for Desalinization? As noted above, we must pay the State over 90% of our water costs, even if State Water is shut off for a long period of time. Thankfully, we have a desalinization plant that can provide Morro Bay residents, businesses and visitors water even in such an emergency. However, it is expensive to desalinate water. We already run our desalinization plant during short periods when State Water is turned off. If there were a long period (let's say two months) during which State Water was not available, then we do not have enough cash reserves in the water fund to pay for both State Water and the costs of desalinization. The temporary surcharge for desalinization would allow the Council, by majority vote at a public meeting and only over the next five years, to temporarily increase rates in emergency circumstances where State Water was shut down for an extended period, and we had to run desal to keep water flowing to all the City's water users.

Why might you use debt to finance some infrastructure projects? If we did not make judicious use of some debt to spread out the cost of some major repairs over time, then current rates may have to increase even more to pay for entire projects up front, on the backs of current ratepayers, instead of spreading the cost of those projects across 20+ years of ratepayers.

Are you increasing water rates to install "smart" water meters? No. That is not true. At the direction of the City Council, the City is researching the possibility of installing "smart" water meters. That decision will be made only if it is both economically and environmentally wise to do so, and will involve public engagement and Public Works Advisory Board consideration before going to the Council. That process has nothing to do with the proposed water rate increase. If we were not researching "smart meters," then we would still have to increase water rates the same amount. Our initial analysis is smart meters might reduce water rates by around 10%.

Will the withdrawal of Cayucos from the WWTP project affect the proposed sewer rates? The proposed sewer rates were set as maximum limits – but as noted above, the City may not charge more than is reasonable to provide the service in question. The proposed maximum rates provide adequate revenue to build a WWTP *without* Cayucos. Were Cayucos to rejoin the Morro Bay project, sewer rates supporting the construction of the WWTP would be lower than if Morro Bay builds without Cayucos, even though construction costs without Cayucos would be less.

Kahn, Kevin@Coastal

From: Ainsworth, John@Coastal
Sent: Friday, July 05, 2019 1:47 PM
To: Kahn, Kevin@Coastal
Subject: FW: Oceano Dune

From: Roberta Slosson <robertaslosson@icloud.com>
Sent: Thursday, July 4, 2019 8:04 AM
To: Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>
Subject: Oceano Dune

I need your help. The Oceano Dunes closure is going to effect me, my family, my friends and a whole lot of other people I don't even know. I must do my part and stand up to voice my opinion here. I have grown up in this area my whole 51 years on this earth. I haven't always used the beach but I do visit it almost daily now. Both my husband and I have health issues. The beach is our happy place we drive down by the water and sit in the Jeep admiring the scenery. No we can't walk and sit in the wind.

I personally grew up in AG and would go to the dunes with friends growing up. I taught my kids to respect the beach and to love the beach. I today take their children to Oceano Dunes to enjoy the activities. I took my granddaughter starting at 3 weeks and we still go she's almost 8 now. I'm now bringing her little brother too. We spend thousands of dollars in SLO county on food gas and play toys. I live in SB county. Closing Oceano Dunes is flat wrong there is nothing in this area for the kids to do taking this away will not be good for the community or the economy. What about all the people who make their living on the beach.

Guess what really upsets me is there's a group of people that started complaining and now here we are. If I move to an area that has wind do I than complain and make people change to meet my needs?? NO thanks not how things work. As far as this whole air issue why do t you look at LA or SFO even AZ has terrible air quality do we shut down the plants that cause this poison in the air... nope your told to not live in the area if it effects you. This is what the people on the Mesa should be told move if you don't like this area. Don't take my playground away to satisfy others please. Thank you for reading I pray you leave our area alone.

Sincerely Roberta Slosson
from my iPhone

Rost and Rost Consulting

827 Topeka Boulevard

Topeka, KS 66612

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tom.rost@rostandrost.com

July 5, 2019

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Dayna.Bocheo@coastal.ca.gov

Mary.Luevano@coastal.ca.gov

Subject: Coastal Commission Limitation of In-Depth Consideration of Morro Bay
Sanitary Sewer System

Dear Commissioners:

Please refer to my communication by email of March 26, 2019.

The Commissioners should provide an in-depth hearing process for the citizens of Morro Bay. Limiting input to one minute per person does not provide in-depth consideration of the many irregularities and inclusion of needless expenses penalizing the average citizen of Morro Bay.

The entire system should under no circumstance, including a reclamation facility, cost more than \$70M.

Approving of the proposal as presently configured for Morro Bay considerably endangers the ecological circumstances for the estuary.

It is recommended that the Commissioners continue this process and direct the staff to adopt a much more economical plan with an entirely different site which could not directly endanger the estuary.

July 5, 2019
Page Two

It is known that there is not sufficient funding to complete the present proposal. Thus, if the Commission approves the present plan, it is acknowledging there is not sufficient money to complete the plan penalizing the average citizen with additional cost penalties.

This matter should be tabled, and the staff directed to look in depth at the written report made by Richard and Marlo Jo Sadowski.

Respectfully submitted,

Thomas Rost
827 SW Topeka Blvd.
Topeka, KS 66612
785-234-5608

Kahn, Kevin@Coastal

From: Kerrigan Mahan <km@kerriganmahan.com>
Sent: Friday, July 05, 2019 1:50 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear CCC,

My name is Kerrigan Mahan, citizen of Morro Bay. I have spent the better part of two years digging for motive behind Morro Bay's sewer project. And no surprise, the conclusion is simple. Money. It's about money and greed and lies. This horror show isn't about our citizens, it's about growth. It's about shopping centers and 400 acres and thousands of houses, and, and, and... Follow the money. That and that alone is the only instrument driving this irresponsible and insane venture, with no regard for the citizens, especially the lower income citizens, who are treated as completely expendable. There is not one shred of common sense or truth to any of it. Betty Winholtz's correspondence to you pretty well sums it up.

I implore you to put a magnifying glass on this, do your job and to shut this project down and dig deep for what is behind this outrageous atrocity being shoved down the citizen's of Morro Bay's throats. Those that think this project's a good thing are confused, naïve and have been conned and sold a lie—a bill of goods. This monster will tear this town apart. It will bring this town to its knees on every level.

I plead for you all to responsibly look into this. I have all the faith that upon further discovery you will stop this madness. It will be a catastrophic mistake of outlandish proportion if it is allowed to move forward. Not to mention the potential for myriad lawsuits that will only add further insult to horrific injury. This project is rotten at the head. It's a prime example of how and why we have a California Coastal Commission. It's why this commission exists. To protect and to serve California's coast. Coastal Commission school would hold up this horror show as a poster child for what not to allow! Please do us proud, do the absolute right thing and shut this behemoth down.

Thank you,

Kerrigan Mahan

Kerrigan Mahan
km@kerriganmahan.com

Date: July 03, 2019

To: California Coastal Commission

Subject: Opposition to Consolidated Permitting Process by The California Coastal Commission

Honorable Coastal Commission,

On May 26, 2015, The City of Morro Bay held a hearing to discuss a series of proposed 5 rate increases that would affect Morro Bay Water and Sewer Rate Payers. Toward that end, The City produced a document that outlined reasons for the 5 increases. (See attachment B) On Page Four of this document, it states that the City of Morro Bay will build a new waste water treatment plant with these rate increases and further that they would seek grants and subsidized loans to offset this cost.

In the next bullet on page four, it states the need to spend 7.6 million dollars for which funds had already been allocated to, for rehabilitation and replacement of aging sewer lines. Over the past year, when asked in City Council Meeting, I heard Rob Livick, Public Works Director, respond to a Council question about fixing the pipes. He responded that there was routine maintenance, but that major repairs were not deemed to be practical until it was known for sure where the City's Sewer pipes would be directed.

The City of Morro Bay did not accomplish either of these written promises to its citizens with the five rate increases which received approximately 900 protest ballots opposition via The Proposition 218 Protest Process because the City's presentation seemed somewhat reasonable at that time to most city residents. There obviously has

been no start of a new sewer plant and Presentations by the City have shown huge inflows of presumed rain water being absorbed into the aged and badly broken/cracked sewer lines during the winter months. **Further water tests reflect sucralose in the water which does not come from agriculture uses, and is a result of human effluent, indicating that there is exflow from the broken sewer pipes leaking into the groundwater and finding its way into City Water Wells. The exflow from the sewer pipes also explains increased nitrates in the water from human effluent in addition to Agricultural contributing factors. It makes no sense to attempt to attempt deep well infusion, into water aquifers that are already infused with sewage from the broken sewer pipes.**

In the past year City Officials will not talk about these details on Page Four at all, instead stating that the five rate increases were for the sole purpose of increasing State Water Reserves, which were also mentioned as one of the components of the increase in this document, but most obviously were not the sole reason for the increases.

Advancing to more current times, the city announced discussed they would be seeking another rate increase in addition to the five already approved. The majority of citizens in Morro Bay became outraged because they felt they had been lied to by the City Council because no sewer plant had been built and the sewer pipes had not been repaired to stop the inflow and exflow. Citizens began to organize and form political action committees such as Citizens for Affordable Living (CAL).

CAL designed their own Proposition 218 Protest form, because the City of Morro Bay had never previously mandated their own form. Members

of CAL walked the city hanging door hangers, sent our mailers, sat at supermarkets, car shows, receiving huge public support and received many protest ballots. Additionally, many spoke at City Council Meetings questioning the need for a new Sewer Plant because surely fixing the sewer pipes would reduce the peaks in the inflow to the plant and Cayucos building their own plant would reduce the need for the large plant that the City of Morro Bay wanted to build. This reasonable approach to measuring the need for a new plant was not given any credence by the city council.

Further the citizens of Morro Bay were outraged that the price tag had risen to 167 million dollars, instead of building the sewer plant as promised in writing for 75 million dollars, which even then they promised to try to mitigate via grants. The outcry was so great that the City Council requested ways to reduce the price tag. So then, the city removed the costs of removing the current plant and re-paying Cayucos for their ½ ownership of the property that the current plant sits on, so the price tag they put on building the Sewer Plant became 126 million dollars, thereby assuring future Proposition 218 Proposition Protest votes in order to fund these issues and to mislead the citizens that they had reduced the cost by so much.

The City of Morro Bay noted that CAL had been heavily involved in collecting Proposition 218 Protest Ballots, so they decided to enact their own form which was slightly different than the form that CAL had been using and which invalidated the previously collected protest ballots. The City outlined the new form and their requirements in City Council Meeting. The City Ballots almost exactly the same, required the following differences and mandates pertaining to the process:

1. A date the protest was signed
2. Requirement that the ballot be signed and the signature verified
3. Requirement that the protest designate if Water or Sewer rates were protested
4. All city parcels with water service would be eligible to vote and all would receive a Proposition 218 protest form.
5. All Water/Sewer rate payers would be eligible to vote and all would receive a Proposition 218 Protest form.

On the night of the city council proposing and passing these requirements and others, there was much public comment, and much of it had to do with requiring a date on the ballot. The City knew the early protests had no date on them and that was a way to nullify those protests. The City Council also insisted that the signatures be checked against public records. I was told they intended to check signatures against county registration records. I told them that would not work. I had just re-registered to vote online, no signature required.

In the following weeks, The City of Morro Bay sent out the Proposition 218 Protest Ballots. Thereafter it soon became apparent that many had not received them. The City then sent out Proposition 218 Protest ballots again and delayed the date they were due. However the City did not fulfill its own resolution to send protest ballots to Water Rate Payers. I talked to many people walking neighborhoods surrounding my house and talking to peoples at Spencer's Market that told me that their Water Bill was in their name, but they had received no notice nor Proposition 218 Protest Ballot in the mail where they received their mail. When I asked the City about this, they responded to me that they didn't have to send Protest Ballots to Water Rate Payers per Proposition 218 law. I commented several times in City Council

Meetings and there was always the same response that all the Protest Ballots had been sent out, even though it was obvious that rate payers didn't receive them. Those ratepayers that did submit protests received them via mailers from CAL or from CAL volunteers walking precincts. **The City did not abide by its own City Council Resolution. Legally, when the city decided not to mail out Proposition 218 ballots to rate payers, they should have amended their own resolution in a subsequent City Council Meeting and started the process anew after that point. This alone nullified the Proposition 218 law** and upset the community that now renters that paid their water bills were being excluded.

Prior to the close of ballots being accepted, I was a ballot count observer of the "Official Count." The City was aware of that partial count tally going into the Council Meeting.

Then the night of the City Council Meeting whereby they stated that they would accept the last of protests, a member of CAL submitted approximately 1,000 ballots before the mayor announced that acceptance of ballots was over. **The City Council then voted not to count the 1,000 protest ballots even though they were submitted timely.** The City Council was obviously upset that these 1,000 protests could meet the threshold for the protest to be successful. The community was very upset that the 1,000 ballots were not counted and it's a comment that I still hear today. **The Council vote not to count the timely submitted 1,000 votes also violated Proposition 218 law.**

Subsequently, the Howard Jarvis Association Attorney sent a letter to the City of Morro Bay warning them not to destroy evidence.

There was also the hiring of an attorney, Chad Morgan, to start a lawsuit. The attorney visited the City of Morro Bay Offices to request copies of the ballots and to begin looking at the factors for a lawsuit pertaining to the 1,000 uncounted protest votes among other irregularities.

Weeks thereafter, The City Council voted to allow an "Unofficial counting of the 1,000 ballots. I was an observer for the "Unofficial counting" of protest ballots as well. At the end of the counting processes, there were a number of ballots that required further research to assess if a qualified person was authorized to sign for a Property/APN number. The City decided not to further investigate these ballots, thus leaving even the "Unofficial Count" to be "incomplete."

At the following City Council Meeting, the result of the "Unofficial and Incomplete Count" was announced. That made many upset but it quickly became worse because they announced they were putting the result of the "Official partial Count" and the "Unofficial and incomplete" count on the City of Morro Bay website. During public comment, I objected to this information being posted since it was the City Council's vote that made this count "Unofficial." **The City proclaimed this to be the Final and official count, when lawfully it was not. It was largely unofficial and incomplete, making this proclamation entirely illegal.**

Based on an unlawful and illegal Proposition 218 Process, The California Coastal Commission should not be approving and permitting this project! **Since the Coastal Commission is now aware of these facts,**

they would be complicit to approve a project that has violated California law.

The City has divided the entirety of the project into three different sections:

1. The Water Reclamation Facility

A. The City chose the most expensive option, having signed an MOU with the Tri-W Corporation, giving them a sweetheart deal, providing them with roads, water and all attempts to include all approximate 400 acres in the Morro Bay Sphere of Influence via LAFCO, all at the expense of City of Morro Bay Rate Payers! The City of Morro Bay is to pay an appraised value for the approximate 27 acres that the WRF would be located on, again at Rate Payer expense. This is a very thinly veiled handshake deal so this area can be developed and a lot of money can be made at the expense of rate payers and not developers. Further the size of the plant is noted to be bigger than the growth of Morro Bay has been. Lastly, it makes no sense to move the plant 3 miles away and uphill from the current plant where all the piping already exists. This is an underhanded way to promote growth without the vote of City Rate Payers/Taxpayers that are paying for this growth.

2. The Conveyance System:

A. The City chose to use the term "fatally Flawed" for plans they studied that did not meet The City's own criteria. They cited concerns that pertained to engineering feasibilities and construction costs. The conveyance route they chose for the routing of the piping is not only difficult at best, but it harms all businesses on Quintana where approximately 25% of all Morro

Bay Business is conducted at current time. **The city said they will not promise to keep one lane of Quintana open during business hours.** To date no study has measured how catastrophic that this conveyance route will cost those businesses and how costly the loss will be to city coffers due to the loss of sales tax revenues. This project should not be considered until it is fully studied and planned for. **Likely an accurate study of this will deem this aspect alone to be “fatally flawed.”**

- B. Additionally, The Quintana conveyance route has more than significant impact on traffic patterns, again no traffic study has been conducted by the city to show how bad it will be. Gaining access to county and state traffic counters, measured that 15,000 people traveled South Bay Boulevard in one day. That traffic comes to an end at Hwy 1, where the traffic will also be cutoff. This is a huge problem for First Responders, Commuters, School Busses that take kids to Middle School in Los Osos from Morro Bay and brings kids to high school in Morro Bay, from Los Osos, and public transportation just to name a few. **This project should not be considered until this aspect has been fully studied and planned for.**

Since the sewage is being pumped an additional 3 miles uphill, an additional 2 lift stations are required. The larger of the two stations is planned to be located by Lemos, on Main Street. This site has several problems, the largest being that the site sits in a flood zone and if/when this site floods, the whole system shuts down. Raising the site a few feet will not resolve the low lying feature of this site. This site is next to an offramp

from Hwy One and so visitors to our city will be greeted by a sewage lift station. **These components are fatally flawed for those reasons and need reconsideration.**

- C. The Water Reclamation Component that involves deep well injection. All the Engineering Reports I have read, state that the reclamation component of this project “might” work. I have seen that word over and over. The City of Morro Bay is obtaining grants and loans and attempting to get permits for a reclamation project costing 126 million dollars that “might” work. Again the study that would pump thousands of gallons of potable water into our water basin/aquifer has also not been completed. **Further, without tests, there is no way to tell how much water can be pulled up from the wells before Sea Water Intrusion occurs. Additionally, much of Morro Bay has Clay aquifers not suitable for reclamation, which needs sandy aquifers to further cleanse the partially treated water being pumped underground. This project should not be considered until this component has been thoroughly tested, studied and planned for.**

In Summary, The previous City Council and this City Council believe that four or five City Council votes outweighs the needs of 10,000 residents of the city. The City attached notice to rate payer bills that the average monthly Water/Sewer bill is now \$191. Many residents are moving away for this stated reason and they reasonably know this will not be the last increase for even the next five years. The Ratepayers are being punished to develop the TRI-W Property.

The City of Morro Bay City Council has violated Proposition 218 law. They ignored that approximately 2,500+ protest ballots were submitted

objecting to any more rate increases, because 5 increases since 2015 were too many and promises were broken because they did not see the plant built for \$75 million nor the major leaks in the pipes fixed, so they lost faith in the city council. Now there have been 6 six rate increases since 2015, the proposition 218 law has been violated to fit the narrative of the pro-growth city council. At the last city council meeting I attended one month ago, the project coordinator advised us that this project was only at 30% "Conceptual Design." **That is only 30% of a concept design, not an actual Design. There has already been 17 change orders approved, totaling approximately 2 million dollars, just in the concept stage. This project should not be permitted until an actual design is completed.**

Lastly, I oppose this Consolidated Permitting Process because it restricts the Citizens from 5 separate permitting processes and vocalizing their many concerns of this highly flawed project that needs approximately 8 more studies to yet be completed. **One minute of public comment is not full participation.**

Dan Sedley, 3300 Tide Avenue, Morro Bay, CA, 93442, 805-772-7327

Co Chairperson

Citizens for Affordable Living



**NOTICE OF PUBLIC HEARING
ON PROPOSED WATER & SEWER RATE INCREASES**

**7:30 p.m.
May 26, 2015
Veterans' Memorial Building
209 Surf Street, Morro Bay, CA 93442**

The City of Morro Bay is proposing to increase water and sewer rates over the next five years. Water rates have not been increased in 20 years and have fallen behind the cost of providing service and are not adequate to meet current and future funding needs. Sewer rate increases are needed to help fund a new wastewater treatment facility. Proposed rates were developed by an independent rate consultant with input from the City's *Public Works Advisory Board*, a 7-member community advisory group that provides input to the City on a range of public works issues. The proposed rates are designed to recover the City's costs of providing water and sewer services. The City is concerned about the financial burden of the proposed charges and will also be considering implementation of a low-income discount program.

The City's water and sewer utilities are self-supporting enterprises that rely primarily on revenues from service charges to fund the costs of providing service. As such, water and sewer rates must be set at levels adequate to fund the costs of operating, maintaining, making necessary capital investments in each utility and meeting other financial obligations. The City's water and sewer utilities are both currently facing substantial financial challenges that will require significant rate increases in upcoming years.

Water Rates

The City is proposing to phase in a series of water increases over the next five years. Key factors driving the need for water rate increases include:

- **Restore balanced budgets.** After 20 years of no rate increases, the City's water utility is operating in deficit mode with a projected deficit of roughly \$900,000 in the current fiscal year. Adjusted for inflation, current rates are 36% lower than they were in 1995. Water rate increases are needed to restore balanced budgets, meet State Water Contract funding requirements, and keep revenues aligned with annual funding needs.
- **Fund high-priority water system infrastructure needs.** The City has identified \$6.5 Million of water system capital improvements needed within the next 5 years to address existing system deficiencies. Projects include new water storage tanks and pipeline improvements to improve reliability and fire flow, desalination plant rehabilitation and upgrades, and conversion to Automatic Meter Reading.

Longer-term, funding will be needed for rehabilitation and replacement of old, substandard pipelines. The City anticipates seeking low-rate subsidized financing to help fund high-priority near-term needs.

- **Long-term water supply.** The City relies on imported water from the State Water Project for most of the community's water supply. State Water Contract expenses currently account for over half of the water utility's operating costs. Future costs may rise substantially due to planned implementation of the State's \$25 billion Bay-Delta Conservation Plan. The City will continue evaluating water supply alternatives including use of local sources such as recycled water from the new treatment plant, to reduce future reliance on potentially more-expensive imported water.

