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John Davis
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621 Chapala Street
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Subject: San Simeon Community Services District Draft Coastal Hazards Response Plan

Dear Mr. Davis:

Thank you for submitting the draft Coastal Hazards Response Plan (CHRP) on behalf of the San Simeon Community Services District (SSCSD) for our review. As you know, the CHRP is a coastal development permit (CDP) requirement from 2019, and a critical piece of the puzzle as SSCSD evaluates how best to accommodate wastewater services for the community while transitioning away from their existing wastewater treatment plant (WWTP) at the shoreline edge. We greatly appreciate your efforts to coordinate early-on in the CHRP drafting process, and we hope that these comments prove useful as SSCSD develops a final CHRP to be submitted for the CDP-required Executive Director review and approval. Please consider the following.

The existing San Simeon WWTP represents critical public infrastructure that is located in an area known to be at risk from coastal hazards, including ever-increasing sea level rise, at a low-lying elevation fronting the beach and Pacific Ocean at the mouth of Arroyo del Padre Juan Creek. In 2019 the Coastal Commission approved a temporary after-the-fact CDP to recognize a number of unpermitted developments at the current SSCSD WWTP site. Special Condition 3 of that CDP requires SSCSD to develop a CHRP that is intended to act as the blueprint for inland relocation of SSCSD wastewater functions and removal/restoration of the existing WWTP site by 2029. Also in 2019, the Commission awarded a grant (LCP-19-02) for \$130,000 to San Luis Obispo County to assist in that effort, including to help conduct stakeholder outreach and to draft the CHRP itself, and for the County to potentially amend its local coastal program (LCP) to facilitate future relocation of WWTP functions pursuant to the final CHRP.

As you know, coastal hazards as they affect the WWTP site present significant risks to public safety and water quality within the community, and necessitate inland relocation of wastewater treatment functions. This situation is fairly representative of the types of coastal hazard and sea level rise challenges facing similarly situated low-lying critical infrastructure along California's dynamic shoreline area, and the CHRP represents the vehicle to respond to those challenges in San Simeon in a pro-active manner. It is also an opportunity to leverage and apply potential benefits from upgraded wastewater function to other community needs, such as water security. In fact, relocation of WWTP

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functions presents an exciting opportunity to explore options for applying complementary sustainable water re-use practices in a relocated facility or facilities, such as through implementing tertiary water recycling and groundwater injection. It also presents an opportunity for partnerships with State Parks, the County, and the Cambria CSD where efficiencies may be gained and/or other constraints (such as water supply in Cambria) alleviated. In other words, the CHRP should be envisioned not only as a vehicle to prevent damage to and disruption of critical public wastewater services, but also for its potential to provide complementary benefits, including the ways in which it might be able to facilitate actions toward long-term sustainable water resource management in this part of northern San Luis Obispo County.

Thus, the intent of the CHRP is to provide the San Simeon community, County decision makers, stakeholder and agencies, other interested parties, and the Coastal Commission with the type of detailed information necessary on each of the steps that will be necessary to transition wastewater services in the way described above, including to provide for public participation, outreach and engagement with potential partners, and measures to allow adaptation along the way. Due to the complexities involved, and the 2029 ultimate deadline, we believe that it probably makes the most sense for the CHRP to be made up of a series of components that can tackle individual issues and needs in sequence, where subsequent components can build on what came before. In such a scenario, we would envision such components being submitted to the Commission over the course of the next two years, with the overall package (and the final CHRP) all submitted by July 11, 2024 (i.e., to meet CDP extended deadlines).¹ The idea is that alternatives can be identified (e.g., WWTP in a different location, dispersed wastewater functions at a series of different locations, partnerships with nearby communities/entities, etc.) and evaluated, including through establishing clear evaluation criteria and a process to incorporate input from others into the alternative selection process. Below, we walk through how such a process might be envisioned, where instead of one final CHRP being submitted in the short term for Executive Director review and approval, and series of CHRP sub-components are submitted for such review and approval in sequence, each building on the prior sub-components, until ultimately a complete and final CHRP can be approved

Stakeholder List

The grant agreement requires SSCSD to develop a list of key stakeholders² with which it will coordinate on CHRP development and implementation, including eventual relocation of WWTP functions. The CDP further requires that the CHRP be developed in coordination with appropriate staff and agencies at San Luis Obispo County, the Regional Water Quality Control Board (RWQCB), and any other relevant agencies with a say in proposed relocated wastewater functions. We would expect that a stakeholder list would be able to be submitted in short order, and certainly by August 2022.

¹ The final CHRP is actually required to be submitted by July 11, 2022, but, and consistent with the direction in this letter, the Executive Director is willing to extend that deadline up to July 11, 2024.