Proposed Water Rates

The City is proposing to phase in a series of water rate increases over the next five years as shown on the table on the next page. The proposed water service charges include both 1) a fixed monthly Service Charge levied on each account regardless of water use, plus 2) Water Quantity Charges billed based on metered water use each billing period. The proposed Water Quantity Charges are billed via four inclining rate tiers with water purchased first in Tier 1 and then subsequently in higher tiers as water use increases.

| PROPOSED WATER RATES | | | | | | | |
|--|--------------------|-------------------------------------|-------------|-------------|-------------|-------------|--------|
| | Current Rates | Effective on bills sent on or after | | | | | |
| | | July 1 2015 | July 1 2016 | July 1 2017 | July 1 2018 | July 1 2019 | |
| Fixed Monthly Charge | \$16.43 | \$23.00 | \$26.00 | \$28.00 | \$30.00 | \$32.00 | |
| Water Quantity Charges | | | | | | | |
| <i>Billed per 100 cubic feet of metered water use (\$/hcf)</i> | | | | | | | |
| <u>Tier</u> | <u>Use in Tier</u> | | | | | | |
| Tier 1 | 0 - 3 hcf | \$0.00 | \$3.00 | \$4.00 | \$5.00 | \$5.50 | \$6.00 |
| Tier 2 | 4 - 10 hcf | 5.56 - 5.74 | 6.00 | 7.00 | 7.50 | 8.00 | 8.50 |
| Tier 3 | 11- 50 hcf | 5.77 - 7.81 | 9.00 | 9.50 | 10.00 | 10.50 | 11.00 |
| Tier 4 | >50 hcf | 7.85 - 13.68 | 12.00 | 12.50 | 13.00 | 13.50 | 14.00 |

1 hcf = 100 hundred cubic feet = 748 gallons

Temporary Surcharge for Desalination Facility Operations

The City's desalination plant was originally constructed in 1992 to provide water supply during a drought emergency and was subsequently upgraded in 2009. The plant served as the City's primary source of water supply for a few months of 2010 and is currently used on a very limited basis to treat high-nitrate groundwater to supplement supply from the State Water Project. The plant provides a source of backup and emergency water supply in case of future State Water Project supply reductions or service outages. In future years, the plant may potentially be used as a primary source of supply.

The plant treats water via reverse osmosis to produce high-quality drinking water. The relatively high operating costs for running the plant during potential future water shortage emergencies are not factored into the proposed water rate increases. As such, a surcharge to recover the plant's operating costs during periods of use is needed. The surcharge would be billed based on a customer's metered water use and would only be levied for periods when the desalination plant is in operation.

The proposed maximum surcharge is based on the cost of producing drinking water from seawater. The surcharge is reduced to account for a corresponding reduction in water purchases from the State Water Project. The proposed maximum surcharge for desalination facility operations is \$3.00 per hcf (hundred cubic feet). This equates to slightly over \$0.40 per 100 gallons, or 4/10ths of a cent per gallon.

The proposed maximum surcharge will be subject to an automatic inflationary adjustment to keep the charge aligned with cost inflation. The inflationary adjustment will be based on the change in the U.S. City Average Consumer Price Index (CPI) for All Urban Consumers from the January 2015 index of 233.707.

Water Shortage Emergency Rates

Proposed Water Shortage Emergency Rates are designed to help the water enterprise remain financially stable during periods of emergency water shortages and reduced water sales. The City’s 2010 Urban Water Management Plan includes a Water Shortage Contingency Plan that identifies a staged response plan for responding to water supply shortages. The plan includes five stages of water demand cutbacks that would be triggered by the City in response to escalating levels of water supply shortages.

The City is currently in a Stage 3 Water Shortage and has implemented conservation requirements for “Severely Restricted Water Supply Conditions”. The City has already taken substantial steps to help ensure adequate water supply during periods of drought and does not anticipate needing to take more extreme measures at this time. However, more severe water shortages could require additional cutbacks in customer demand and result in future revenue shortfalls.

The following table shows proposed maximum Water Shortage Emergency Rates effective on or after July 1, 2015. These emergency rates can be phased in by City Council authorization in response to an escalating water shortage emergency and would apply to metered water use. Pursuant to California law, any future Water Shortage Emergency Rates implemented will not exceed the City’s cost of providing service. *The City will only implement Water Shortage Emergency Rates as needed to support financial stability under a more-severe Stage 4 or Stage 5 water shortage emergency.*

| PROPOSED MAXIMUM WATER SHORTAGE EMERGENCY RATES | | | | | |
|---|--------------------|-----------------|----------------|-----------------|------------------|
| Water Shortage Contingency Plan Stages¹ | Stage 1 | Stage 2 | Stage 3 | Stage 4 | Stage 5 |
| Water Supply Shortage | Normal | Moderate | Severe | Critical | Emergency |
| Water Shortage % | < 5% | 5% - 15% | 15% - 25% | 25% - 50% | > 50% |
| Maximum Water Shortage Emergency Rates² | | | | | |
| <u>Tier</u> | <u>Use in Tier</u> | | | | |
| Tier 1 | 0 - 3 hcf | - | - | \$8.18 | \$12.85 |
| Tier 2 | 4 - 10 hcf | - | - | 11.59 | 18.20 |
| Tier 3 | 11- 50 hcf | - | - | 15.00 | 23.56 |
| Tier 4 | >50 hcf | - | - | 19.09 | 29.98 |

1 Based on Water Shortage Contingency Plan from 2010 Urban Water Management Plan.

2 Can be implemented by City Council authorization in response to a Stage 4 or Stage 5 water shortage emergency.

Sewer Rates

The City is proposing to phase in a series of sewer rate increases over the next five years. Key factors driving the need for sewer rate increases include:

- **New \$75 Million wastewater treatment plant.** After substantial community input and comprehensive evaluation of alternatives, project planning is underway for a new Water Reclamation Facility at the preferred Rancho Colina site along State Route 41. The facility will replace the City's existing treatment plant which is now 62 years old and at the end of its useful life. Based on preliminary engineering estimates, the City anticipates the new facility will be designed and constructed over approximately the next 5 years at a cost of \$75 Million. The treatment plant will be designed to support future recycled water operations. The City plans to seek grants and subsidized loans to help minimize the financial burden on customers.
- **Fund high-priority sewer system infrastructure needs.** The City has identified \$7.6 Million of sewer system infrastructure improvements needed within the next 5 years, mainly for rehabilitation and replacement of aging sewer pipelines, many of which are over 60-years old. In addition, the City faces over \$2 Million of deferred maintenance and rehabilitation at the existing wastewater treatment plant. That work is needed in order for the current plant to remain in compliance with state permit requirements until the new treatment facility becomes operational.

Proposed Sewer Rates

The City is proposing to phase in sewer rate increases over the next five years as shown on table on the following page. Under the proposed rates, single-family residential customers pay a fixed monthly charge per each dwelling unit for wastewater service, similar to current rates except without the current excess use charges. The City is proposing to levy a reduced fixed monthly charge for multi-family residential and condominium dwelling units. Sewer rates for non-residential customers will be based on customer class and wastewater strength subject to a minimum monthly charge, and will continue to be billed based on metered water use. The minimum monthly charge for non-residential accounts will be reduced from the current level to a level set at the proposed reduced charge for multi-family residential dwelling units.

The proposed rates assume the City can obtain low-interest-rate financing from the Clean Water State Revolving Fund Financing Program to fund the planned new \$75 Million Water Reclamation Facility. If the facility ends up costing significantly more than estimated or state-subsidized financing is not available, then the City may need to re-evaluate rate increases in future years. Likewise, if the City is able to obtain significant grant funding or the project comes in at a lower cost than currently estimates, then the City can potentially reduce the charges shown. The City will continue to evaluate sewer utility finances and rates in future years to ensure rates continue to reflect the cost of providing wastewater service.

| PROPOSED SEWER RATES | | | | | | |
|--|----------------------|--|--------------------|--------------------|--------------------|--------------------|
| | Current Rates | Effective on bills sent on or after | | | | |
| | | July 1 2015 | July 1 2016 | July 1 2017 | July 1 2018 | July 1 2019 |
| RESIDENTIAL SEWER RATES | | | | | | |
| <i>Fixed monthly charge per residential dwelling unit</i> | | | | | | |
| Single Family | \$45.59 | \$55.00 | \$62.50 | \$70.00 | \$77.00 | \$83.00 |
| Multi-Family/Condominium | 45.59 | 45.59 | 50.00 | 56.00 | 61.60 | 66.40 |
| NON-RESIDENTIAL SEWER RATES | | | | | | |
| <i>Billed per 100 cubic feet of metered water use (\$/hcf)</i> | | | | | | |
| Class A - Low Strength | \$4.63 | \$6.50 | \$7.95 | \$9.37 | \$10.57 | \$11.40 |
| Class B - Domestic Strength | 5.82 | 7.98 | 9.65 | 11.29 | 12.67 | 13.61 |
| Class C - Moderate Strength | 8.03 | 10.19 | 11.86 | 13.50 | 14.89 | 15.82 |
| Class D - Mod-High Strength | 10.45 | 12.55 | 14.18 | 15.78 | 17.13 | 18.03 |
| Class E - High Strength | 13.38 | 15.89 | 17.84 | 19.75 | 21.36 | 22.46 |
| <i>Minimum Monthly Charge</i> | <i>\$51.77</i> | <i>\$45.59</i> | <i>\$50.00</i> | <i>\$56.00</i> | <i>\$61.60</i> | <i>\$66.40</i> |

1 hcf = 100 hundred cubic feet = 748 gallons

Class A - Low Strength includes schools, laundromats, carwashes, city and public facilities, & water softener accounts.

Class B - Domestic Strength includes professional offices, retail stores, mobile home parks, and all other standard-strength commercial accounts.

Class C - Moderate Strength includes motels, retirement homes with dining facilities, and mortuaries.

Class D - Mod-High Strength includes hotels with dining rooms or restaurants, and mixed-use accounts where high-strength sewage accounts for between an estimated 25% to 75% of total wastewater flow.

Class E - High Strength includes restaurants, bakeries, and seafood processors.

Note: The City reserves the right to estimate wastewater strength and assign customer class.

How to Submit a Written Protest

Property owners and customers may file written protests against the proposed rate increases. Pursuant to California law, protests must be submitted in writing and must a) identify the affected property or properties, such as by address, Assessor's Parcel Number, or customer account number, b) include the name and signature of the customer or property owner submitting the protest and c) indicate opposition to the proposed water and/or sewer rate increases. Protests submitted by e-mail, facsimile or other electronic means will not be accepted. The proposed rates cannot be adopted if written protests are received from a majority of affected parcels with one written protest counted per parcel. Written protests can be mailed or delivered to: City Clerk, City of Morro Bay, 595 Harbor Street, Morro Bay, CA 93442. All protests must be submitted prior to the close of the Public Hearing.

What is the City Doing to Control Costs?

The City has taken a number of measures in recent years to reduce costs including:

- Deferred wage increases until the current labor contract expires.
- Reduced Public Employee Retirement benefits in accordance with PEPR.
- Deferred maintenance and system upgrades due to funding limitations.
- Obtained grant funding for upgrades to the reverse osmosis system for brackish water treatment at the City's desalination facility.

The City remains committed to cost-effectively operating its water and wastewater utilities. In upcoming years, the City plans to seek grants and low-interest-rate loans to help fund future infrastructure improvement needs including the new \$75 Million wastewater treatment plant. The water utility also plans to invest in Automatic Meter Reading equipment to reduce future costs of monthly meter reading. Additionally, completion of the new wastewater treatment plant will facilitate the use of purified, recycled water to help meet the community's future water supply needs. That may allow the City to reduce its future reliance on imported water from the State Water Project. The City will continue evaluating water supply alternatives in future years with goal of providing safe, reliable, and cost effective service.

*For additional information or questions, please contact the City of Morro Bay's
Public Works Department at (805) 772-6261.*

Kahn, Kevin@Coastal

From: Ed Boies <edboies@yahoo.com>
Sent: Friday, July 05, 2019 2:46 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463
(Morro Bay Water Reclamation Facility)

Dear Commissioners and Staff,

I support the Consolidated Permit Process and support all five elements of the Coastal Permit Application as submitted by the City of Morro Bay. Keep the project affordable for us rate payers. The more delays just keep costing us rate payers more. Please unanimously approve the Morro Bay WRF CDP application on July 11, 2019. Thank you. Edward Boies, Morro Bay Resident

July 12, 2019

California Coastal Commission

Subject: Comments on Application No. 3-19-0463 Morro Bay Water Reclamation Facility

As a 28 year resident of Morro Bay and an appellant of the 2011 Permit for the City of Morro Bay to rebuild the Sewer Plant I strongly oppose the issuing of a Coastal Development Permit for the Morro Bay WWTP.

The issues that the Commission spelled out in the DENIAL of the last permit in 2011 have not been addressed adequately. The new location will **NOT** reduce the potential hazards to the Bay and Ocean but instead will compound them.

Recycled water: The study submitted by the City is a "Technical Memorandum" only. It conflicts with a previous report by a reputable water specialist. The previous Dudek report states that the area where the clean recharge water is to be injected will not work. Their report is not just a "Memorandum". The Aquifer is too shallow and contaminated with sewage from years of cracked and leaking main sewer lines to the existing plant will only contaminate the newly cleaned water.

The cleaned water needs to be introduced into the Morro Bay Aquifer further from the Ocean, preferably one mile inland to give it time to meet the two month travel time underground, before being pumped back out.

Public access and recreational opportunities: The proposed location can NOT and WILL NOT remove the most critical elements of the entire Sewer system from the existing Sewer Treatment Plant facility. The entire underground piping system for the sewer flows by gravity for the entire city to a collection point within the present plant location. The proposed project will build two new pump stations. One of the pump stations will be at or near the existing central collection point. It will be subject to all of the problems of the current plant. Eg; 100 year flooding, sea level rise, etc. A second more critical pump station is planned to be constructed on Quintana Rd., also in the flood zone and right in the middle of the entrance to the city. Obviously this will not enhance the recreational opportunities and will make the entire sewer system extremely vulnerable because it will be the point of collection of the rest of the sewer pipes. This second station will pump everything 3 plus miles. It will put the raw sewage under

pressure to the mouth of the Morro Bay National Estuary. Imagine 41,000 gallons per hour flowing into the bay!!

Potential Archaeological and Historic resources.: The proposed main pressurized sewer line will run through or over Morro Creek, significant wetlands and near burial ground of the Chumash Indians. The final EIR for the pipeline has not been circulated. The Addendum to the EIR is the pipeline and that had not been circulated or reviewed by the Chumash or Cal Trans. These challenges have not been addressed and cannot be ignored.

Scenic and visual qualities: The proposed WRF location is adjacent to Scenic Highway 1. It will be an industrial plant right out in open range land. It will be adjacent to a retirement and convalescent home occupied by our most vulnerable.

Coastal hazards and Sea level rise: The proposed project has two pump stations in the area of the 100 year flood and is in the area threated by potential future sea level rise. A closer, higher location within the City limits is available and was in the studies. It was not selected for unclear reasons.

SUMMARY: The Waste Water reconstruction project in the South County of San Luis Obispo was given 30 years to comply with all of the new standards and hazards. Morro Bay has done significant studies which can be utilized to relocate and build a “State of the Art” Water Treatment Facility which will satisfy all requirements. Allow Morro Bay the same time. A new plant compact plant will produce recycled water, reduce greenhouse gas emissions, and not force the economically challenges out of their homes.

Do not approve this Permit consolidation request. Require the City to spend the time necessary to do this correctly.

IT IS NEVER TOO LATE TO DO THE RIGHT THING!!

Barry F. Branin, Morro Bay California

Kahn, Kevin@Coastal

From: Robert Penzel <ibobpen@verizon.net>
Sent: Friday, July 05, 2019 3:25 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

To whom it may concern....

I have lived in Morro bay over a decade.....and agree we need either improvements to the existing treatment plant or a new AFFORDABLE plant.....I voted in favor of the 70 million dollar proposal in 2015 (and thought that was way too much)....135, 150 or 170 million is absolutely ridiculous for a town of 10,000 people, most o f whom do not live here full time....you need to stop this before it gets to be 200 million. The demo of the existing plant which is not included in the proposal will be another 20 million. There are much better and cheaper alternatives!!!

Please STOP this!!!

Robert Penzel
705 Sierra Ct Morro Bay

Sent from my iPad

Kahn, Kevin@Coastal

From: Partners In Equestrian Therapy <petslo@gmail.com>
Sent: Friday, July 05, 2019 3:31 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear CCC,

My name is Melanie Williams Mahan. I live in Morro Bay. I am very concerned about the current sewer plans and Morro Bay City Council. There have been numerous protests and public input, all are being ignored. The town of Morro Bay is one of the last of its kind, a fishing village with great tourism and thriving businesses. One of the reasons tourists come here is because it's a quaint little space to enjoy. The size of the current sewer project is very large for a town of 10,000. Plans include pumping sewage uphill through our business district. Our mayor and council don't talk about growth and more development. Our current sewer has the potential to serve us well form many years to come and Hanson is the obvious site. None of this is making any sense, save greed. Many current residents have expressed interest in making sure the project is environmentally friendly. We are not getting the information we need from this council and staff. We see what one of our staff members did to Pismo Beach. This is such a large expense that has already raised water and sewer bills beyond financial reach of many homeowners.

I would kindly ask that the CCC look into this matter. I feel there are too many unanswered questions and we can't get through to this mayor and council. Help us make sure that the need to develop isn't overriding a smarter way to fix this situation. This project is forcing residents from their homes because of the cost of such an immense project. Our concern and questions about the environment have also been ignored. Please help us get the answers that we, as citizens, deserve and need.

Thanks you,

Melanie Williams Mahan

Kahn, Kevin@Coastal

From: Dr Margaret Carman <drmargaret7@gmail.com>
Sent: Friday, July 05, 2019 3:54 PM
To: CentralCoast@Coastal
Cc: Dr Margaret Carman
Subject: Public comment on July 2019 agenda item 13a...no. 3-19-0463

Dear CC,

I'VE tried several times with long letters to get through to you on your website and now cannot write another detailed letter. ..thus..

PLEASE FOLLOW YOUR OWN LEGAL RULES and do not bypass all the procedures, reports and especially all the public comment that should be allowed.

People are fed up with not being heard and too many are just giving into your voting yes to this project without proper procedure. This project benefits the developers of the adjacent proper putting in 400 houses and the tax revenue for Morro Bay. Who on your staff is BEING PAID OFF? we do not need to move the existing plant, cause utility bills to increase and TO PRACTICALLY KILL the businesses on Quintana road when you close the road and or limit traffic.

Please do not allow your meeting on July 11 be your final vote.

Thank you,
Dr. Margaret C. Carman

Kahn, Kevin@Coastal

From: David Weisman <davidjayweisman@gmail.com>
Sent: Friday, July 05, 2019 3:57 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Commissioners:

As an 18 year Morro Bay resident, and lifelong renter, I am concerned that my water and utility rates may be increased needlessly by the granting of the permit now up for consideration, that would relocate and rebuild the sewage treatment plant in Morro Bay.

There are, and have been presented (but neglected for full consideration by the city's government) two viable and less expensive alternatives which would not require the WIFIA or any external loan pressures. One is the Hanson site, at a distance of 1/4 mile from the existing structure, so pipelines, energy consumption, pollution are minimized, no new pump stations needed, and there would be no disruption to business district costing the City tax dollars.

The second is the Giannini site, 3/4 of a mile away, which as above, negates the need for major infrastructure disruption, reduces the needed pumping station, and has less impact on local business during construction.

The proposed South Bay site is a major infrastructure project and will disrupt much of a heavily used section of Quintana Road—this is a route I use to bicycle to the market, gym, and other shops. Bicycling—which reduces my impact on the environment—will be affected. The city's plans to reroute and direct access has still not been presented. And that is only one inconvenience. The increase in the water bill is another, and far longer in consequence than the roadwork.

I urge you to reject this proposal.

DAVID WEISMAN
Chairman, emeritus, (2008-2010)
Morro Bay Community Promotions Committee

2180 Bayview Ave
Morro Bay, CA 93442
(805) 704-1810 (cell)
(805) 772-7077 (home)
davidjayweisman@gmail.com

Kahn, Kevin@Coastal

From: Mark Low <mark@modernhunter.com>
Sent: Friday, July 05, 2019 3:58 PM
To: CentralCoast@Coastal
Cc: citizensforaffordableliving; council; Dana Swanson; ecasares; Packard, Harvey@Waterboards; Kahn, Kevin@Coastal; McDonald kevin
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)
Attachments: L Truesdale GSI Report Analysis 2.pdf; BETTER BIOREACTOR Someday, after mastering the winds, the waves, the tides and [TODAY] gravity, we shall harness for God the energies of love, and then, for a second time in the history of the world, man will have .zip

Our Mission

Protecting & Enhancing California's Coast

The Commission is committed to protecting and enhancing California's coast and ocean for present and future generations.

It does so through careful planning and regulation of environmentally-sustainable development, rigorous use of science, strong public participation, education, and effective intergovernmental coordination.

Morro Bay's public works director and consulting engineer project manager's "premeditated" efforts to stall public hearings, for many years, seeks to use the California Coastal Commission's (Triple C's) consolidated permitting process as a hammer upon the people's right to be heard and, *should not be rewarded* with the granting of a consolidated building permit.

The author of Morro Bay's Facility Master Plan (FMP) <http://morrobaywrf.com/site/wp-content/uploads/Morro-Bay-Draft-WRF-Master-Plan-Full-Document.pdf> is <https://www.bv.com/> who is actively engaged in the effort to participate in building the project that now requires multiple new electric force-main lift stations, even though their FMP called for a single force-main lift station will significantly increase Morro Bay's carbon footprint.

If "science" is to be used in rendering the Triple C's decisions, then a careful review of the "liquid treatment technology evaluation" beginning on page 69 ending page 89 of 384 ending page here: <http://morrobaywrf.com/site/wp-content/uploads/Morro-Bay-Draft-WRF-Master-Plan-Full-Document.pdf> contained in the FMP sold to Morro Bay by B&V will reveal that the greenest of all activated sludge technology (Gravity Flow & Nature Membrane) was never evaluated and thereby

ignored, to the detriment of the citizen's financial well being and their physical environment (Please see "Better Bioreactor" folder, attached).

The Analysis of the 5 page, GSI Technical Memorandum Dated April 19, 2019 (attached) authored by Larry K. Truesdale Ph. D [sic] Chemistry, addresses the science not addressed by the company hired by Morro Bay, GSI, regarding where treated wastewater will be discharged and or *possibly* stored. Dr. Truesdale's statement, on page 2 of 5, should be intensely evaluated by any party who would provide their 'approval' for Morro Bay's "Fix-it Ticket" and desire to produce reclaimed water;

It should be noted State water costs Morro Bay about 0.5 cents a gallon going down to about 0.2 cents a gallon in 2022 when the aqueduct costs are fully paid off. Recycled water will cost between 1 and 3 dollars a gallon depending on the number of RO treatments required, ground water losses and infrastructure necessary to reach potable requirements. The state water is pristine with regards to purity as received.

The increased financial costs required to support a Synthetic MBR located uphill and 3.5 miles from the current location, comes with significant increased carbon footprint.

And on page 3 of 5:

What no one to date has analyzed for is the many other materials in the water that are present in human waste. Of primary concern are drugs, both ethical drugs and their metabolites, as well as unethical drugs and their metabolites. These are difficult, biologically active substances to remove from water. Chlorination does not generally remove them. In fact it might modify some of them to make so-called "designer" drugs of unknown properties.

Likewise, using contaminated wells for the recycle of purified wastewater is not likely a goal of the Federal and State governments.

For these reasons alone, Morro Bay should use the desalination facility, the citizens of the city of Morro Bay already have in place. Using *treated* wastewater injected into a long standing drinking water aquifer seems brash, given that Morro Bay has an unlimited amount of water through its already in place and paid for desalination infrastructure and Pacific Ocean. Funding should be directed to correcting leakage, infiltration and ex-filtration currently located in the city's currently in place and paid for sewerage, first, instead of ignoring this leakage in favor of creating more new high electric power use sewerage infrastructure.

The world's only Gravity Flow and Nature Membrane, low energy use, activated sludge design was never compared and thereby not considered for use in Morro Bay.

Why has set the stage for the type of thinking that led to the twice over built Oxidation Ditch in Los Osos <https://www.google.com/maps/place/Los+Osos+Water+Recycling+Facility/@35.3084412,-120.8010095,301m/data=!3m1!1e3!4m5!3m4!1s0x80ece4a12f25dc47:0xc8fc1f8af9eca1ba!8m2!3d35.3034248!4d-120.8006647?hl=en&authuser=0> which requires electric power to move the liquid through the facility instead of using gravity, been tolerated?

I am under the impression that the good citizens of Morro Bay, California, may a little bit interested in green energy/technology to lower their city's carbon footprint and is legislating to insure that projects actually use technology that will actually "hit that target."

And so I hereby respectfully request that;

Morro Bay's request for a consolidated building permit, should "not" be granted.

As of the date of this correspondence, I have yet to see the "addendum" or whatever it is coming from the environmental impact contractor.

How can you rule on a permit to proceed or any other permit without having comments on this latest piece of the project as currently considered?

Thank you for your considerations in making your decision about what Morro Bay residents will be given to drink.

Most appreciatively yours,

Mark Low
Steadfast Concerned Citizen

Kahn, Kevin@Coastal

From: Janice Peters <flamingojani@gmail.com>
Sent: Friday, July 05, 2019 4:04 PM
To: Kahn, Kevin@Coastal
Subject: Public comment
Attachments: WTPlant.docx

Hello, Mr. Kahn,
Betty Winholtz gave me your email address instead of the published link, which doesn't seem to be working. My comment is below and attached.
Thank you,
Janice Peters
805-772-4656 (no text)

July 4, 2019
To: California Coastal Commission
Re: 7/11/19 Agenda item 13a Morro Bay Wastewater Treatment Plant
From: Janice Peters, Former Mayor of Morro Bay

Hello, Commissioners,

I served on the Morro Bay City Council for 18 years, 6 of them as mayor, and retired in 2010. I was appalled when a subsequent mayor, Jamie Irons, refused to allow the project we worked on for 8 years to be presented to the Commission and, *against the advice of the Chair and the stated objections of our then-partners in Cayucos*, asked that it be denied. Had the hearing proceeded and any Commission modifications been implemented, that project could have been on line for several years now.

As a result of Irons' action, Cayucos ended their partnership with Morro Bay and is constructing their own independent sewer treatment plant, due to be online in 2020. Once that happens, *which will be long before any new Morro Bay project can be constructed*, BOD and TSS at the current plant will meet Water Board standards, and there will be no need to replace that facility.

In fact, even now, while the current facility does not meet federal Clean Water Act standards for full secondary treatment, it does meet BOD and TSS standards most of the time. In 2016, Morro Bay discharged 41,610 kg of TSS and 73,730 kg of BOD into the ocean. In 2017, the discharge was 51,830 kg of TSS and 70,445 kg of BOD.

In comparison, the 2016 monitoring report for the Point Loma wastewater treatment plant in San Diego shows that plant discharged 8,457,000 kg of TSS and 24,806,000 kg of BOD into the ocean. The San Diego plant was granted a permit, although it is discharging well over 100 times as much TSS as Morro Bay, and well over 300 times as much BOD. And data in monitoring reports shows that the Morro Bay plant is doing a better job of removing both TSS and BOD from sewage, and both constituents are more diluted in the Morro Bay plant's effluent.

While financial considerations are not the Commission's primary concern in the permit process, they are of major concern to our City. When the Morro Bay power plant stopped operating, we lost over \$3 million in annual revenue, a huge hit for a community of 10,000 people. Tourism is now our main source of revenue,

and the businesses that will be hit hardest by the cost of building and maintaining a new wastewater treatment plant so far from the existing piping structures, are the tourism support businesses...restaurants, motels, hotels, B&Bs, etc. Even the construction closures the move would require on our major streets will be devastating to local businesses already struggling to survive.

As for the financial effect on our residents, with a median age around 50 and on limited retirement or Social Security incomes, nearly doubling current water and sewer rates is devastating as well.

Given that our existing plant, with regular upgrades and maintenance, will be able to completely meet all required processing standards when Cayucos users move to their own plant, I would ask the Commission to recommend that simple, reasonable, economical resolution to this issue.

Sincerely,

Janice Peters

Kahn, Kevin@Coastal

From: debbie highfil <debbiehighfill@gmail.com>
Sent: Friday, July 05, 2019 4:30 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear commissioners, I am concerned about the proposed location for our new water treatment plant.

The new location, off of S. Bay Blvd., violates agricultural protection and unmitigated cultural resources as noted in the staff report.

There are at least 2 **legitimate alternatives** that are less expensive making the WIFIA or any loan irrelevant. Compare:

Hanson site--distance is .25 mile, so pipelines, energy consumption, pollution are minimized, no new pump stations needed, no disruption to business district costing the City tax dollars.

Giannini site--distance is .75 mile, so pipelines, energy consumption, pollution are 1/4 the distance, only 1 new pump station needed, disruption to Hwy 41 and Main St. businesses for 1/4 the time.

Compare this with the proposed site on S. Bay Blvd.--distance is 3.5 miles, 4 pipelines with uphill energy consumption and pollution, requires 2 pump stations, 2 miles through a major downtown shopping/commercial district for 1 year.

Traffic concerns on a road that has 15,000 vehicles per day is another concern. Please take this into consideration.

Thank you, Debbie Highfill, Morro Bay

REPORT TO THE COASTAL COMMISSION ON WHY THIS APPLICATION MUST BE DENIED

Prepared on Behalf of
CITIZENS FOR AFFORDABLE LIVING
HOME FRONT ENVIRONMENTAL JUSTICE MORRO BAY
LANDWATCH SAN LUIS OBISPO COUNTY

By Cynthia Hawley, Attorney
July 5, 2019

THE PROJECT DISCUSSED IN THE STAFF REPORT IS NOT DESIGNED, BUT THE PLANS STAFF PROPOSES TO APPROVE BY WAY OF APPROVAL OF SPECIAL CONDITIONS ARE THE PLANS THE CITY HAS ALREADY CONTRACTED WITH BLACK & VEATCH TO BUILD.

According to the permit application and staff report this project is not designed. **There is no complete project design for the public to comment on or for issuance of a permit.** There are no formal plans or photos or maps of the proposed project. Critical **required** information is not provided in the City's application. See the list below. The ocean outfall work, the subdivision, and the demolition of the existing wastewater treatment plant and restoration of the site are **not even included in the permit application and were never discussed locally.**

The application should have been rejected by Commission staff but it was not. Coastal Act Regulations **require** the Executive Director to return incomplete applications to the applicant.¹ Instead, Commission staff unlawfully filed the incomplete application, acknowledges openly that the project is not fully designed (see below), and wants the Commission to approve it anyway.

The application does not include the following **required** information:

1. legal lot verification.
2. Proof of legal interest in the property for both the on site and conveyance infrastructure.
3. planning level geotechnical report for conveyance infrastructure.
4. The site plans to which the application refers the reader either do not exist or are not legal plans signed and stamped by the engineer.
5. Verification of all other required regulatory permits, including those from:
California Dept of Fish and Wildlife
US Army Corps of Engineers
RWQCB Section 401 Certification

¹Coastal Commission Regulations at CCR § 13056. Filing.

(a) A permit application shall be submitted on the form issued pursuant to sections 13053.5 and 13053.6, together with all necessary attachments and exhibits, ... **The executive director shall file the application only after reviewing it and finding it complete.**

.....
(c) If the executive director finds the application incomplete, he or she shall specify those parts of the application which are incomplete, and describe the specific materials needed to complete the application.

This report has been provided to Commission staff Th13a 3-19-0463

6. Stamped envelopes addressed to all property owners within 100 feet of any portion of the project, along with a list containing the names, addresses and APNs of these property owners. Envelopes must be plain, business-sized (9.5" x 4.125"), with first class postage on each. Metered postage is not acceptable.
7. Stamped addressed envelopes for all other interested parties to the project.

The project description does not include, among other things:

1. identification of collection system development on or adjacent to PG&E property and a wetland on that property.
2. a description of the coastal streams the collection system will cross and how the collection will cross those streams.
3. development of injection wells in the Morro Creek basin.

The application does not include the following, which were added by Coastal Commission staff and for which there has not been any local public participation in project description and no review for impacts to coastal resources.

1. demolition of the existing wastewater treatment plant and restoration of the site.
2. subdivision of the site.
3. work on the existing effluent ocean outfall.

If not postponed until a project description and project plans exist, this hearing will be a sham. Because not only has the public been denied its right to full participation in local hearings and decisions, the Commission is being directed by its staff to approve a project that hasn't been designed yet – and that the public has not even had a chance to see let alone review and comment on. The Commission staff is directing the Commission to approve this un-designed project and allow it to be designed as "special conditions of approval" that would be approved, not by the Commission at a hearing, but by staff. **Under this set up, this project will be built without ever seeing the light of day at a public hearing.**

The Staff report states:

"This CDP authorizes the project as proposed by the City except as modified by the special conditions. Any project changes, including with respect to any Executive Director-approved plans required pursuant to the special conditions, shall require an amendment to this CDP, unless the Executive Director determines that no amendment is legally necessary (Special Condition 14)." (p.67)

However, the project the staff asks the Commission to approve, the project on which staff recommends placement of "special conditions", are described in the design-build scope of work within the City's contract with Black & Veatch, which has not been provided to the Commissioners or the public.

Before any other consideration, under the laws that define and require fair hearings, this permit must be denied because it is unlawful for a public agency to make a decision based on information not provided to the public, and the public was not provided with the Black & Veatch design plans.

The the staff report states as follows:

“Revised Final Plans. PRIOR TO ISSUANCE OF THE CDP, the Permittee shall submit two full size sets of Revised Final Plans with graphic scale to the Executive Director for review and approval. The Revised Final Plans shall be prepared by a licensed professional or professionals (i.e., architect, surveyor, geotechnical engineer, etc.), and shall be based on current professionally surveyed topographic elevations for the entire site. **The Revised Final Plans shall be substantially in conformance with the proposed plans (prepared by Black & Veatch (dated February 2019) and dated received in the Coastal Commission’s Central Coast District office on June 10, 2019) but shall be modified to achieve compliance with this condition, including that the Revised Final Plans shall show the following required changes and clarifications to the project:”**

The public and presumably the Commission (since they are not disclosed as an exhibit to the staff report) have never seen these plans produced by Black & Veatch and the Coastal Commission staff did not provide them. Therefore, in addition to the law that prohibits a public agency decision to be based on information not provided to the public, **the plans as “revised” by Coastal staff will, if the Commission allows this, be approved by Coastal staff and never once reviewed by the Coastal Commission or the public.**

These are the plans that show two separate headworks each with the capacity to process 8.14 million gallons of raw sewage a day for a total of 16.28 MGD which is not disclosed or analyzed in the staff report. (See below)

If the Coastal Commission takes the action staff recommends, not only will the outcome be staff approval of the Black & Veatch plans the City has already contacted to have built, **all of the following project plans will also be developed and approved by staff, without any review or decisions by the Commission, and without any review and participation by the public.**

Recycled Water Management Plan.

Wastewater Treatment Plant Removal and Restoration Plan.

Outfall Assessment Plan.

Water Reclamation Facility (WRF) Approved Development Envelope.

Water Reclamation Facility Design.

Pump Stations and Related Development Design.

Construction Plan.

Riparian Enhancement Plan.

- a) Baseline. A baseline assessment
- c) Non-Native and Invasive Removal. area.
- d) Landscape Screening.
- f) Monitoring and Maintenance.
- g) Reporting.
- h) Provision for Possible Further Action.
- i) Restoration Completion.

Archaeological Protection.

Agricultural Mitigation Program.

THE RECORD SHOWS THAT PROJECT IS GROSSLY OVERSIZED TO PROVIDE FOR NEW DEVELOPMENT OUTSIDE THE CITY LIMITS, THE STAFF REPORT DECEPTIVELY OMITTS THESE FACTS AND PROVIDES NO ANALYSIS OF IMPACTS.

The Commission's staff report omits the fact that the treatment works is designed with a total infrastructure capacity to process 16.28 million gallons of sewage a day.

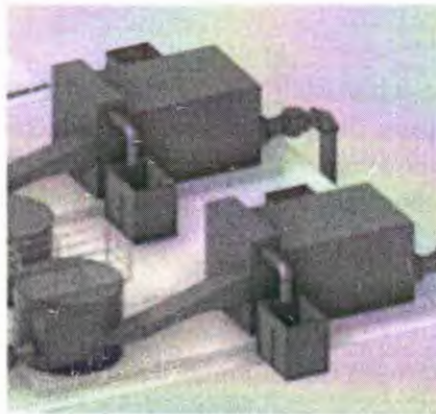
The project that the City of Morro Bay has contracted to build has two headworks – one for back up – both of which have the capacity to process 8.14 million gallons per day (MGD) for a total capacity of 16.28 MGD. In addition, the contract as executed includes an overflow system (SAFE) that treats over 6 MGD. The image below is from the City's design-build contract with Filank/Black & Veatch, Exhibit B Scope of Work. The staff report omits this information. There is no analysis of the growth inducing impacts.

City of Morro Bay Water Reclamation Facility Scope of Work

October 2018

2.2 Influent (Coarse) Screening

The Influent (Coarse) Screening System shall collect, wash, dewater, compress, convey, bag, and discharge solids to a rolling dumpster. Discharge area is to be paved with curbs and drainage to the WRF plant drain system. Two packaged headworks units shall be provided. This section covers the coarse screen components of the packages. The packaged headworks shall utilize OEM packaged equipment as detailed below and on the P&IDs.



Key Overall Facility Features

- Two Packaged Headworks Systems shall be furnished, each rated at full plant peak hour capacity of **8.14** mgd. 1 duty / 1 standby.
- Each package headworks includes mechanically cleaned coarse screening and grit removal.
- Coarse screening includes screens, washer/compactors, conveyor to dumpster, and odor control.
- Skid mounted metal channels and tank construction. 316 stainless steel construction.
- Manual isolation valves for each Packaged Headworks System.
- Ability to bypass both Packaged Headworks Systems via bypass pipe and manually operated valves.
- 2 feet of freeboard.
- Built-in bypass/overflow around the coarse screens directly to the grit removal system.
- Fully covered channels and tanks for odor control in compliance with section 2.12 Odor Control.
- Manufacturer: Kusters Zima, Huber, Lakeside Equipment, Vulcan, Headworks Inc., Westech, Parkson, Duperon, Hydrodyne, or equal if approved.

The plant design is in violation of Coastal Act section 30254.

“New or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted consistent with the provisions of this division;...”
“Shall” means mandatory under Public Resources Code §15.

This section limits the design of the City’s proposed sewage treatment works infrastructure to accommodate the needs generated by permitted uses, that is, limited to accommodate a projected population of 12,000 by 2040. The staff report does not provide this analysis but instead makes unsupported findings based on a misrepresentation / falsification of section 30254. (See below)

The facts in the record show that the project is extraordinarily oversized.

The project Environmental Impact Report EIR makes the slight-of-hand claim that “... the proposed WRF would treat a maximum average annual daily flow rate of 0.97 MGD.” (Million gallons per day) While the oversized plant capacity “would treat” this maximum, the sewer plant design the City has contracted to build is certainly not limited to accommodate that need in violation of §30254.

Annual Average Flow is the total flow over a one-year period divided by 365 days. According to the EIR, a flow rate of 0.97 million gallons a day of sewage, that is, 970,000 gallons a day, accommodates the sewage treatment needs generated by the build out population set by the Local Coastal Program of 12,000 by 2040. (EIR p. 5-5) This is an annual flow of 354,050,000 gallons. (970,000 x 365)

The infrastructure capacity of the plant the City has contracted to build is 8,140,000 gallons a day by each of the two headworks.

Each headwork has the infrastructure capacity to process 7,170,000 gallons of sewage a day more than is needed by the 2040 population.

(8,410,000 – 970,000)

$$2 \times 8,140,000 = 16,280,000$$

The combined headworks have the infrastructure capacity to process 15,310,000 gallons of sewage a day more than is needed by the 2040 population.

(16,280,000 – 970,000)

$$365 \times 8,140,000 = 2,971,100,000$$

Each headwork has the infrastructure capacity to process 2,617,050,000 gallons of sewage a year more than is needed by the 2040 population.

(2,971,100,000 – 354,050,000)

This report has been provided to Commission staff Th13a 3-19-0463

$2 \times 2,971,100,000 = 5,942,200,000$ total annual infrastructure flow capacity.

The combined headworks have the infrastructure capacity to process 5,588,150,000 gallons of sewage a year more than is needed by the 2040 population.
(5,588,150,000 – 354,050,000)

According to the City of San Luis Obispo's web site, the City's population in 2016 was approximately 46,000 and "Planned improvement to the WRRF to increase treatment capacity to 5.4 MGD would help to address wet-weather conditions ..."

<http://www.slocity.org/Home/ShowDocument?id=14120>

"New or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted consistent with the provisions of this division;..."
"Shall" means mandatory under Public Resources Code §15.

This section limits the design of the City's proposed sewage treatment works infrastructure to accommodate the needs generated by permitted uses, that is, limited to accommodate a projected population of 12,000 by 2014. The staff report does not provide this analysis.

The project also includes a detention basin for emergency overflow "storage for untreated wastewater, and provide the City the ability to evacuate the entire pond by pumping stormwater or untreated wastewater back into the headworks." (Exhibit B Scope of Work for Black & Veatch design-build contract p.5-11)

The staff report misrepresents the law: Coastal Act §30254.

Again, §30254 clearly requires that "New or expanded public works facilities shall be designed **and limited** to accommodate needs generated by development or uses permitted consistent with the provisions of this division;..."

The staff report states that "Section 30254 helps to regulate the capacity of the WRF, including through service area boundary limits..." and the "...Commission has implemented Section 30254 through limits on the locations/types of development that can be serviced ...".

No, §30254 does not regulate the capacity of a public works project "...through service area boundary limits" or "...through limits on the locations/types of development that can be serviced ...". The law does not say this. Section 30254 requires that the growth-inducing potential of new or expanded public works infrastructure **must** be limited at the **design phase**. The limited capacity of the infrastructure as it is designed is what limits the unplanned-for development.

This is a false representation of §30254 invented and relied upon to recommend approval of sewage treatment infrastructure that is demonstrably designed to accommodate needs generated by new development and uses far beyond the needs of a population of 12,000 residents in 2040.

This report has been provided to Commission staff Th13a 3-19-0463

To justify the over sized project, the staff report makes the "findings" that "the City indicates the need for the additional wet-weather capacity is not to encourage a significant increase in growth, but rather to better treat peak flows during wet-weather events" and that "...the City is sizing the plant to be able to accommodate.." wet weather volumes caused by storm water flowing into dilapidated sewage pipes.

In 2015 the City increased sewer rates to raise over \$7 million because of the urgent need to repair and replace leaking sewer collection pipes. It is well documented that leaking sewer mains have polluted the Morro Valley drinking water well field. The finding in support of the unlawful capacity of the plant that "... for now the City is sizing the plant to be able to accommodate such volumes..." created by the inflow of groundwater into dilapidated sewer pipes is not only irrelevant in relation to §30254 but logically indefensible and disrespectful of the law, the public, and protection of coastal resources.

In the face of this data the staff report makes the outlandish claim that the grossly oversized design capacity of the proposed treatment works won't induce growth.

The Commission staff report states:

"As mentioned earlier, the City indicates the need for the additional wet-weather capacity is not to encourage a significant increase in growth, but rather to better treat peak flows during wet-weather events. These are the flows that the existing WWTP cannot treat to full secondary treatment because of its inadequate sizing. While the City has a plan to upgrade and replace its aging sewer pipelines and stormwater infrastructure, including to address such inflow and infiltration problems, for now the City is sizing the plant to be able to accommodate such volumes and meet Regional Board water quality orders."

Again, the arguments made in the staff report in support of the proposed project are based on the staff's falsification of §30254 as shown above. They are not only dishonest and irrelevant, but the ideas that:

- "...the City has a suite of existing tools to regulate future development for unintended growth inducement" including voter approved growth management,
- "the City does not propose to extend its service area to lands outside City limits into unincorporated San Luis Obispo County at this time", and
- "the proposed project will only be allowed to serve LCP-consistent growth and infill development within the City limits"
- "...the Commission approves this project with the understanding that the City intends to support appropriate LCP-consistent growth in the City, but not outside of the City and in rural areas"

are flatly contradicted by the record. **The City plans to use excess capacity for development outside the City for which there has been no environmental review or LCP amendment.** A picture is worth a thousand words:



Morro Bay – Serious about the Next 50 Years

Tri-W Property

177 undeveloped acres inside the MB City Limits



- "Constrained" by a voter initiative
- 13 developable acres available
- MB is ready for a plan and a vote – "un-initiative".
- Think big – go smart!

Future:

- Green space / trails, plus
- Affordable Housing, plus:
 - Retail
 - Office Park
 - Hotel Conference Center

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The staff report's conclusions of no growth inducing impacts are based on false data and the omission of data.

In the above 2015 City of Morro Bay report on economic vitality entitled "The City of Morro Bay Getting Serious for the Next 50 Years" the Tri-W remainder property that surrounds the treatment works site shows the City's intent to eliminate the initiative restrictions and its development plans for the site including affordable housing, retail, office park, and hotel conference center.

The fact is that the City plans to develop the area and the selection of the site is a step toward development of it.

The City's EIR states clearly on pages ES-1 and 2-1 the EIR states that "The proposed project would provide wastewater treatment services for the City and potentially additional surrounding communities or customers." This clearly indicates the potential for inducing growth within "surrounding communities or customers" but there is no analysis of the impacts of this growth inducing potential.

According to Coastal Act §30120 and 33 U.S.C.A. §1292 the term "treatment works" includes "acquisition of the land that will be an integral part of the treatment process". The purchase of the proposed treatment works site is contingent on the City providing vehicle access to the remainder 370+ acres and the City's application to the Local Area Formation Commission (LAFCO) to include the land in the City's sphere of influence – both are concrete steps toward future development.

The project also includes a roadway for vehicle access to the treatment works **on Tri-W property** (not on the 27 acres the City proposes to buy) into what is now open space agricultural land. There is no analysis of the impacts vehicle access into this currently land-

locked parcel and no analysis of the impacts of including the land into the City's sphere of influence.

The City of Morro Bay is identified in the County of San Luis Obispo's 2015 "Desalination Opportunities Summary Report" as a site for regional distribution of desalinated water.

In the County of San Luis Obispo's 2015 "Desalination Opportunities Summary Report", the City of Morro Bay is identified as one of three possible sites for production of desalinated water for regional distribution. Morro Bay already has ocean intake and outfall infrastructure. As mentioned above, the project includes two separate headworks both of which have the capacity to process 8.14 million gallons a day along with a third SAFE system for partial treatment if flow exceeds the capacity of these headworks – which is not anticipated by 2040 population build-out and could be remedied by replacing and fixing the current leaking sewer pipes.

Nothing in the record indicates that the project design might include infrastructure adaptable to seawater desalination but the City of Morro Bay has a history of non-public decisionmaking. (See below) And the idea of covert construction of desalination infrastructure is not a new one. The Cambria Community Services District (another site identified in the County's 2015 report) successfully constructed desalination infrastructure with the capacity to accommodate distribution of water for new development without a regular coastal development permit and without an environmental impact report.

Kahn, Kevin@Coastal

From: Terry_Loftus <terry_loftus@cox.net>
Sent: Friday, July 05, 2019 4:53 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Hello,

As a property owner in Morro Bay I would like to state my disappointment on the progress of the new sewer plant project.

All of the information that I have reviewed leads me to believe that the project is not moving in the direction that is in the best interest of the residents of Morro Bay.

In the information that I have reviewed I see no valid reason to move the plant from its current location.

One and only one observation: I have seen that there are occasional BOD and TSS water standard violations, but also that Cayucos is going to leave the MB plant and violations should no longer occur or become much less frequent.

Another comment, I attended Morro Bay High School also on the beach in the late sixties when there was an earthquake in Japan.

The high school was evacuated because of what I believe at the time was a large tidal wave that was going to hit Morro Bay.

It was a not event if I recall correctly of all of a 1 foot tidal wave.

If there is an event that affects the sewer plant Morro Bay is going to have much larger problems than the sewer plant.

I wish I could address the many other issues that I feel very strongly about at this time.

Thank you for your time.

Terry Loftus

THIS IS CORRUPTION

Written on Behalf of

HOME FRONT ENVIRONMENTAL JUSTICE MORRO BAY

By

Cynthia Hawley, Attorney

This is in response to a recent request for documentation of corruption by the Morro Bay City Council in relation to the proposed wastewater treatment plant.

According to Black's Law Dictionary, "corruption" is "An act done with an intent to give some advantage inconsistent with official duty and the rights of others."

The City Council decided to unnecessarily spend \$26 million for the construction of a pump station and pipes to pump all of the City's raw sewage nearly three miles uphill to the City Council's selected hill-side treatment plant site at end of South Bay Blvd behind the care facility. The City Council makes no claim that the South Bay Blvd. site provides any benefit to the rate-payers and property owners that other sites cannot.

The City's Peer Review Panel stated that "The biggest contributor to cost at the South Bay Boulevard (SBB) site is the site itself. Pipeline and earthwork costs there are very high. "THE MOST EFFECTIVE WAY TO REDUCE CONSTRUCTION COST IS TO GO BACK NEAR OR ON THE EXISTING WWTP". (I added the emphasis.)

<http://morrobaywrf.com/site/wp-content/uploads/Public-Works-Meeting-6-7-17-Report-062917.pdf>

While I don't think anyone is still thinking about the existing wastewater treatment plant site as an option, the question is - why THIS site? Why spend \$26 million to pump millions of gallons of raw sewage nearly three miles uphill when that cost could be avoided at other viable sites?

The Memorandum of Understanding (link below) between the City and the owner of the site answers the question. The beneficiary of locating the plant on that site is the landowner, at the public's expense.

<http://morrobaywrf.com/site/wp-content/uploads/MOU-Tri-W-Fully-Executed-201610251534.pdf>

The MOU is an option for the City to buy the treatment plant site – 30 acres of an approximately 400-acre parcel in the County unincorporated area. Using the option to buy as a vehicle – but totally unrelated with it since the City is paying full price for the 30 acres – is the City's promise to take the following actions. These actions provide public resources to the property owner that will increase the value and development potential of the remainder of the 400 acre parcel:

- Process a proposal to the Local Area Formation Commission to EXPAND MORRO BAY'S SPHERE OF INFLUENCE TO INCLUDE THE REMAINDER OF THE 400 ACRE PARCEL.
- Provide and maintain the ACCESS AND UTILITY EASEMENT that would be constructed on the remainder parcel (instead of on the 30 acres the City is buying).
- Assist in confirming the existence of ACCESS EASEMENTS to the remainder parcel and in ASSURING ACCESS from the City's rights-of-way to it.
- Assist in processing any approvals necessary for VEHICULAR ACCESS FROM CITY LIMITS to the remainder parcel.
- If the City produces recycled water and intends to provide recycled water to agricultural users, the City will provide "that" WATER FOR AGRICULTURAL USE on the remainder parcel.

It's clear that a public agency has a fiduciary duty of trust to properly manage public funds, that the public has a right to that duty, and that adding \$26 million to the cost of a public works project where the only beneficiary of the extra cost is a private property owner adds up to Corruption. But wasting the public's money isn't the only loss for the public.

There are elements of corruption that are not that clear in this case.

The promises the City made in the MOU to pave the way for new development are land use decisions and it's the City's duty to make land use decisions at public hearings and the public has a right to participate in those decisions. But to make these promises in 2016, the City Council had to have already made the decisions to include the land in the Morro Bay sphere of influence, provide vehicle access opening the land for development, and give any agricultural grade water to THAT landowner to the exclusion of all other potential users and uses. These are huge decisions that will change the face of the community, made in private by the City Council for the benefit of a private property owner.

Finally, the City Council has a duty to protect natural resources and the public has a right to that protection. But the City even risks the health of the National Estuary for the benefit the landowner because the sewer plant site is on the bank of a drainage that flows under the Highway into the National Estuary and the Environmental Impact Report for the plant does not include analysis of the potential risks, such as spills, of running a sewage treatment plant on that hillside site.

According to Black's Law Dictionary, this is corruption.

Report on Malfeasance by the City of Morro Bay
Laundering the Illegal Secret Approval to
Expand the City's Sphere of Influence
On Behalf of Home Front Environmental Justice Morro Bay
By
Cynthia Hawley, Attorney

Sometime before October 25, 2016 the Morro Bay City Council decided to expand the City's Sphere of Influence (SOI) by about 400 acres without telling anybody about it.

The City has an official duty to follow the law and to provide full public participation in land use decisions. There was no noticed public hearing, no environmental review, and no general plan amendment to allow this SOI expansion. The laws were ignored and duties were evaded as if they didn't exist. The public be damned.

The land is at the end of South Bay Boulevard north of Highway 1 and is owned by Tri-W Enterprises. Thirty acres of it is where the City wants to build an oversized mega sewage treatment works.

The reason we know the Council members made this secret decision is because on October 25, 2016 they made a written deal with Tri-W Enterprises to carry it out. They not only agreed to apply to the Local Area Formation Commission (LAFCO) to expand the City's SOI to include the 400 acres, they also agreed to provide utilities to the 400 acres and vehicle access to the land from the City. Development of this land has been deadlocked for years for lack of utilities and access. Tri-W's lawyer who signed the deal is a LAFCO Commissioner.

And what did the City get in return? Nothing in the agreement except an option but an option to buy the 30 acres at full market value. But the City could buy the 30 acres at market value any time it wanted which reduces the "option to buy" to nothing more than a vehicle to launder the secret decision – to make the illegal secret decision appear to be legal.

Which is exactly what the City completed at their January 22, 2019 meeting. Camouflaged as a "Monthly Review", four Councilmembers illegally approved a formal resolution to apply to LAFCO to expand its Sphere of Influence to include the 400 acre Tri-W parcel. With no attempt to show any public benefit (because there is none), the reason the Councilmembers gave was.... that they signed an agreement to do it. Thus, the illegal secret decision surfaced into the light with the appearance of legality tucked into the resolution to apply for the Sphere of Influence expansion.

Is this a crime? Yes. For starters, malfeasance in office is a "high" crime under Article VII, section 8 of the California Constitution and under California Government Code

section 1021 a person is disqualified from holding any office upon conviction if it. Black's Law Dictionary says that malfeasance is "commission of some act which is positively unlawful" and "wrongful conduct which affects, interrupts, or interferes with performance of official duty".

No permit should be issued for development of the City's sewage treatment works because the City Councilmembers' secret decision to expand its Sphere of Influence, their illegal decision to apply to LAFCO for the SOI, and their evasion of public hearings to do both are integral elements of the purchase of the treatment works site.

Kahn, Kevin@Coastal

From: Linda Donnelly <lindald44@gmail.com>
Sent: Friday, July 05, 2019 4:58 PM
To: CentralCoast@Coastal
Subject: Public Comment on July 2019 Agenda Item Thursday 13a - Application No. 3-19-0463 (Morro Bay Water Reclamation Facility)

Dear Coastal Commissioners,

My husband and I have made Morro Bay our home now for 38 plus years.

We have seen many changes to our small fishing community of which is a population of about 10,000. But none as large and expensive as the project before you on July 11th, at the end of a long day with an extremely packed calendar and we assume will be a packed house?

We have followed this project now for years. We fought hard to inform our neighbors of how this will impact them, businesses, and especially their pocketbooks. We had a very large contentious Prop 218 vote. Have you heard about that debacle? That is one of the items in Section 30601, "...provided that public participation is not substantially impaired by that review consolidation." Well, we have been impaired to speak at every turn.

The City of Morro Bay and your staff would have you believe that you will be deciding on permitting the removal of the current WWTP, the outfall, and injection wells. However, at the city level there are no contracts with consultants to do any of this work yet. It has NEVER come before the citizens of Morro Bay. The current project before you is only 30% designed. Are you and The City of Morro Bay truly prepared to make a decision that has not been vetted locally by the County of San Luis Board of Supervisors, or even the County Planning commission.

The LAND IS NOT OWNED yet by the City. It is in County jurisdiction, and many many permits are needed. Somehow city Staff, county staff and commission staff have worked behind elected officials backs on this.

Please rethink this project and or bring it back to be heard at a later date.

Thank you,
Linda L. Donnelly
Morro Bay, CA

Sent from my iPad

THE STAFF REPORT CONTAINS IMPORTANT FALSE REPRESENTATIONS AND
THE ACTUAL PROJECT PLANS BY BLACK & VEATCH ARE NOT PROVIDED
Prepared for
HOME FRONT ENVIRONMENTAL JUSTICE AND LANDWATCH SAN LUIS OBISPO COUNTY
By
Cynthia Hawley, Attorney
July 10, 2019

I. The staff report contains apparently intentional false representations put forth to mislead both the public and the Commission.

Civil Code §1711 “Deceit upon the Public” states that “One who practices a deceit with intent to defraud the public is deemed to have intended to defraud every individual in that class, who is actually misled by the deceit.”¹ (See below for definition of “deceit”)

Page 11 of the staff report “Conditions of Approval” states:

“1. Revised Final Plans.The Revised Final Plans shall be substantially in conformance with the proposed plans (prepared by Black & Veatch (dated February 2019) and dated received in the Coastal Commission’s Central Coast District office on June 10, 2019)”

A. These are not “Final Plans” to be revised.

The assertion is not true. What is being proposed is that the City must generate plans that currently do not exist – including plans for visual appearance, landscaping, and storm water and drainage that will flow into and directly impact the Morro Bay National Estuary Marine Protected Area. By casting the generation of these project plans (that should have been prepared before applying for this permit) as “conditions of approval” the staff report proposes that they will be approved by Commission staff.

This tactic unlawfully denies public participation and unlawfully usurps the Commission’s decision making authority. The revision of “final” plans as conditions of approval is a false representation that implies that plans for these and other critical project elements already exist and need revision and that existing plans will be approved by this permit with public participation when they will not. This deceit upon the public is another method of unlawfully eliminating public participation in this project.

¹ Under Civil Code § 1710. Deceit is defined as either:

1. The suggestion, as a fact, of that which is not true, by one who does not believe it to be true;
2. The assertion, as a fact, of that which is not true, by one who has no reasonable ground for believing it to be true;
3. The suppression of a fact, by one who is bound to disclose it, or who gives information of other facts which are likely to mislead for want of communication of that fact; or,
4. A promise, made without any intention of performing it.

The fact that these plans do not exist yet also shows that the permit application is not complete, and that Commission staff wrongly and without authority filed the incomplete application which should be sent back to the City for completion as discussed more fully below.

B. The proposed plans attached to this staff report were not prepared by Black & Veatch and neither the public nor the Commission have been provided the Black & Veatch plans.

The original plans attached to this staff report bear the name of the Morro Bay Public Works Department and are entitled “Coastal Development Permit Application for Morro Bay New Water Reclamation Facility Project”. And, according to this application, it was submitted to the Commission’s Santa Cruz office on February 14, 2019 – not June 10, 2019. The later-submitted version was changed to add work on the effluent outfall in Commission original jurisdiction to justify consolidation.

The real Black & Veatch design-build plans are dated October 2018 and were approved by the City as Exhibit B to the contract with Black & Veatch to have the project engineered and built. The Black & Veatch plans are also described in the May 2, 2019 Basis of Design Memorandum.

Presumably, since the staff report clarifies that the Revised Final Plans shall be substantially in conformance with Black & Veatch plans (and the City has already contracted to have these plans built), it will be the plans cited above produced by Black & Veatch to which the “Revised Final Plans” – approved by Commission staff as conditions of approval – will be in substantial conformance. Not the plans attached to the staff report, which do not bear the name of Black & Veatch.

II. The Commission and the public have not seen the plans that staff wants the Commission to approve.

The Black & Veatch plans have not been provided to the public or the Commission. In fact, the Black & Veatch plans are referred to in the staff report only once and the only indication that it is these plans that the Commission would be approving is the statement that “The Revised Final Plans shall be substantially in conformance with the proposed plans (prepared by Black & Veatch)...”

The staff report recommends that the Commission approve a project without seeing or having access to the actual project plans.

These are the plans that disclose the fact – that is not disclosed anywhere else in any document before the Commission – that **this plant is designed with two headworks both of which have the capacity to process 8.14 million gallons of sewage a day.** According to the Black & Veatch plans, wet weather overflows will be treated by an additional system called SAFE. No reason other than “back up” has been provided for the second headworks.

And now the staff proposed “conditions of approval” direct the City to generate additional planning documents to be approved by Commission staff - never to be seen or reviewed by the public or the Commission. In this scenario **both the public and the Commission have been denied access to, and shut out of the review of, the project described in the Black & Veatch plans and the plans developed as “conditions of approval” to those plans.**

The preposterous finding that the designed capacity of this plant has no significant growth inducing impacts is based on the project EIR which omits the information about the second headworks and bases impact calculations on daily average flows of a single headwork at 2.75 million gallons a day.

The **staff report intentionally misinforms the reader – suggests as fact** – that what is attached to the staff report is the Black & Veatch plan to which the conditions of approval will be attached. But the reality is that the public and the Commission have never seen the Black & Veatch plans and consequently do not know that these plans are for two headworks both of which have the capacity to process 8.14 million gallons a day of sewage.

III. *The project Environmental Impact Report is not attached to the staff report.*

Not only do the Commission and the public not have access to the actual project plans, they also have not been provided access to the Project EIR which is not attached as an exhibit to the staff report. Where it is understood that the Commission operates with its own “functional equivalent” of CEQA review, without access to the project EIR it is not possible for the Commission or the public to review and assess the adequacy of the analyses and mitigation measures referred to in the staff report. For example, where the staff report claims that “... the proposed project includes a suite of archaeological protection measures” this suite of measures is not described in the project plans attached to the staff report and the EIR, where those mitigation measures presumably are described, is not provided. Land use decision makers must make findings that are supported by facts in the record and those findings cannot be made without access to the documents that provide those facts.

IV. *Permitting this project is premature.*

A. *The fundamental requirements for this permit have not been provided.*

Under Coastal Act §30412 the Commission is charged with limiting its review of this project to:

- (1) The siting and visual appearance of treatment works within the coastal zone.
- (2) The geographic limits of service areas within the coastal zone which are to be served by particular treatment works and the timing of the use of capacity of treatment works for those service areas to allow for phasing of development and use of facilities consistent with this division.
- (3) Development projections which determine the sizing of treatment works for providing service within the coastal zone.

1. The visual appearance has not even been designed yet and, under staff's plan, will be reviewed only by Commission staff as a "condition of approval" at some later post-permit date with no Commission or public review.
2. The geographic limits of the service area are misrepresented in the staff report since the record shows that the City intends to develop the approximately 370 acres from which the project site is to be subdivided and the staff report falsely limits the scope of service area review to the existing City limits. (See 7-5-19 report "The many reasons why the Morro Bay application must be denied.")
3. Obviously there are no development projections that determine the size of the plant because the size of the plant at a capacity of processing 8.14 million gallons a day by each of two headworks is not disclosed.

B. *The Executive Director filed the City's permit application in violation of Coastal Act Regulations §13056 and the application filing should be rescinded.*

Section 13056 of the Coastal Act Regulations authorizes the Commission's Executive Director to file a permit application **only** after finding it is complete.

"The executive director shall file the application only after reviewing it and finding it complete."

C. *The Executive Director does not have the authority to accept for filing a development permit application that is incomplete and the Commission's acceptance and filing of it should be rescinded as without authority.*

The application does not include the following **required** information:

1. legal lot verification.
2. Proof of legal interest in the property for both the on site and conveyance infrastructure.
3. planning level geotechnical report for conveyance infrastructure.
4. The site plans to which the application refers the reader either do not exist or are not legal plans signed and stamped by the engineer.
5. Verification of all other required regulatory permits, including those from:
California Dept of Fish and Wildlife
US Army Corps of Engineers
RWQCB Section 401 Certification
6. Stamped envelopes addressed to all property owners within 100 feet of any portion of the project, along with a list containing the names, addresses and APNs of these property owners. Envelopes must be plain, business-sized (9.5" x 4.125"), with first class postage on each. Metered postage is not acceptable.
7. Stamped addressed envelopes for all other interested parties to the project.

The project description does not include, among other things:

1. identification of collection system development on or adjacent to PG&E property

- and a wetland on that property.
- 2. a description of the coastal streams the collection system will cross and how the collection will cross those streams.
- 3. development of injection wells in the Morro Creek basin.

The application does not include the following, which were added by Coastal Commission staff and for which there has not been any local public participation in project description and no review for impacts to coastal resources.

- 1. demolition of the existing wastewater treatment plant and restoration of the site.
- 2. subdivision of the site.
- 3. work on the existing effluent ocean outfall.

According to the staff report, the project itself has not been planned and the following, among other plans, do not yet exist.

Recycled Water Management Plan.

Wastewater Treatment Plant Removal and Restoration Plan.

Outfall Assessment Plan.

Water Reclamation Facility (WRF) Approved Development Envelope.

Water Reclamation Facility Design.

Pump Stations and Related Development Design.

Construction Plan.

Storm water and drainage plan.

Facility architectural design plan.

Riparian Enhancement Plan.

- a) Baseline. A baseline assessment
- c) Non-Native and Invasive Removal. area.
- d) Landscape Screening.
- f) Monitoring and Maintenance.
- g) Reporting.
- h) Provision for Possible Further Action.
- i) Restoration Completion.

Agricultural Mitigation Program.

Archaeological protection – development of additional mitigation measures.

V. The plans provided are not lawful because they do not include the signature and license number of the engineer.

Business and Professions Code §6735 requires that “**All** civil (including structural and geotechnical) engineering plans, calculations, specifications, and reports ... shall be prepared by, or under the responsible charge of, a licensed civil engineer and **shall include his or her name and license number**. Interim documents shall include a notation as to the intended purpose of the document, such as “preliminary,” “not for construction,” “for plan check only,” or “for review only.””

None of the plans include the name and license number of the engineer and the text does not include a name and license number of an engineer or even the name of the preparing agency or engineering firm.

CALIFORNIA COASTAL COMMISSION

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



Th13a

CDP 3-19-0463 (MORRO BAY WATER RECLAMATION FACILITY)

JULY 11, 2019 HEARING

CORRESPONDENCE

From: [Fred Collins](#)
To: Kahn, Kevin@Coastal
Subject: RE: Morro Bay Water Reclamation Facility Project
Date: Tuesday, June 04, 2019 7:07:33 AM

Hello Kevin,

NCTC has had the chance to meet with the City of Morro Bay concerning the Waste Water project. NCTC and the City of Morro Bay are on the same page, the project is moving forward, our concerns have been addressed and NCTC is working with the City to make this project a success. Thank you for following up on this project.

Fred Collins
NCTC

From: Kahn, Kevin@Coastal [mailto:Kevin.Kahn@coastal.ca.gov]
Sent: Wednesday, May 15, 2019 8:53 AM
To: fcollins@northernchumash.org
Subject: RE: Morro Bay Water Reclamation Facility Project

Sounds good. Thank you.

From: Fred Collins [mailto:fcollins@northernchumash.org]
Sent: Wednesday, May 15, 2019 5:36 AM
To: Kahn, Kevin@Coastal
Subject: RE: Morro Bay Water Reclamation Facility Project

Hello Kevin,

It is accurate, but, need to circle back to make sure, will check with the City and get back to you, thank you.

Fred Collins
NCTC

From: Kahn, Kevin@Coastal [mailto:Kevin.Kahn@coastal.ca.gov]
Sent: Monday, May 13, 2019 3:01 PM
To: fcollins@northernchumash.org
Subject: Morro Bay Water Reclamation Facility Project

Hello Fred, hope you are doing well. I'm reaching out to you regarding the proposed Morro Bay Water Reclamation Facility project. It's my understanding that you had previously identified concerns related to pipeline construction impacts on tribal resources. However, you and the City came to agreement on pipeline alignment alternatives and mitigation measures. Thus, the Northern Chumash now supports the project with these changes.

Is this all still accurate? Please let me know when you can. I'm also happy to discuss any other project issues/questions you may have. We're planning on bringing the project forward to the

Commission in July in San Luis Obispo, so please let me know of any concerns beforehand so we can address them.

Thanks!

Kevin Kahn
District Supervisor
Central Coast District Office
California Coastal Commission
725 Front Street, Suite 300
Santa Cruz, CA 95060
(831) 427-4863

From: [Cynthia Hawley](#)
To: [Turnbull-Sanders, Effie@Coastal](#); [Brownsey, Donne@Coastal](#); [Aminzadeh, Sara@Coastal](#); [Vargas, Mark@Coastal](#); [Ryan Sundberg@coastal.ca.gov](#); [Peskin, Aaron@Coastal](#); [Groom, Carole@Coastal](#); [Howell, Erik@Coastal](#); [Uranga, Roberto@Coastal](#); [Padilla, Stephen@Coastal](#)
Cc: [Kahn, Kevin@Coastal](#); [Carl, Dan@Coastal](#); [Schwartz, Noaki@Coastal](#); [Ainsworth, John@Coastal](#)
Subject: Corruption in Morro Bay must be addressed locally consolidation should not be allowed
Date: Friday, May 31, 2019 2:10:55 PM
Attachments: [Corruption in Morro Bay must be addressed locally.pdf](#)

This email has been provided to staff.

Dear Chairwoman Bochco and Commissioners,

In the case of permitting the City of Morro Bay's proposed treatment works, consolidation means more than the primary **denial of four out of the five** public opportunities to participate in this decision-making process at local City and County hearings. Consolidation also impairs public participation by **eliminating the only permit hearings - local hearings - where project issues over which the Commission has no authority can be raised.**

Attached is a short document called "Corruption in Morro Bay Must Be Addressed Locally". It provides a documented example of one way the City of Morro Bay evades public hearings by making land use decisions by contracting to carry them out.

The example described is the City's option to buy land for its proposed treatment works. Buried in the option agreement, and deceptively undisclosed in the agenda notice and staff report, are major land use decisions made by agreement to carry them out, strictly for the benefit of the landowner.

The invalidity of this deceptive option to buy the project site and of the land use decisions buried in it are coastal development permit matters over which the Commission has no authority.

These and other project-related issues including protection of public health and safety, public deceptions by omission of material information, falsification of public record documents such as the project EIR, Brown Act violations, mismanagement of public project funds, and misappropriation of water and sewer rate money can only be addressed at local public hearings where the scope of review is beyond Coastal Act and LCP consistency.

The attached account shows how this land-use-decision-by-contract gained the appearance of propriety and sheds light on why the City of Morro Bay welcomes elimination of local public hearings by consolidation.

We ask you to not consent to, or agendize the proposed July consolidated hearing.

Thank you for your dedication and your attention to this matter.

Cynthia Hawley

[Cynthia Hawley, Attorney](#)

P.O. Box 697

Morro Bay, CA 93443

cynthiahawley@att.net

Phone: (805) 776-5102

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Consolidation would obstruct the people's right and opportunity to fight corruption

Submitted to the Coastal Commission by
Citizens for Affordable Living
Home Front Environmental Justice Morro Bay
LandWatch San Luis Obispo County

Land use decision-making at the City of Morro Bay is an undercover affair. Various methods are used to evade public hearings and one of the City's favorites is making land use decisions by contracting to carry them out. Here's an example.

In October 2016 the City Council selected a site for its planned treatment works by entering into an ["option to buy"](#) 27 acres of a 396-acre undeveloped landlocked parcel outside City limits owned by Tri-W Inc. This site raises the cost of the project by at least \$26 million for the pumps and pipes to pump raw sewage three miles uphill. The only beneficiary of locating the plant on that site is the landowner, at the public's expense.

The "option to buy" includes, among other things, the following additional land use decisions, which were **not disclosed in the [agenda notice and staff report for the agreement](#)**:

- To apply to the Local Area Formation Commission (LAFCO) to include the 396-acre unincorporated Tri-W parcel in Morro Bay's Sphere of Influence (SOI).
- To assist in getting vehicle access to the now land-locked parcel.
- If the City uses its recycled water for agriculture, to provide "that" water to the Tri-W land.

How can the City get away with making these **major land use decisions** in a contract?

On the City Council's [January 22, 2019 meeting agenda](#), a resolution to apply to LAFCO to expand the City's sphere of influence to include the Tri-W 396 acres was camouflaged as a "Business" item "Monthly Review". Four Councilmembers approved it. The finding to support the resolution to expand the City's SOI was that **the City signed an agreement to do so**. Thus, the illegal land use decision by contract was laundered – it was brought into the light with the appearance of legality tucked into the resolution. Future reliance on the integrity of the public record will indicate that the resolution was properly approved and the LCP may be amended to carry out what has already been decided.

These acts are crimes. There is deceit by omission of information from staff reports and a misdemeanor under the Brown Act. Falsification of public record documents (by omission) is a felony under Penal Code 115. Malfeasance in office is a "high" crime under Article VII, section 8 of the California Constitution and under California Government Code section 1021 a person is disqualified from holding any office upon conviction of it. Black's Law Dictionary defines malfeasance as "commission of some act which is positively unlawful" and "wrongful conduct which affects, interrupts, or interferes with performance of official duty".

The invalidity of the purchase agreement is a permit issue that must be addressed by the City and County. The Commission lacks the authority. Elimination of local public hearings would obstruct and deny the Peoples' right and opportunity to address local corruption and we ask you not to do it.

This document has been provided to Coastal Commission staff.

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Letter to CCC Staff and Commissioners re: Morro Bay Sewage Treatment
Date: Monday, April 22, 2019 9:17:55 AM

FYI

From: Linda Seeley [mailto:lindaseeley@gmail.com]
Sent: Saturday, April 20, 2019 10:56 AM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Ryan.Sundberg@coastal.ca.gov; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal; Carvill, Sarah@Coastal
Subject: Letter to CCC Staff and Commissioners re: Morro Bay Sewage Treatment

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make major revisions to the project post-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes. These were not included in the FEIR for evaluation and mitigation.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on non-EIR reviewed areas.

There are only 2 routes in and out of the community of Los Osos.

The new route negatively affects traffic circulation, getting into and out of Los Osos over the course of construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

There is an alternative route.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

I request:

1. To be heard locally by people I know and who know the area.
2. A County hearing to know all the implications of this project and give my input.
3. The County to weigh in on impacts to County residents with appropriate mitigation.
4. An appeal route to the CCC.

Please allow the process to follow normal routes and procedures.

Thank you.

Linda Seeley

Los Osos

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Objection to Consolidated Permitting Process for the Morro Bay Water Reclamation Facility
Date: Monday, April 22, 2019 9:17:04 AM

FYI...

From: Dan Sedley [mailto:roadrunner1_1@yahoo.com]
Sent: Sunday, April 21, 2019 1:36 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Ryan.Sundberg@coastal.ca.gov; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Carvill, Sarah@Coastal; Padilla, Stephen@Coastal
Subject: Objection to Consolidated Permitting Process for the Morro Bay Water Reclamation Facility

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

City has yet to hold one public hearing at either the city planning commission or city council. There is no project description except in the design-build contract.

City has yet to purchase the property.

Financing is not in place.

Ratepayer's cost is above the EPA's affordability index.

There has been no County hearing though the property is in the County.

County Supervisors did not vote to eliminate a hearing; their staff made that decision.

Adjacent unincorporated communities have not known to weigh in on traffic circulation disruption during construction.

Morro Bay is a recognized disadvantage community due to our low incomes.

The City has been working on this particular project for 5 years and has yet to hold one hearing.

To many unanswered questions and changing parts.

No plan for daily emergency vehicles to and from the elderly residential care facility while the WRF is being built near it.

No plan for emergency exit of the area during construction should a Diablo nuclear power plant alert occur.

Significant parts of this segmented project have been changed since the FEIR; City is not redoing the EIR for these land use changes.

Desired relief.

I want my voice heard locally by people I know and who know the area.

I want the County to weigh in on impacts to County residents.
I want an appeal route to the CCC.
If you consolidate the permit hearings into one, there is no appeal.
The Public should not have to go to court after only 1 hearing

I have lived here 33 years. Where is environmental justice for the low income?

I request you allow the process to follow normal routes and procedures.

Sincerely,

**Dan Sedley
3300 Tide Avenue
Morro Bay, CA, 93442
805-772-7327**

From: [Carvill, Sarah@Coastal](mailto:Carvill_Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn_Kevin@Coastal)
Subject: FW: Quintana Pipe Route - Copies of the letter herein have been sent to CCC Staff
Date: Thursday, April 11, 2019 9:20:39 AM

As mentioned earlier!

From: McKenzie Nichols [mailto:mckenzenichols@yahoo.com]
Sent: Wednesday, April 10, 2019 12:29 PM
Subject: Quintana Pipe Route - Copies of the letter herein have been sent to CCC Staff

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

Division 20. Ca Coastal Act 30006. "The Legislature further finds and declares that the public has a right to fully participate in decisions affecting coastal planning, conservation, and development; that achievement of sound coastal conservation and development is dependent upon public understanding and support; and that the continuing planning and implementation of programs for coastal conservation and development should include the widest opportunity for public participation."

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one permit hearing.**

The only hearing was for the EIR, with no accompanying permit hearing.

There has not been a hearing at the County though the project site is in the County.

The County Board of Supervisors has yet to vote on whether to go along with consolidation.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised the route where they will underground the 3 pipes, and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on land not previously reviewed in the FEIR.

Three major intersections will be disrupted: Hwy 1/Hwy 41, Hwy 1/Main St., Hwy 1/S. Bay Blvd

A major business district--Quintana Rd and part of Main St--will be torn up with the City on record stating it will not keep one lane open for businesses over the period of a year.

We are a small, family-owned, business on Quintana. If both lanes were closed for an extended period our business could not survive. We need a chance to be heard during the permit process so our concerns can be addressed.

An alternative route exists on the east side of Hwy 1; it limits traffic circulation disruption with no impact to the business district, but the city council turned it

down.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief: Allow the process to follow normal administrative procedures which include public involvement at each level of government.

Sincerely,

McKenzie Nichols and Joseph Nichols (Owners)

Joe's Surfboard Shop
362 Quintana Road
Morro Bay, CA 93442
OPEN M-SAT 10-5
Phone 805.225.1905

<http://www.joes-surfboard-shop.com>

<https://www.facebook.com/pages/NSL-Surfboards/366403870134786>

Instagram: @joessurfboardshop

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From: [Cynthia Hawley](#)
To: [Brownsy, Donne@Coastal](#); [Turnbull-Sanders, Effie@Coastal](#); [Aminzadeh, Sara@Coastal](#); [Vargas, Mark@Coastal](#); [Ryan.Sundberg@coastal.ca.gov](#); [Peskin, Aaron@Coastal](#); [Groom, Carole@Coastal](#); [Howell, Erik@Coastal](#); [Uranga, Roberto@Coastal](#); [Padilla, Stephen@Coastal](#)
Cc: [Kahn, Kevin@Coastal](#); [Warren, Louise@Coastal](#); [Ainsworth, John@Coastal](#); [Carl, Dan@Coastal](#); [Chalmers, Erin@Coastal](#); [Cheddar, Ann@Coastal](#); [Cuffe, Kelly@Coastal](#); [Garske, Lauren@Coastal](#); [Engel, Jonna@Coastal](#); [Dettmer, Alison@Coastal](#); [Kate.Huckelbridge@coastal.ca.g](#); [Luster, Tom@Coastal](#); [Mayer, Robin@Coastal](#); [Ng, Michael@Coastal](#); [Reed, Jessica@Coastal](#); [Teufel, Cassidy@Coastal](#)
Subject: This email has been provided to staff. Consolidation of Morro Bay's treatment works CDP should be decided by the Commission.
Date: Sunday, April 07, 2019 4:42:52 PM
Attachments: [REPORT THE COMMISSION SHOULD DECIDE WHETHER TO CONSOLIDATE.pdf](#)

Dear Commissioners,

I write on behalf of Citizens for Affordable Living, Home Front Environmental Justice Morro Bay, and LandWatch San Luis Obispo County. These organizations and their supporters strongly protest the City of Morro Bay's proposed sewage treatment works.

Coastal Act section 30601.3 allows consolidation only where it will not substantially impair public participation.

Even though the project is highly contested, Home Front EJ Morro Bay was informed that staff decided to consolidate four local hearings into a single hearing on the treatment works CDP by the Commission.

The attached report contains facts and legal analyses showing why the Commission, instead of staff, should make the decision as to whether consolidation may occur in this case, and a request that you place this proposed consolidation on the July meeting agenda for the Commission to decide.

The report has four sections:

- I. Elimination of local public hearings would be an unlawful denial of
 - a) the public's statutory right to full participation in coastal decisions
 - and b) the public's Constitutional procedural due process right to opportunities to exercise that full participation.
- II. The Legislature did not authorize the Commission's executive director to make the decision on his or her own whether consolidation may or may not occur.
- III. The City of Morro Bay has systematically excluded opportunities for public participation in this project by improperly noticed decisions and making private, closed door decisions.
- IV. **There is no rush.** The record and this report show that the City of Morro Bay has significant work to do before it will be ready to apply for a CDP from any agency.

Thank you for your dedication and your consideration of this matter.

Sincerely,

Cynthia Hawley

Cynthia Hawley, Attorney

P.O. Box 697

Morro Bay, CA 93443

cynthiahawley@att.net

Phone: (805) 776-5102

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A Report to the California Coastal Commission on Consolidation

The Decision Regarding Elimination of Four Local Public Hearings For Permitting the City of Morro Bay's Proposed Treatment Works Should be Made by the Commission

Prepared on behalf of

**Citizens for Affordable Living
Home Front Environmental Justice Morro Bay and
LandWatch San Luis Obispo County**

By

Cynthia Hawley, Attorney

Coastal staff informed Home Front EJ Morro Bay that four public hearings and decisions on the highly contested treatment works proposed by the City of Morro Bay will be eliminated and consolidated into a single hearing and decision by the Coastal Commission under Coastal Act §30601.3. No reason other than streamlining the process was given. No finding has been made that the consolidation would **not** cause substantial impairment of public participation as required by §30601.3.¹ We are told that this consolidated hearing on the single coastal development permit for the Morro Bay treatment works will take place at the Commission's July meeting. The purpose of this report is to demonstrate why the decision of whether consolidation may occur under the statute must be made based on testimony at a Coastal Commission meeting and to **request that the Commission schedule the issue for the July meeting in San Luis Obispo**. This report is divided into four issues.

- I. Elimination of local public hearings would be an unlawful denial of the public's statutory right to full participation in coastal decisions and Constitutional procedural due process right to opportunities to exercise that full participation.
- II. The Legislature did not authorize the Commission's executive director to make the decision whether consolidation may or may not occur under §30601.3.
- III. The City of Morro Bay has systematically excluded opportunities for public participation in this project: Its decision to omit reclamation from the project was not properly noticed. Its decisions to re-include reclamation, to select the site, to buy the site, and to add expansion of the City's sphere of influence as an element of the purchase of the site were made privately, behind closed doors.
- IV. **There is no rush.** The record shows that the City of Morro Bay has significant work to do before it will be ready to apply for a CDP from any agency.

¹ Section 30601.3:(a) Notwithstanding Section 30519, the commission may process and act upon a consolidated coastal development permit application if both of the following criteria are satisfied: (2) **The applicant, the appropriate local government, and the commission, which may agree through its executive director, consent to consolidate the permit action, provided that public participation is not substantially impaired by that review consolidation.**

A Report to the California Coastal Commission on Consolidation

I. *The public has the statutory right to full participation and the Constitutional procedural due process right to exercise that right at public hearings.*

California provides strict protections of statutory public rights and constitutional procedural due process rights and prohibits denial of these rights. For that reason, elimination of public hearings through consolidation under Coastal Act §30601.3 is allowed “**only**”..... “...provided public participation is not substantially impaired **by that review consolidation.**”² The decision as to what amounts to substantial impairment by consolidation needs to be determined based on testimony by the appointed decision makers.

A. *By legislative declaration Californians have the statutory right to full participation in the land use decisions in the coastal zone.*

Coastal Act §30006 confers on the public the statutory “...**right to fully participate in decisions affecting coastal planning, conservation, and development**”. A governmental purpose of this right is “...that achievement of sound coastal conservation and development is dependent upon public understanding and support...”

B. *Procedural due process requirements protect the public’s right to the opportunity to fully participate.*

“Procedural due process under the California Constitution... extends potentially to **any statutorily conferred benefit**”³ In this case that right is full participation in coastal development decisions – a right that has been systematically denied by the City of Morro Bay as shown below.

Procedural due process means that where the public has a statutory right to full participation, the **public has a right to the procedural opportunities to fully participate. Where the right exists, the public has the right to exercise it.**⁴

According to the Court in Conejo “....due process analysis under California law focuses simply on what process is constitutionally required given the governmental and private interests at issue.” (See footnote 3)

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² For purposes of correction it should be noted that at the Coastal Commission’s March 8th meeting, Coastal staff materially misstated section 30601.3 by omitting the statutory requirement that consolidation may occur only where “...public participation is not substantially impaired **by that review consolidation**” and misstating that consolidation is determined by “...whether the local government **had provided adequate opportunity** for participation at the local level.”

³ *Conejo Wellness Ctr., Inc. v. City of Agoura Hills*, 214 Cal. App. 4th 1534, 1562

⁴ *People v. Ramirez*, 25 Cal. 3d 260, 275, 599 P.2d 622, 631–32 (1979)

A Report to the California Coastal Commission on Consolidation

In this case, note that under §30006 **the governmental interest depends on realization of the public interest**: “...achievement of sound coastal conservation and development [that] is dependent upon public understanding and support...” is realized through the public’s “...right to fully participate in decisions affecting coastal planning, conservation, and development”.

C. Coastal Act section 30601.3 provides the constitutionally required process to satisfy both the governmental and public interests.

The obvious solution is to simply obey §30601.3 by allowing elimination of local public hearings by consolidation **“only”**..... “...provided public participation is not substantially impaired by that review consolidation.” See footnote 1 above for the text.

To conform to section 30006, “substantial impairment” **must** mean at least impairment of the statutory right to **fully participate** in coastal development decisions. To conform to procedural due process under the California Constitution, “substantial impairment” **must** mean impairment of the opportunity to fully participate in public hearings where coastal development decisions are made. **The statutory right to full participation exists and the public has the Constitutional procedural due process right to exercise that right at public hearings.**

It is the Coastal Commission that should decide whether consolidation would cause “substantial impairment”.

Where opposition to a development project exists, elimination of local public hearings would deny those in opposition their statutory and Constitutional procedural due process rights to full participation in that coastal development decisionmaking process.

Streamlining the process to save time and/or money for the agencies is not a ground on which the Coastal Commission may deny these statutory and constitutional rights.

II. The Coastal Commission’s executive director is not authorized by Senate Bill 1843 or §30601.3 to eliminate local public hearings through consolidation on his or her own.

When the Legislature intends to authorize the Coastal Commission’s executive director to carry out certain duties, it says so directly and clearly... Here are two examples:

- Section 30354 states that “The executive director of the commission shall review and evaluate each claim submitted pursuant to this article.”
- Under section 30716 “The executive director may determine that a proposed certified port master plan amendment is de minimis....” under certain conditions.

A Report to the California Coastal Commission on Consolidation

The legislative analyses do not state that the executive director shall or may eliminate local public hearings through consolidation. Neither does the statute. (See footnote 1)

The Legislative Counsel's Digest on SB 1843 makes no mention of authorizing the executive director to determine whether consolidation will occur. It simply states the requirement that "...the applicant, local government, and **commission** agree to consolidation."⁵ This is straightforward.

The Senate Rules Committee Analysis of SB 1843 mirrors the Legislative Counsel's Digest with the requirement that "The Commission, local government, and applicant must agree to use a consolidated permit." Again, there is no mention of staff involvement in the decision to agree to consolidation.

As codified, §30601.3 does not say that the executive director shall or even may decide whether consolidation will occur. If this had been the intent, surely the legislature would have expressed it clearly, obviously and directly – especially when critical citizen rights are involved.

And it is clear from the words in §30601.3 that whether the executive director is to be involved in the decision to eliminate local public hearings is discretionary with the Commission – which **may** agree through its executive director. While what amounts to agreeing through the executive director is not clear, **what is clear is that the executive director is not authorized on his or her own to eliminate the people's statutory and constitutional rights to local public hearings through consolidation.**

At the Commission's March 8, 2019 meeting on Environmental Justice, staff clarified that "... the Commission typically does not agree to permit consolidation if there is opposition to the project" and "the Commission makes these determinations on an individual basis...". This is what we are asking the Commission to determine.

III. The City of Morro Bay systematically uses multiple evasive procedures to eliminate and reduce public participation in coastal land use decisions.

The City uses various methods to eliminate and reduce public participation in land use decisions. The City Council makes undisclosed / secret decisions, provides misleading agenda notices to conceal decisions, and approves projects or project elements by budgeting funds for them or contracting to have them carried out. Examples of illegal decisions related to this treatment works project involve Coastal Act and General Plan violations, misdemeanor Brown Act violations, constitutional misappropriation of funds,

⁵ "This bill would authorize the commission to process and act upon a consolidated coastal development permit application when a proposed project requires a coastal development permit from both a local government with a certified local coastal program and the commission, and the applicant, local government, and commission agree to consolidation."

A Report to the California Coastal Commission on Consolidation

felony falsifications of public record documents under Penal Code §115, malfeasance, and deception. Here are some examples.

Reclamation was approved behind closed doors⁶. Agendized as a “business item” and with no notice or hearing, the City Council voted unanimously on April 25, 2017 to *exclude water reclamation* as part of the sewer project and to spend money only on secondary and possibly tertiary wastewater treatment.⁷ In a May 25, 2017 public record letter, the City Council astonishingly claimed that it did not take this action and began contracting to spend millions on the reclamation facility without any public decision to approve it.

The City Council approved the project site in a series of disguised and secret decisions.

After a public records act request, it was mid-2018 when the City’s October 25, 2016 option to buy 27 acres of a 400-acre parcel from property owner Tri-W Inc. came to light. This memorandum of understanding (MOU) was noticed on the City Council’s October 11, 2016 meeting agenda as a “Business Item”. The staff report did not disclose the terms of the MOU including the City’s agreement to apply to the Local Area Formation Commission (LAFCO) to expand the City’s sphere of influence (SOI) to include the whole 400 acres and provide vehicle access to this now-landlocked parcel. This was a major land use decision made behind closed doors.

The City Council illegally executed the option to buy in closed session. On October 15, 2018 the City Council secretly decided to execute the option to buy the property in a closed session meeting that was agendized falsely as “negotiation: price and terms of payment” and was recorded falsely in the meeting minutes as “no reportable action”.

In an October 26, 2018 letter to Tri-W attorney Marshall Ochylski (also LAFCO commissioner), the City Manager confirmed that the Council “decided to exercise its option to purchase the property” at the closed session meeting and stated that “The City looks forward to completing this purchase as soon as possible....”.

The City Council unlawfully decided to apply to LAFCO to expand its sphere of influence disguised on the agenda as a business item. Camouflaged as a “Monthly Review” “Business Item” on the City Council’s January 22, 2019 meeting agenda, the City Council made another major land use decision to apply to LAFCO to expand its sphere of influence based on the single finding that they had agreed in the MOU to do so.⁸ Selection of this site benefits **only** Tri-W Inc. and provides no public benefit that other sites do not offer.

⁶ “Deliberation in this context connotes not only collective decisionmaking, but also ‘the collective acquisition and exchange of facts preliminary to the ultimate decision.’” *Frazer v. Dixon Unified Sch. Dist.* (1993) 18 Cal. App. 4th 781, 794.

⁷ <https://www.youtube.com/watch?v=zVTEyxRSgws> at time 5:24:00 to 5:34:40

⁸ Expansion of the SOI is an integral element of the project at this site since purchase of the 27 acres is contingent on it. This information is omitted from the EIR, which makes a finding of no significant growth inducing impacts.

A Report to the California Coastal Commission on Consolidation

Acting without authorization, City staff signed an amendment of the MOU. On February 4, 2019 City staff, without Council approval,⁹ executed an amendment of the MOU stating that the “City and Tri-W shall enter into a purchase and sale agreement” for the property.

Since there was no public record of the City Council’s October 15, 2018 closed session decision to buy the property, the public didn’t find out about it until the February 13, 2019 Council meeting. That night the City Attorney falsely reported that “the City **properly** provided a timely notice to Tri-W in October of last year of the City’s intention to exercise its option to purchase the property... .”

A. The City of Morro Bay’s systematic evasion of public participation in coastal planning and development decisions is an ongoing pattern of abuse.

The above series of events is not the exception. It’s business as usual. The record shows multiple general plan / LCP amendments agendized and approved as “business items” and even one as a “consent item”.¹⁰ Approval of a project in the Coastal Commission’s original jurisdiction to “restore” a bank near the mouth of Morro Creek with rip rap was made by approving the budget to pay for it.¹¹ There were no public hearings for any of these – no findings of consistency with the LCP, no environmental review.

Now the City of Morro Bay wants to involve the Coastal Commission in its evasion of public participation in this coup d’état of public exclusion from the coastal decisionmaking process for the most expensive and most impactful public works project in the City’s history. Consolidation would:

1. Deny statutory and constitutional rights to public participation.
2. Limit the opportunity to develop the administrative record to the Commission’s single hearing at which all non-LCP issues would also have to be raised.
3. Limit issuance of the CDP to LCP consistency with no consideration of local issues such as cost, Brown Act violations, misappropriation of public funds etc.
4. If the Coastal Commission approved the CDP, expose the Commission to writs of mandate for abuses of discretion for errors such as permitting a project where findings of LCP consistency **are not/will not be** backed up with facts in the record.

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⁹ March 22, 2019 email from City Clerk.

¹⁰ See <http://www.morrobayca.gov/ArchiveCenter/ViewFile/Item/4216> (C-2)

<http://www.morrobayca.gov/ArchiveCenter/ViewFile/Item/4361> (C-3)

<http://www.morrobayca.gov/ArchiveCenter/ViewFile/Item/4495> (A-3)

¹¹ http://morrobayca.gov/DocumentCenter/View/12082/FY-2018_19-Adopted-Operating-and-Capital-Budget Search for “restoration”.

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- IV. There is ample time for both sides to be heard on consolidation because, according to City staff at the March 26, 2019 Council meeting, the City is significantly unprepared to submit a CDP application.***

At the March 26, 2019 City Council meeting, staff clarified that:

- The City does not own the property.
- There is complete project description. The City has only “a preliminary draft of the basis of design report and 30% design drawings.”
- The City’s Water Reclamation Facility Citizen Advisory Committee will not be reviewing the 30% design until a special meeting in April.
- Whether reclamation is even feasible is not known because:
 - The capacity of the groundwater basin to receive injected reclaimed water will not be known until this fall, the “September time period”, and
 - No tracer test has been done to determine if the mandatory underground travel time for the injected water is possible at the selected site.
- The analysis of possible impacts of long term pumping and injection related to salt water intrusion and the movement of nitrates within the lower Morro groundwater basin have not been completed.
- A subsequent EIR is required.¹²
- The City has still not produced a baseline program for a project schedule or a budget for the project (even though over \$1 million has been paid to the design/build contractor).
- There is an unresolved question of whether the City’s hiring of the firm of Black & Veatch for both development of the basis for design (the Facilities Master Plan) and construction of the project is illegal.

Based on all of these reasons and on behalf of their supporters, Citizens For Affordable Living, Home Front Environmental Justice Morro Bay, and LandWatch San Luis Obispo County, request that the Commission schedule a hearing for its July 2019 meeting in San Luis Obispo at which the parties may provide testimony for the Commission’s decision on consolidation under Coastal Act §30601.3.

¹² The EIR does not apply to the currently known project. For example, it makes the finding that the project will cause no significant growth inducing impacts based on a plant capacity of .97 million gallons of sewage a day while the plant the City contracted to have built has two head works each of which has the capacity to process 8.14 MGD.

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: City of Morro Bay Water Reclamation Project-
Date: Tuesday, April 02, 2019 10:37:22 AM

From: Dorothy Cutter [mailto:dcutter738@gmail.com]
Sent: Saturday, March 23, 2019 12:06 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Vargas, Mark@Coastal; Aminzadeh, Sara@Coastal; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal
Cc: Carvill, Sarah@Coastal
Subject: City of Morro Bay Water Reclamation Project-

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one CDP hearing.**

The project has been segmented, but still not one permit hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision. Now it is scheduled for the end of April.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction. Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1

and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal. The Public should not have to go to court after only 1 hearing.

I have lived here 33 years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.

Dorothy Cutter

290 Cypress Ave.

Morro Bay, Ca. 93442

805-772-7232

<http://www.dorothycutter.com>

send to: dcutter738@gmail.com

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Consolidation of WRF Hearing (Same letter also being sent to CCC staff)
Date: Tuesday, April 02, 2019 9:06:12 AM
Attachments: [2019 03-27 Letter to CCC re WRF.pdf](#)

From: David & Monique [mailto:nelsonswest@charter.net]
Sent: Saturday, March 30, 2019 4:36 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Padilla, Stephen@Coastal; Carvill, Sarah@Coastal
Subject: Consolidation of WRF Hearing (Same letter also being sent to CCC staff)

Attached please find our letter in its entirety, the body of which is pasted below:

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). This means there will be one hearing instead of five, with no administrative appeal. Your approval to consolidate would deny us of our right to fully participate in the permit application process guaranteed by the Coastal Act.

We object to consolidating this permit.

The City has been working on this particular project for five years and has yet to hold one hearing.

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

The County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make major revisions to the project post-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to merely be an addendum to the FEIR, rather than a new evaluation even though they are located on areas not reviewed in the EIR.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected include nearby residents, business owners, commuters, and tourists. Emergency vehicles will be impeded. Also impacted will be school bus routes, public bus

routes, emergency vehicles, and Diablo Nuclear Power Plant emergency evacuation routes.

Three major intersections in and just outside of Morro Bay will be disrupted: Highways 1 and 41; Highway 1 and Main Street; and Highway 1 and South Bay Boulevard.

Morro Bay is recognized as a disadvantaged community due to our low incomes.

The ratepayer's cost is above the EPA's affordability index.

We citizens of Morro Bay deserve to be heard at every government level and allowed to present evidence and testimony. The permitting process should not be consolidated and ushered to the top (CA Coastal Commission) where administrative appeal is not available. Such a decision would prevent the public from participating fully in the decision-making process and circumvent the intent of the Coastal Act. This is especially true if the CCC hearing is not held in San Luis Obispo County.

Too many unanswered questions exist concerning the project -- including the project description, land purchase, and financing -- for the hearing process to be abbreviated.

Desired Relief:

We want our voices heard locally by people we know and who know the area. We want to exercise our rights to provide evidence and testimony for consideration as part of the permitting process.

We want the County to weigh in on impacts to County residents with appropriate mitigation.

We want an appeal route to the CCC. If you consolidate the permit hearings into one, there is no appeal. The only recourse would be to go to court. The public should not have to go to court after only one hearing.

We have lived here over 30 years. Where is environmental justice for low income residents?

We ask that the Commission deny the City of Morro Bay's request to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). We further request you allow the process to follow normal routes and procedures.

Sincerely,

David and Monique Nelson
2580 Juniper Avenue
Morro Bay, CA 93442
805-772-2524

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: City of Morro Bay Sewer Project, Consolidating Permits
Date: Tuesday, April 02, 2019 9:04:53 AM
Attachments: [3312109Letter2CCC.docx](#)

From: Kristen Headland [mailto:donkris@charter.net]
Sent: Sunday, March 31, 2019 11:41 PM
To: Carvill, Sarah@Coastal
Subject: City of Morro Bay Sewer Project, Consolidating Permits

Hello,

Attached you will find the letter below. Thank you for your time regarding this important matter! Respectively

**Subject: Consolidate Permitting Process Proposed Water Reclamation Facility
PLEASE DENY A CONSOLIDATED PERMIT**

The California Coastal Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal.

For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for 5 years and has yet to hold one Coastal Develop Permit hearing.

The project has been segmented, but still not one application permit hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision. Suddenly, it is scheduled for the end of April.

The City continues to make major revisions to the project post-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a recognized disadvantage community due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief:

I want my voice heard locally by people I know and who know the area.

I want the County to weigh in on impacts to County residents with appropriate mitigation.

I want an appeal route to the California Coastal Commission.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I'm a thirty year homeowner of Morro Bay. I have attended many City Council meetings, Planning Commission meetings, workshops and public presentations regarding the proposed sewer project. I've attended all of these meetings to find out first-hand what the city is proposing for a new sewer plant.

This letter is to inform you of strong community opposition to the currently proposed Morro Bay Water Reclamation Facility. The feasibility and costs associated with the project remain largely uncertain. According to the City of Morro Bay, 1,832 residents opposed recently approved water/sewer rate hikes for a project that remains a large hypothetical at best.

The currently proposed Water Reclamation Facility is sited dangerously close to a national estuary. Any and all discharge from the facility will enter the estuary and endanger habitat at the Morro Bay National Estuary. This comes after the neighboring community of Los Osos was largely responsible for over three decades of nitrate pollution into the estuary from dilapidated septic tanks.

The City has commissioned feasibility studies for injection wells near the proposed site. This would help determine whether it's possible for water reclamation to successfully occur at a retention rate suitable for "water independence." However, our clay-based aquifer and excess nitrate concentration in the groundwater will make it extraordinarily difficult for residents to achieve water independence. Even if the proposed facility is able to treat wastewater to California's Title 22 water reuse standards, the treated water would be percolating in preexisting untreated, nitrate-heavy water, therefore reducing the effectiveness of reclamation.

I request you allow the process to follow normal routes and procedures.

PLEASE DENY A CONSOLIDATED PERMIT.

Thank you,

Kristen and Donald Headland

Morro Bay Resident

Please Read:

Morro Bay City Council takes action to jeopardize the Morro Valley

I object to the recently approved contract with GSI Water Services to enable them to test

the feasibility of injecting large amounts of reclaimed water into the lower Morro Valley groundwater basin. The potential risks their testing poses to the residents of Morro Bay and the farmers in the lower Morro Valley, far outweighs any benefits that they may uncover. I understand the WIFIA funding for the currently proposed water reclamation facility depends on the presence of a groundwater aquifer to make water reclamation a reality. Without groundwater recovery from the lower Morro Valley, the water recycling plans will have to be either changed or abandoned.

Bear with me while I explain the basic concepts that lead me to object to the GSI contract. The lower Morro Valley groundwater basin between the narrows and the beach is directly adjacent to the groundwater/seawater intrusion boundary. This boundary moderates the transport of salts into the fresh water of the lower Morro Valley groundwater basin. The boundary has been established over geologic time, and if it is disturbed, will take a similar amount of time to be reestablished. The intrusion boundary is fragile to the ionic strength of the two separated boundary liquids in the water- permeable, sand/rock media in which the boundary exists. Pumping hundreds of thousands of gallons a day of purified water into this alluvial debris field is wherein the risk lies. The magnitude of the danger is directly proportional to the time frame to reestablish the barrier. No company can correct such a problem in their lifetime.

Doubters may say this is purely a hypothetical scenario, but I assure you it is not. Monterey County wanted to undue seawater intrusion into their coastal aquifer due to excessive pumping of ground water for agricultural purposes¹. The obvious solution they tried was to release large amounts of water into the aquifer. By doing so, they compromised the fragile seawater intrusion boundary. Thus, ultimately they created an artificial environment in their aquifer to keep seawater from intruding further inland and now must maintain that artificial environment in perpetuity! Today, decades later (50+ years), they still have to carefully monitor and supplement this aquifer intrusion. The water source for this remediation comes from both Lake Nacimiento and the San Antonio Reservoir. The two lake levels drop appreciably each year as a result of needing on the order of 270,000 acre feet of water annually to retard the seawater intrusion. Even with this intervention, they have not been able to stop the intrusion. Over the last 50 years the seawater intrusion has migrated many miles inland from the coast to include the cities of Castroville and Salinas.

Morro Bay has no such water reserve to correct any damage done to the Morro Valley groundwater intrusion boundary. If the boundary were to be damaged, it would very likely require more water than could be achieved from the proposed wastewater treatment plant. This result essentially would be the opposite of enhancing the City's water supply while jeopardizing the numerous agricultural ventures in the Morro Valley river basin. I strongly oppose the contract to GSI Water Solutions or any other company for the purpose of tampering with the Morro Valley groundwater. The City needs to

establish a totally new strategy for recycling water before applying for any necessary permits to build a water recycling facility.

It is not like there are no other solutions for getting value out of the RO treated wastewater. The Citizens for Affordable living have long proposed pumping the purified water to the Whale Rock reservoir. This solution would not jeopardize coastal ecology and could prove valuable not only to Morro Bay, but to other Central Coast communities. While the economics of this option has not been rigorously evaluated, there is significant infrastructure already in the ground that could be utilized once Cayucos' new sewage treatment facility is completed. This would save money for all involved (heaven forbid, the need for another engineering consulting contract!!!).

The City of Morro Bay claims they want an assured water supply in times of drought, but the WIFIA loan will subsidize only some of the costs of building a recycling wastewater facility, if they can find an aquifer that can handle the volume of wastewater they could recover. Unfortunately, such an aquifer does not exist in Morro Bay. According to the 2012 Dudek Recycled Water Feasibility Study², the Morro Valley ground basin only consists of thin alluvial aquifers that offer only seasonal storage capacity during drier periods. Ultimately, their capacity is small and not reliable year round. Using them jeopardizes the coastal ecology in an irreversible way. This criterion alone should negate the WIFIA argument as the volumes are small, seasonal, and unreliable and pose a significant threat to the environment. Economically, the Dudek report estimates the cost of recycled wastewater is 2 to 10 times more expensive than desalinization. For Morro Bay utilizing their desalinization facility is noticeable less expensive, more flexible and far more reliable to supplement their water supply during drought without jeopardizing the coastal ecology. In fact, during drought pumping water out of the lower Morro Bay River basin also jeopardizes the intrusion boundary whereas during wet seasons the risk is lower³; again, this is the opposite of an ecologically safe strategy. A rigorous current economic analysis of the two above options needs to be done, including the cost to renovate the long neglected desalinization facility and real costs for the RO facility for wastewater purification, before any monies are spent to assure an affordable, secure water future for Morro Bay.

I strongly urge the California Coastal Commission and the California State Water Control Board to deny the permit for the City of Morro Bay to Drill new wells in the lower Morro Valley River Basin and to pump thousands of gallons of potable water into the basin, which, to the best of my knowledge, **is** prohibited by State Water Code 100.

Larry Truesdale, Ph.D. Resident of Morro Bay

Some Key References

1. Monterey County Groundwater Management Plan, prepared with assistance from

RMC and Luhdorf & Scalmanini Consulting Engineers, May 2006.

(<http://www.co.monterey.ca.us/home/shadowdocument?id=22563>)

2. City of Morro Bay and Cayucos Sanitary District, 2012 Recycled Water Feasibility Study, prepared by Dudek Study Team, March 2012.

([http://www.morrobayca.gov/DocumentCenter/view/14071/Draft-Recycled- Water-Feasibility-Study-3912?bidid=](http://www.morrobayca.gov/DocumentCenter/view/14071/Draft-Recycled-Water-Feasibility-Study-3912?bidid=))

3. Morro Bay Nitrate Study, prepared by Cleath and Associates, December 2007.

(<http://www.coastalrcd.org/images/cms/files/Farmtrainingnitratereportpres.pdf>)

From: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Staff is included; Re: Consolidation of the city of Morro Bay WRF CDP will significantly injure my statutory rights under the Ca. Coastal Act.
Date: Wednesday, June 19, 2019 1:04:44 PM

From: Marla Jo Bruton <woollymamma@yahoo.com>

Sent: Sunday, March 31, 2019 5:45 PM

To: Turnbull-Sanders, Effie@Coastal <effie.turnbull-sanders@coastal.ca.gov>; Brownsey, Donne@Coastal <donne.brownsey@coastal.ca.gov>; Aminzadeh, Sara@Coastal <sara.aminzadeh@coastal.ca.gov>; Vargas, Mark@Coastal <mark.vargas@coastal.ca.gov>; Ryan.Sundberg@coastal.ca.gov; Peskin, Aaron@Coastal <aaron.peskin@coastal.ca.gov>; Groom, Carole@Coastal <carole.groom@coastal.ca.gov>; Howell, Erik@Coastal <erik.howell@coastal.ca.gov>; Uranga, Roberto@Coastal <roberto.uranga@coastal.ca.gov>; Padilla, Stephen@Coastal <Stephen.Padilla@coastal.ca.gov>; Carvill, Sarah@Coastal <sarah.carvill@coastal.ca.gov>; Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>

Subject: Staff is included; Re: Consolidation of the city of Morro Bay WRF CDP will significantly injure my statutory rights under the Ca. Coastal Act.

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

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I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I have lived here 38years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.

Sincerely,
Marla jo Bruton Sadowski
240 Bali St.
Morro Bay, CA 93442

From: [Richard E.T. Sadowski](mailto:Richard.E.T.Sadowski@coastal.ca.gov)
To: [Turnbull-Sanders, Effie@Coastal](mailto:Turnbull-Sanders.Effie@Coastal); [Brownsey, Donne@Coastal](mailto:Brownsey.Donne@Coastal); [Aminzadeh, Sara@Coastal](mailto:Aminzadeh.Sara@Coastal); [Vargas, Mark@Coastal](mailto:Vargas.Mark@Coastal); Ryan.Sundberg@coastal.ca.gov; [Padilla, Stephen@Coastal](mailto:Padilla.Stephen@Coastal); [Peskin, Aaron@Coastal](mailto:Peskin.Aaron@Coastal); [Groom, Carole@Coastal](mailto:Groom.Carole@Coastal); [Howell, Erik@Coastal](mailto:Howell.Erik@Coastal); [Uranga, Roberto@Coastal](mailto:Uranga.Roberto@Coastal)
Cc: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal); [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: CCC staff is receiving this email , Re: Morro Bay WRF project
Date: Sunday, March 31, 2019 3:57:40 PM

March 31, 2019

Dear Commissioners:

I have served on the Morro Bay Planning Commission for the past 4 years. Also, I served on the Water Reclamation Facility Citizen Advisory Committee (WRFCAC) as a representative of the Planning Commission during my tenure. I vehemently oppose the consolidation of the Morro Bay Water Reclamation Facility permit. On its face, to even suggest a consolidation for this project is an example of procedural environmental injustice.

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**. There has not been one public hearing at either the city planning commission or city council. There has not been a hearing at the County though the project site is in the County. County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make major revisions to the project post-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR. The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas. These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction. Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists. Three major intersections will be disrupted: Hwy 1 and Hwy [41](#), [Hwy 1 and](#)

[Main St., Hwy 1 and S. Bay Blvd.](#)

Morro Bay is a **recognized disadvantage community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

Richard E.T. Sadowski
Home Front EJ, Morro Bay
490 Java Street
Morro Bay, California
93442

Sent from my iPad

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: CCC STAFF
Date: Friday, March 29, 2019 2:41:35 PM

FYI.

From: Lawrence McNally [mailto:lorenzomcnally@att.net]
Sent: Thursday, March 28, 2019 5:43 PM
To: Carvill, Sarah@Coastal
Subject: CCC STAFF

CCC Headquarters
45 Fremont Street, Suite 2000
San Francisco, CA 94105

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for 5 years and has yet to hold one hearing. There has not been one public hearing at either the city planning commission or city council. There has not been a hearing at the County though the project site is in the County. County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make major revisions to the project POST-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were NOT included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a recognized disadvantage community due to our low incomes. Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

.

Too many unanswered questions: project description, land purchase, financing.

Desired relief:

I want my voice heard locally by people I know and who know the area.

I want the County to weigh in on impacts to County residents with appropriate mitigation.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing

I have lived here 20 years. Where is environmental justice for the low income?

I request you allow the process to follow normal routes and procedures.

Sincerely,

Lawrence McNally, SSI recipient
476 Fresno Avenue
Morro Bay, CA 93442

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Proposed Consolidation of Permit for Morro Bay WRF. To ALL CCC staff
Date: Thursday, March 28, 2019 2:04:45 PM

[More...](#)

From: Bobby Wheeler [mailto:bcwheeler2003@yahoo.com]
Sent: Thursday, March 28, 2019 2:04 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Ryan.Sundberg@coastal.ca.gov; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal; Carvill, Sarah@Coastal
Subject: Proposed Consolidation of Permit for Morro Bay WRF. To ALL CCC staff

March 28, 2019

Dear Commissioners:

We understand the Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). The results will be that instead of 5 hearings there will only be 1 with no administrative appeal. This consolidation denies residents the right to fully participate in the permit application process guaranteed by the Coastal Act.

WE OBJECT TO CONSOLIDATING THIS PERMIT.

The City of Morro Bay has been working on this particular project for 5 YEARS AND **HAS YET TO HOLD ONE HEARING.**

There has not been one public hearing at either the city planning commission or city council meetings. There has not been a hearing at the County though the project site is in the County. County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City of Morro Bay continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to creek/drainage. These items were **NOT INCLUDED** in the FEIR. The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes. Ratepayer's cost is above the EPA's affordable index.

We deserve to be heard at **every governmental level**, not ushered to the top (CA Coastal Commission) where there is no **administrative appeal route.**

TOO MANY UNANSWERED QUESTIONS: project description, land purchase, financing.

DESIRED RELIEF: We want our voice to be heard **locally** by people I know and who know the area.

We want the COUNTY TO WEIGH IN on impacts to County residents with **appropriate mitigation**.

We want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal. The public should not have to go to court after only 1 hearing. There needs to be strong consideration for low income families and businesses that rely on tourists to survive. This is our home for 30 yrs. **PLEASE ALLOW THE PROCESS TO FOLLOW NORMAL PROCEDURES.**

Sincerely,

**Bobby C. Wheeler, Darlene Wheeler
2885 Ironwood Ave,
Morro Bay, CA. 93442
NV. 89460**

Mailing address: PO Box 7060

Gardnerville,

805 444-6482

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: blocking ingress and egress from Los Osos during Morro Bay sewer pipe construction [NOTE: CCC staff receiving same email]
Date: Wednesday, March 27, 2019 5:08:38 PM

FYI.

From: Abe Perlstein [mailto:ap3dguy@hotmail.com]
Sent: Saturday, March 23, 2019 5:49 PM
To: Carvill, Sarah@Coastal
Cc: Padilla, Stephen@Coastal; Uranga, Roberto@Coastal; Howell, Erik@Coastal; Groom, Carole@Coastal; Peskin, Aaron@Coastal; Ryan.Sundberg@coastal.ca.gov; Vargas, Mark@Coastal; Aminzadeh, Sara@Coastal; Brownsey, Donne@Coastal; Turnbull-Sanders, Effie@Coastal
Subject: re: blocking ingress and egress from Los Osos during Morro Bay sewer pipe construction [NOTE: CCC staff receiving same email]

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I firmly object to consolidating this permit.

There has **not been a hearing at the County** though the project site is in the County. San Luis Obispo County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR)**. The City has revised three underground piping routes. These were not included in the FEIR for evaluation and mitigation. The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on non-EIR reviewed areas.

Most importantly, there are just **2 routes in and out** of

the community of Los Osos. The new route negatively affects traffic circulation, getting into and out of Los Osos over the course of construction. Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists. There is an alternative route.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

I request:

- 1) to be **heard locally** by people I know and who know the area.
- 2) a County hearing to know **all the implications of this project** and give my input.
- 3) the **County to weigh in** on impacts to County residents with **appropriate mitigation**.
- 4) **An appeal route to the CCC.**

Please allow the process to follow normal routes and procedures.

Sincerely,

Abe Perlstein

ap3dguy@hotmail.com

Los Osos resident, 2000-present

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: Kahn, Kevin@Coastal
Subject: FW: Morro Bay WRF Consolidated Permit- to all commissioners and ccc staff
Date: Wednesday, March 27, 2019 5:01:45 PM

I have some catching up to do on these...

From: Lorie Noble [mailto:jl noble50@sbcglobal.net]
Sent: Tuesday, March 26, 2019 2:12 PM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal
Cc: Carvill, Sarah@Coastal; Kahn, Kevin@Coastal
Subject: Morro Bay WRF Consolidated Permit- to all commissioners and ccc staff

*This letter is sent by e mail to all commissioners, by surface mail to Ms Bochco and Ms Luevano, and to staff Sarah Carvill and Kevin Kahn.

3/26/2019

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this project for 5 years and has yet to hold one hearing

There has not been one public hearing at either the city planning commission or city council. There has not been a hearing at the County though the project site is in the County. County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR)**. The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR. The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas. These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction. Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists. Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and South Bay Blvd.

Morro Bay is a recognized disadvantage community due to our low incomes. Rate payer's cost for this project is above the EPA's affordability index. We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

There are many unanswered questions: project description, land purchase, financing.

Desired relief:

- I want my voice heard locally by people I know and who know the area.
- I want San Luis Obispo County to weigh in on impacts to County residents with appropriate mitigation.
- I want an appeal route to the CCC. If you consolidate the permit hearings into one, there is no appeal.
- I request you allow the process to follow normal routes and procedures.

Sincerely,
Lorie Noble
2920 Greenwood Ave
Morro Bay, CA 93442
805-772-5060

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Morro Bay WRF...
Date: Friday, March 22, 2019 1:38:47 PM

FYI...

From: Roger [mailto:rle42@sbcglobal.net]
Sent: Friday, March 22, 2019 7:09 AM
To: Carvill, Sarah@Coastal
Subject: Morro Bay WRF...

Dear Sarah Carvill...

The California Coastal Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County. County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes. Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I have lived here 33 years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.

Respectfully,

Roger Ewing,

P.O. Box 1323

Morro Bay, Ca. 93443-1323

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: Proposed Consolidation
Date: Thursday, March 21, 2019 11:31:03 AM

FYI

From: karen beckman [mailto:karenandbart@me.com]
Sent: Thursday, March 21, 2019 11:30 AM
To: Aminzadeh, Sara@Coastal
Cc: Carvill, Sarah@Coastal
Subject: Proposed Consolidation

March 21, 2019

Dear Commissioner Aminzadeh,

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). This means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for 5 years and has yet to hold one hearing.

I request you allow the process to follow normal routes and procedures.

Sincerely,
Karen Beckman
2323 Nutmeg Avenue
Morro Bay CA 93442

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: Kahn, Kevin@Coastal
Subject: FW: WRF Hearings
Date: Monday, March 18, 2019 9:27:30 AM

Last one (for now, anyway).

From: Lyn Bailey [mailto:lyncoaches@gmail.com]
Sent: Monday, March 18, 2019 8:28 AM
To: Carvill, Sarah@Coastal
Subject: WRF Hearings

Dear Sarah Carvill,

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes,

emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantaged community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

.

Too many unanswered questions: project description, land purchase, financing.

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I have lived here 33 years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.

Sincerely,
Linda Bailey
475 South Bay Boulevard SPC #3
Morro Bay, CA 93442

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: letter sent to commissioners Luevano and Bochco
Date: Monday, March 18, 2019 9:14:05 AM

From: betty winholtz [mailto:winholtz@sbcglobal.net]
Sent: Monday, March 18, 2019 1:25 AM
To: Carvill, Sarah@Coastal
Subject: letter sent to commissioners Luevano and Bochco

**THIS LETTER HAS BEEN SEND VIA EMAIL TO STAFFER SARAH CARVILL, CCC
CENTRAL COAST**

405 Acacia

Morro Bay, CA 93442

March 17, 2019

Commissioner Mary Luevano and Dayna Bochco

45 Fremont St, St. 2000

San Francisco, CA 94105

Dear Commissioner Bochco and Luevano:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. To approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold 1 hearing.**

There has not been a hearing at the County either though the project site is in the County.

Cty Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-FEIR.**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

3 major intersections will be disrupted: Hwy 1/Hwy 41, Hwy 1/Main St., Hwy 1/S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is **no administrative appeal route.**

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation.**

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I have lived here 33 years. I want environmental justice per your new EJ Policy.

I request you allow the process to follow normal routes and procedures.

Sincerely,

Betty Winholtz

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: Kahn, Kevin@Coastal
Subject: FW: copied to CCC staff regarding Morro Bay WRF consolidated hearing request
Date: Monday, March 18, 2019 9:12:22 AM

From: betty winholtz [mailto:winholtz@sbcglobal.net]
Sent: Monday, March 18, 2019 12:45 AM
To: Turnbull-Sanders, Effie@Coastal; Brownsey, Donne@Coastal; Aminzadeh, Sara@Coastal; Vargas, Mark@Coastal; Sundberg, Ryan@Coastal; Peskin, Aaron@Coastal; Groom, Carole@Coastal; Howell, Erik@Coastal; Uranga, Roberto@Coastal; Padilla, Stephen@Coastal
Cc: Carvill, Sarah@Coastal
Subject: copied to CCC staff regarding Morro Bay WRF consolidated hearing request

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction. Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Too many unanswered questions: project description, land purchase, financing.

Requested relief:

I want my **voice heard locally** by people I know and who know the area.

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an appeal route to the CCC.

If you consolidate the permit hearings into one, there is no appeal. The Public should not have to go to court after only 1 hearing.

I have lived here 33 years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.

Sincerely,
Betty Winholtz
405 Acacia
Morro Bay, CA 93442

From: [Carvill, Sarah@Coastal](mailto:Carvill.Sarah@Coastal)
To: [Kahn, Kevin@Coastal](mailto:Kahn.Kevin@Coastal)
Subject: FW: ccc staff and commissioner Carvill
Date: Monday, March 18, 2019 9:09:18 AM

A couple more emails re: this issue to come...

From: 4areisner@charter.net [mailto:4areisner@charter.net]
Sent: Sunday, March 17, 2019 4:12 AM
To: Carvill, Sarah@Coastal
Subject: ccc staff and commissioner Carvill

Dear Commissioners Carvill:

The Commission has been asked by the City of **Morro Bay** to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

Please let the process continue as usual.

Thank you
Ann Reisner , citizen Morro Bay

From: Carl_Dan@Coastal
To: Kahn_Kevin@Coastal
Subject: Re: Consolidation of Commission and Morro Bay CDPs for proposed Water Reclamation Facility
Date: Thursday, February 07, 2019 11:27:44 AM

Thanks.

From: Kahn, Kevin@Coastal
Sent: Thursday, February 7, 2019 9:16 AM
To: cynthiahawley@att.net
Cc: Carl, Dan@Coastal; Ainsworth, John@Coastal
Subject: RE: Consolidation of Commission and Morro Bay CDPs for proposed Water Reclamation Facility

Hi Cynthia, thanks for your inquiry. First, I'm the lead planner assigned to the Morro Bay WRF, so please direct any future questions and comments to me and I'd be happy to help.

I was able to confirm with our legal staff that Coastal Act Section 30601.3's consolidated CDP statute does not have any special/unique regulations that implement it. Rather, the regulations that apply for regular CDPs (beginning with 13050 of the Commission's regulations) that dictate application requirements, noticing, staff reports, etc. govern consolidated CDPs.

With respect to the Morro Bay WRF specifically, and for consistency with 30601.3's requirement that "public participation is not substantially impaired" by the Commission's CDP review process, we informed both the City and the County that in order for us to consolidate, there must be a local hearing or some other type of public venue whereby members of the public can comment and voice any concern over the proposed project. This public hearing would be *before* any Coastal Commission hearing, and would offer an additional opportunity for public comment and potential project changes to address any such concerns. We're still working with the City and County on the specifics of what this would exactly entail (date, venue, format, etc.), so any thoughts you have on how to ensure this public hearing would be most fruitful would be appreciated. And with respect to the actual Coastal Commission hearing, no date has been set yet (the City has yet to actually apply for the CDP), but we're planning on bringing it forward to a hearing that is as close to Morro Bay as possible to further maximize public participation.

I hope this helps. Feel free to let me know if any questions moving forward. And thanks again for your interest in this important project, as well as your interest in Morro Bay's and SLO County's coastal resource protection more broadly.

Thanks.

Kevin Kahn
District Supervisor
Central Coast District Office
California Coastal Commission
725 Front Street, Suite 300

Santa Cruz, CA 95060
(831) 427-4863

From: Carl, Dan@Coastal
Sent: Friday, February 01, 2019 1:11 PM
To: Kahn, Kevin@Coastal
Subject: FW: Consolidation of Commission and Morro Bay CDPs for proposed Water Reclamation Facility

FYI and for file.

From: Cynthia Hawley [mailto:cynthiahawley@att.net]
Sent: Friday, February 01, 2019 11:50 AM
To: Ainsworth, John@Coastal <John.Ainsworth@coastal.ca.gov>
Cc: Carl, Dan@Coastal <Dan.Carl@coastal.ca.gov>
Subject: Consolidation of Commission and Morro Bay CDPs for proposed Water Reclamation Facility

Dear Mr. Ainsworth,

I am writing on behalf of Home Front, a Morro Bay nonprofit organization, in relation to your role as Executive Director in the Coastal Commission's permit consolidation process.

As you know, consolidation of local agency and Coastal Commission CDPs under Coastal Act section 30601.3 requires the consent of the project applicant, the local government, and the Coastal Commission, and the agreement may be made through the Commission's Executive Director. The Commission's authority to consolidate is also limited by the provision "*that public participation is not substantially impaired by that review consolidation*".

The Morro Bay City Council recently voted to pursue a consolidated coastal development permit for its proposed Water Reclamation Facility (WRF) under section 30601.3.

Section 13058 of the Coastal Commission's regulations provides procedures for consolidation of staff reports and hearings related to multiple CDP applications for Coastal Commission permits where actions require a separate vote.

However, I have not found a regulation that provides procedures for consolidation of applications for Coastal Commission and local agency coastal development permits for a single decision by the Coastal Commission as section 30601.3 allows.

Home Front is preparing comments and information for the Commission's consideration related to its decision whether to consent to the consolidation proposed by the City of Morro Bay. We would like to know what procedures will be applied to carrying out section 30601.3 and to whom we should send our comments on consolidation. We would also like to know if a date has been set for the Commission's decision on this proposed consolidation.

Thank you for your work and for your assistance.

Best regards,

Cynthia Hawley

Cynthia Hawley, Attorney
P.O. Box 697
Morro Bay, CA 93443
cynthiahawley@att.net
Phone: (805) 776-5102

CONFIDENTIALITY NOTICE

The information contained in this e-mail message is privileged, confidential, and protected from disclosure. If you are not the intended recipient, any dissemination, distribution, or copying is strictly prohibited. If you have received this e-mail message in error, please notify this office immediately. Thank you.

RECEIVED

CC: STAFF

MAR 27 1993

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal. For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

The City continues to make **major revisions to the project post-Final Environmental Impact Report (FEIR).**

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists. Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a **recognized disadvantage community** due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Too many unanswered questions: project description, land purchase, financing.

Requested relief:

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an **appeal route to the CCC**.

If you consolidate the permit hearings into one, there is no appeal. The Public should not have to go to court after only 1 hearing.

I have lived here **43** years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.



Mr. Carl J. Grilli
416 Kern
Morro Bay, CA 93442
SEMPER PARATUS

Carl J. Grilli

RECEIVED

APR 22 2019

April 16, 2019

Calif Coastal Commission

SLO Country Board of Supervisors

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Please work to consolidate permit authority and get our new water recycling plant completed as soon as possible., so we may meet the June 27, 2018 Time Schedule Order issued by Calif Regional Water Quality Control Board.

As a long time volunteer on wetland issues I am pleased section 3.4 ADDRESSES potential impacts on Biological Resources in the Environmental Impact Report for Morro Bay Water Reclamation Facility.

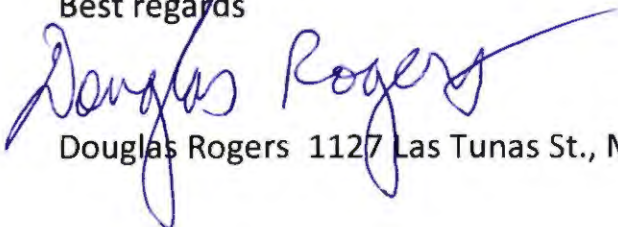
The Draft EIR Page 3.4-46 specifically addresses potential impacts to wetlands.

To minimize impacts to water quality and ensure there are no significant impacts to aquatic habitat downstream of the ephemeral drainages within the project area a Qualified Biological Monitor will be retained before the project starts. Kevin Merk ASSOCIATES, is one possible Monitor. See Biological Resources Assessment 2017 Addendum D of the DEIR.

Storm Water Pollution Prevention Measures using Best Management Practices are described in DEIR on pages 3.9-18 to 21. Compliance with those requirements are mandated by law.

Mitigation measures will be implemented including an erosion control plan incorporating the Best Management Practices prepared by the Project Engineer to minimize impacts to aquatic habitats. This specifically requires description of installation and maintenance of measures to control erosion and to contain spills.

Best regards



Douglas Rogers 1127 Las Tunas St., Morro Bay, CA 93442

March 29, 2019

CA Coastal Commissioners

Effie Turnbull-Sanders

Donne Brownsey

Sara Aminzadeh

Mark Vargas

Aaron Peskin

Carole Groom

Erick Howell

Robert Urango

Stephen Padilla

Dayna Bochco

Mary Luevano

Via Email:

Effie.Turnbull-Sanders@coastal.ca.gov

Donne.Brownsey@coastal.ca.gov

Sara.Aminzadeh@coastal.ca.gov

Mark.Vargas@coastal.ca.gov

Aaron.Peskin@coastal.ca.gov

Carole.Groom@coastal.ca.gov

Erik.Howell@coastal.ca.gov

Roberto.Uranga@coastal.ca.gov

Stephen.Padilla@coastal.ca.gov

Via Mail:

CA Coastal Commission Headquarters

45 Fremont Street, Suite 2000

San Francisco, CA 94105

CA Coastal Commission Staff:

Sarah Carvill

sarah.carvill@coastal.ca.gov

RECEIVED

19R-5

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Dear Commissioners:

The Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). This means there will be one hearing instead of five, with no administrative appeal. Your approval to consolidate would deny us of our right to fully participate in the permit application process guaranteed by the Coastal Act.

We object to consolidating this permit.

The City has been working on this particular project for five years and has yet to hold one hearing.

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

The County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

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The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to merely be an addendum to the FEIR, rather than a new evaluation even though they are located on areas not reviewed in the EIR.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected include nearby residents, business owners, commuters, and tourists. Emergency vehicles will be impeded. Also impacted will be school bus routes, public bus routes, emergency vehicles, and Diablo Nuclear Power Plant emergency evacuation routes.

Three major intersections in and just outside of Morro Bay will be disrupted: Highways 1 and 41; Highway 1 and Main Street; and Highway 1 and South Bay Boulevard.

Morro Bay is recognized as a disadvantaged community due to our low incomes.

The ratepayer's cost is above the EPA's affordability index.

We citizens of Morro Bay deserve to be heard at every government level and allowed to present evidence and testimony. The permitting process should not be consolidated and ushered to the top (CA Coastal Commission) where administrative appeal is not available. Such a decision would prevent the public from participating fully in the decision-making process and circumvent the intent of the Coastal Act. This is especially true if the CCC hearing is not held in San Luis Obispo County.

Too many unanswered questions exist concerning the project -- including the project description, land purchase, and financing -- for the hearing process to be abbreviated.

Desired Relief:

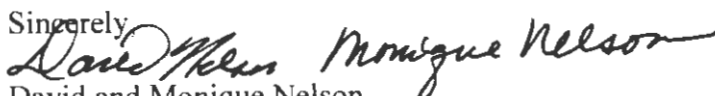
We want our voices heard locally by people we know and who know the area. We want to exercise our rights to provide evidence and testimony for consideration as part of the permitting process.

We want the County to weigh in on impacts to County residents with appropriate mitigation.

We want an appeal route to the CCC. If you consolidate the permit hearings into one, there is no appeal. The only recourse would be to go to court. The public should not have to go to court after only one hearing.

We have lived here over 30 years. Where is environmental justice for low income residents?

We ask that the Commission deny the City of Morro Bay's request to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). We further request you allow the process to follow normal routes and procedures.

Sincerely,

David and Monique Nelson
2580 Juniper Avenue
Morro Bay, CA 93442
805-772-2524

Rost and Rost Consulting
827 Topeka Boulevard
Topeka, KS 66612
Phone (785) 234-5608 Fax (785) 354-9521
tom.rost@rostandrost.com

RECEIVED

APR - 8 2019

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

March 26, 2019

RECEIVED

APR 08 2019

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Effie.Turnbull-Sanders@coastal.ca.gov

Donne.Brownsey@coastal.ca.gov

Sara.Aminzadeh@coastal.ca.gov

Mark.Vargas@coastal.ca.gov

Ryan.Sundberg@coastal.ca.gov

Aaron.Peskin@coastal.ca.gov

Carole.Groom@coastal.ca.gov

Erik.Howell@coastal.ca.gov

Roberto.Uranga@coastal.ca.gov

Stephen.Padilla@coastal.ca.gov

Kevin.Kahn@coastal.ca.gov

✓ Dayna Bochco – by U.S. Mail

Mary Luevano – by U.S. Mail

Subject: Consolidating Permitting Process by City Council of City of
Morro Bay/Sanitary Sewer System of Morro Bay
CCC Staff is receiving the same email/letter

Dear Commissioners:

My wife, Carole, and I have owned a home for over seven years at 640 Sequoia Ct., Morro Bay, California. I have watched the City Council and City Staff consistently circumvent the normal progression of developing and constructing a sanitary sewer system. I say this having owned a one third interest in a civil engineering company that had offices across the central United States from Fairfield, CA to Frankfort, KY. We designed and oversaw the construction of many sanitary sewer plants treating the wastewater to the standards being prescribed.

I object to consolidating the permit process for the Water Reclamation Facility of Morro Bay, CA.

The Morro Bay sanitary sewer plant was initially proposed at a cost of \$34M for two communities, Morro Bay and Cayucos, California. Cayucos is now building their own sanitary sewer plant for a cost of under \$25M.

March 26, 2019

Page Two

The reason the Morro Bay plant is now estimated to be \$126M+ rather than a realistic estimated \$65M is that the staff and the city council have allowed consultants to establish bidding requirements that exclude the small California contractor. The requirement to be qualified for a contractor to bid on the Morro Bay Project, the contractor must have completed three \$80M like projects within a period of five years. That excluded the small California contractors from bidding. An example is that PERC, a California contractor, sent a letter to Morro Bay that it could build a plant for Morro Bay for \$50M which would include taking water to a tertiary level.

The City staff and council have refused to repair the sanitary infrastructure to prevent infiltration from rain water and exfiltration into the ground water. Before a size of a sanitary plant could be realistically determined, a present flow volume would be required excluding infiltration of rain water. Rain water processing would establish over-capacity in design. This is only logical. Morro Bay's staff and council have refused to acknowledge this realistic conclusion that would prevent needless expenditure of tax dollars. All the California publicity and concern about affordable housing is not taken into consideration with the excessive expenditure of needless tax dollars that result in needless end user fees by over-design.

In this project the Water Reclamation component has not been thoroughly vetted in that the processed effluent being injected into the ground water flows to the City water wells. This water after traveling 60 days would enter an aquifer that is contaminated by nitrates from the exfiltration of the City unrepaired sewage lines.

Excluding the various hearing processes that would be required by the County and other oversight entities negates the extensive vetting process as it relates to this project. The City's attempt to short-circuit the normal oversight process provided by the California legislature limits those entities to properly vet the concerns of professional engineers and citizens. This is particularly true considering the over-capacity construction costs being contemplated which places a needless burden on the enterprise fund user, ratepayer, citizen.

Morro Bay council and staff having had the opportunity on two separate occasions to place well-qualified engineers on their water reclamation advisory board but have declined both opportunities. The vacancies were filled by persons not having background knowledge of water treatment and reclamation which meant they could not make technical recommendations to City staff and council. Council members have made the comment "Why would you appoint someone who you knew would be in disagreement with the Council's position"? This is another example of creating a run-away train because you refused to have a qualified operator running the train. It does not serve the population to have only "yes" persons appointed. Knowledge needs to be present in advisory positions.

Alternative sites have not been properly vetted because they would be much less costly and disruptive to the businesses of the City when compared to the present site and cost. The

March 26, 2019
Page Three

proposed piping to the TRI-W site disrupts businesses that provide 25% of the retail tax base of the City. The City is operating at a deficit. The deficit is diminished by transferring enterprise funds to the general account.

Circumventing the established process puts the cart before the horse. The excessive expenditures for this project have resulted from reliance on outside consultants driving up the price by disregarding the normal process of repairing the existing infrastructure before determining needed capacity. These excessive expenditures could well have been prevented by using licensed civil engineers within the Morro Bay locale.

The Coastal Commission has a chance by denying the combining hearing requests to protect the senior retired citizen and the lower economic citizenry of the Morro Bay community so that appropriate hearings and alternative vetting locales may be established.


Other examples of overreach and excessive dollars being spent relating to this process include attempting to acquire a 30-acre site for a plant that needs less than 5 acres. Wanting to establish a sphere of influence over 396 acres when the City does not have plans within their own established territory for undeveloped areas but to name a few other shortcomings.

To verify the claims asserted herein please have your staff provide you with copies of the Morro Bay Project by Richard and Marla Jo Sadowski, the Morro Bay WIFIA Letter of Interest Issues and Concerns and the Peer Review Report on the City of Morro Bay Water Reclamation Facility Project.

If your staff does not have these documents, I will be happy to provide them to your staff and/or to each of you individually. You may contact me at my office or on my cell at 785-640-7033.

You would think when it is known that sewage pipes are misaligned within your City, as documented on film of your infrastructure, that would be the first place to start repair and then build a foundation by further repair of the infrastructure system and subsequently finishing the repair to determine the actual capacity needed for a new sewer plant. None of this has taken place.

Respectfully submitted,


Thomas Rost
827 SW Topeka Blvd.
Topeka, KS 66612
785-234-5608

Date: March 31, 2019
To: California Coastal Commissioners
Subject: **Consolidate Permitting Process Proposed Water Reclamation Facility
PLEASE DENY A CONSOLIDATED PERMIT**

RECEIVED

APR -4 2019

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

The California Coastal Commission has been asked by the City of Morro Bay to consolidate the permitting process for the City's proposed Water Reclamation Facility (WRF). What this means is that there will be 1 instead of 5 hearings, with no administrative appeal.

For you to approve consolidation denies me of my right to fully participate in the permit application process guaranteed by the Coastal Act.

I object to consolidating this permit.

The City has been working on this particular project for 5 years and has yet to hold one Coastal Develop Permit hearing.

The project has been segmented, but still not one application permit hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision. Suddenly, it is scheduled for the end of April.

The City continues to make major revisions to the project post-Final Environmental Impact Report (FEIR).

The City has revised three underground piping routes and added a second lift station next to a creek/drainage. These items were not included in the FEIR.

The City expects these major changes to be merely an addendum to the FEIR, rather than a new evaluation even though they are on previously non-EIR reviewed areas.

These new changes are unknown to the unincorporated communities adjacent to Morro Bay who will be affected during year-long construction.

Those affected are commuters, school bus routes, public bus routes, emergency vehicles, Diablo Nuclear Power Plant emergency evacuation routes, as well as tourists.

Three major intersections will be disrupted: Hwy 1 and Hwy 41, Hwy 1 and Main St., Hwy 1 and S. Bay Blvd.

Morro Bay is a recognized disadvantage community due to our low incomes.

Ratepayer's cost is above the EPA's affordability index.

We deserve to be heard at every government level, not ushered to the top (CA Coastal Commission) where there is no administrative appeal route.

Requested relief:

I want my voice heard locally by people I know and who know the area.

I want the County to weigh in on impacts to County residents with appropriate mitigation.

I want an appeal route to the California Coastal Commission.

If you consolidate the permit hearings into one, there is no appeal.

The Public should not have to go to court after only 1 hearing.

I'm a thirty year homeowner of Morro Bay. I have attended many City Council meetings, Planning Commission meetings, workshops and public presentations regarding the proposed sewer project. I've attended all of these meetings to find out first-hand what the city is proposing for a new sewer plant.

This letter is to inform you of strong community opposition to the currently proposed Morro Bay Water Reclamation Facility. The feasibility and costs associated with the project remain largely uncertain. According to the City of Morro Bay, 1,832 residents opposed recently approved water/sewer rate hikes for a project that remains a large hypothetical at best.

The currently proposed Water Reclamation Facility is sited dangerously close to a national estuary. Any and all discharge from the facility will enter the estuary and endanger habitat at the Morro Bay National Estuary. This comes after the neighboring community of Los Osos was largely responsible for over three decades of nitrate pollution into the estuary from dilapidated septic tanks.

The City has commissioned feasibility studies for injection wells near the proposed site. This would help determine whether it's possible for water reclamation to successfully occur at a retention rate suitable for "water independence." However, our clay-based aquifer and excess nitrate concentration in the groundwater will make it extraordinarily difficult for residents to achieve water independence. Even if the proposed facility is able to treat wastewater to California's Title 22 water reuse standards, the treated water would be percolating in preexisting untreated, nitrate-heavy water, therefore reducing the effectiveness of reclamation.

I request you allow the process to follow normal routes and procedures.

PLEASE DENY A CONSOLIDATED PERMIT.

Thank you,
Kristen and Donald Headland
Morro Bay Resident

Kristen Headland

March 21, 2019

Please note that a copy is being sent to Sarah Carvill, hopefully to go forward to your staff too.

Dear Commissioner Mary Luevano,

I am concerned about the disruption of traffic on So. Bay Blvd. during the Morro Bay Sewer construction project. South Bay Blvd. is a high traffic area. It is used, not only by the local nearby cities, but also as a connector between freeways: many people use it to by-pass San Luis Obispo city. How the M.B. sewer piping construction is handled will impact many areas including Los Osos, where I live. Our town only has two exits, connecting us to the rest of the world. When South Bay Blvd. was closed due to river flooding many years ago, it was chaos for people who normally need that road i.e. doctors appointments, several school buses, necessary public buses, emergency vehicles, and other daily activities. That road is also extremely necessary if Los Osos needs to evacuate or have emergency assistance. Due to our location next to Montana de Oro wilderness, Diablo Canyon nuclear power plant, the ocean, earthquake faults (one is under us!), there is always the real threat of fire, tsunami, liquefaction, and nuclear contamination.

My Request:

Because how and where the construction of these pipes is so critical to the safety and unimpeded daily use of that highway, I implore you to make sure that this project gets the proper review, not just a consolidated hearing. Proper review and public hearings by the county, and the City of Morro bay will give a truer picture of the situation.

I already have concerns with how this has been handled. I believe that you desire to have a "whole picture" input in which to make decisions.

Please allow the process to follow the normal routes and procedures,

Thank you in advance,

Marie Smith

1149 First Street

Los Osos, CA 03402

RECEIVED

MAR 27 2019

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

Marie Smith

LA

RECEIVED

CC: STAFF

MAR 25 2011

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

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I object to consolidating this permit.

The City has been working on this particular project for **5 years and has yet to hold one hearing**

There has not been one public hearing at either the city planning commission or city council.

There has not been a hearing at the County though the project site is in the County.

County Board of Supervisors did not vote to excuse a public hearing; their staff made that decision.

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Too many unanswered questions: project description, land purchase, financing.

Requested relief:

I want the **County to weigh in** on impacts to County residents with **appropriate mitigation**.

I want an **appeal route to the CCC**.

If you consolidate the permit hearings into one, there is no appeal. The Public should not have to go to court after only 1 hearing.

I have lived here **43** years. I want environmental justice per your new Environmental Justice policy.

I request you allow the process to follow normal routes and procedures.



Mr. Carl J. Grilli
416 Kern
Morro Bay, CA 93442
SEMPER PARATI

Carl J. Grilli

RECEIVED

CC: STAFF

MAR 25 2010

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CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

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Mr. Carl J. Grilli
416 Kern
Morro Bay, CA 93442
SEMPER PARATUS

Carl J. Grilli

RECEIVED

CC: STAFF

MAR 25 2013

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CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

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Mr. Carl J. Grilli
416 Kern
Morro Bay, CA 93442
SEMPER PARATUS

Carl J. Grilli

March 18, 2019

Commissioner Dayna Bochco
CCC Headquarters
45 Fremont Street, Suite 2000
San Francisco, CA 94105

RECEIVED

MAR 22 2019

CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

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461 Tulare Avenue
Morro Bay, CA 93442
661-706-2193

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March 12, 2019

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Ann Reisner , citizen Morro Bay

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THIS LETTER HAS BEEN SEND VIA EMAIL TO STAFFER SARAH CARVILL, CCC CENTRAL COAST

405 Acacia
Morro Bay, CA 93442
March 17, 2019

RECEIVED

MAR 22 2019
CALIFORNIA
COASTAL COMMISSION
CENTRAL COAST AREA

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45 Fremont St, St. 2000
San Francisco, CA 94105

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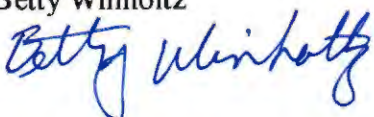
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March 17, 2019

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CENTRAL COAST AREA

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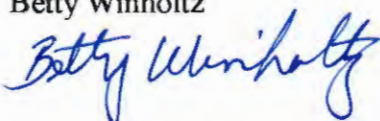
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Ann Reisner

Thank you

Ann Reisner , citizen Morro Bay

RECEIVED

MAR 20 4

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CALIFORNIA
COASTAL COMMISSION
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- City has yet to purchase the property.
- Financing is not in place.
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- Adjacent unincorporated communities have not known to weigh in on traffic circulation disruption during construction.
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To many unanswered questions and changing parts:

- No plan for daily emergency vehicles to and from the elderly residential care facility while the WRF is being built near it.
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I have lived here since 1995; where is environmental justice for the low income?

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Sincerely,
Carole Truesdale
331 Kodiak Street
Morro Bay, CA 93442
(805) 459-9900

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"Food without wine is a corpse; wine without food a ghost. United and well matched, they are as body and soul; living partners!" chef...Andre Simon (1877-1970)

Dan Carl

Page 1

Peer @
CCC HBY
2/7/18 DCAR

My name is Pam Ochs and I'm speaking today for "Save Our Seniors" in Morro Bay regarding our Waste Water project and the Coastal Commission's denial of the CDP for our existing site.

It was Mr. Irons, our mayor, who asked this commission to deny the CDP permit in January 2013. And you did.

What extent on affordability was part of your consideration? Was it at any cost?!

Morro Bay is just now becoming aware of what of a bad decision he made. He is ramming through a bad project before he leaves office this year. And once it starts we can't stop it!

Half of our residents are on fixed incomes and don't realize what's going to hit them with bills reflecting a \$167 million sewer for just 10,000 people. That's insanity!

\$167 million is quite a price tag for fear of a tsunami or flooding (which hasn't happened in the plant's 60 years!)

Seniors shouldn't be forced out of town or have to choose between a sewer bill and food or medicine! That's inhumane!

Our mayor's project makes the Los Osos project look like a great deal. Their plant along with digging up every single street in town to lay pipes cost \$155 million and ours is \$167 million just to construct a plant! Something is very wrong here!! (Their plant cost \$48 million)

Why in Morro Bay do we have to build a new plant inland while this hasn't been imposed on others?

The Peer Review with local experts done last summer prefers the existing site.

Page 2

FEMA maps have since been revised. Was this reviewed by the Coastal Commission? Have you considered adjusting your conditions?

Wouldn't it be common sense to look at this as a State wide issue and make it a GOAL of this commission to upgrade all plants on the coast and not to single us out and at the same time set precedence if flooding and/or a tsunami is of such concern?

Couldn't mitigation work like elevating our existing plant? Tell us what is possible to be in compliance and meet our requirements for affordability.

This looks like a "Land Grab" by our mayor to force residents out to make way for the wealthy so his friendly developers can one day build where our current plant is. There's no other explanation!

#####