² Stakeholders are required to include local, regional, state, and federal agencies, as well as landowners and other interested parties.

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Outreach Plan

The grant agreement requires SSCSD to coordinate and communicate with both identified stakeholders and other interested parties. In addition, the grant agreement requires SSCSD to facilitate up to eight stakeholder meetings with relevant agencies with authority over the WWTP and/or relocated wastewater functions, as well as with any landowners of potential relocation sites and technical specialists, to discuss and identify the type of potential project alternatives described above.

In its current form, the draft CHRP already identifies 3 relocation site alternatives. However, such a CHRP structure firmly puts the cart ahead of the horse in this process. In addition to the problem that such selection presupposes the alternative to be pursued is a new WWTP in a new location, which may or may not be the outcome of the CHRP process, it does not appear that these sites were selected based on any stakeholder/public input. While overlapping, the CHRP needs to accommodate for both outreach and alternatives identification, where both necessarily inform each other. For example, before any alternatives or alternative sites are selected, we recommend gathering input from the San Simeon community, San Luis Obispo County staff and electeds, State Parks, RWQCB, Cambria CSD, Hearst Ranch, and other stakeholders regarding potential alternatives and options, including in terms of potential partnerships. Such discussions need to form the basis of identifying potential alternatives for addressing wastewater functions in a different way and out of harm's way that will be further evaluated moving forward. We also recommend reaching out to both the City of Morro Bay and the Cayucos Sanitary district to discuss their WWTP relocation processes and lessons learned from those efforts, particularly as it relates to community water security. In addition, we recommend meaningfully engaging with low-income and environmental justice communities who are likely to be impacted by relocation of WWTP functions. Further, in the draft plan only one public workshop presentation is required during the "rough screening" and "fine screening" phases, and we strongly believe that public outreach and solicitation of public input need to be greatly expanded, and expect it will be necessary to bolster the CHRP significantly in this respect. We would expect that an outreach plan would be able to be submitted by October 2022.

Alternatives Identification

The draft CHRP lists a set of criteria for identifying alternative sites (on pages 15 and 16), where these criteria include environmental constraints and LCP consistency (i.e., coastal hazards, public access and recreation, visual resources, cultural resources, biological/marine resources, agricultural resources, land use compatibility, etc.); logistics (i.e., proximity to existing wastewater collection/conveyance facilities, site suitability, site availability, landowner rights, legal restrictions, regulatory restrictions, recycled water initiatives, etc.); and economic factors (i.e., economic feasibility, etc.). While appropriate for site selection, the CHRP seems to misunderstand the requirement that alternatives be developed to address wastewater function in a different way, which alternatives may include a singular and more inland WWTP, but also may include any number of other options (e.g., partnerships and combined systems, dispersed systems, etc.) that also need to be explored. Thus, the alternatives identification piece needs to be expanded to account for a more robust identification of alternatives, and not so much a focus on alternative sites. The latter is important, yes, but potential site needs will be

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dictated by the type of alternative ultimately pursued. In addition, and as alluded to above, we believe it is very important for the SSCSD to consider community water security, and alternatives and permutations that can accommodate tertiary treatment, water recycling and beneficial reuse. In addition, and as required by both the CDP and the grant agreement, removal of the ocean outfall must be considered in all cases as well.

In many ways the success of the overall relocation project will be dictated by the nature of alternative identification and analysis, and this is the crux of the question to be answered by this overall process. While we expect the actual evaluation of potential alternatives to take some time, we also believe it is reasonable to expect that the SSCSD can use the process identified above, including effective outreach, to identify potential alternatives to be further evaluated by February 2023.

Alternatives Analysis

The key step in the overall success of this process will be an evaluation of the potential alternatives as a means of identifying a preferred outcome. Critically, alternatives identified will need to be analyzed across the same evaluation criteria and to similar levels of detail. The analysis must evaluate the coastal resource implications of each potential alternative and also provide details regarding the mechanisms, costs, and funding options for such an alternative to be realized.³ In all cases, expected costs and methods to decommission the existing WWTP and to restore and dedicate the site, as required by Special Condition 10 of the CDP, also need to be provided. Finally, the grant agreement requires the CHRP to include coastal hazards evaluation for all alternatives, where such analysis must be based on best available science,⁴ and must address all potential impacts, including related to groundwater,⁵ increased erosion,⁶ and

³ Where any costs associated with new and/or upgraded outfall pipelines, pumps, and/or lift stations deemed necessary (including rerouting of sewer pipes to a relocated facilities, etc.) also need to be included for each alternative.

⁴ The Commission currently considers the State of California Sea-Level Rise Guidance (OPC 2018) (and the related Rising Seas in California: An Update on Sea-Level Rise Science report) to be the best available science on sea level rise in California. Both the 2018 OPC guidance and the Commission's 2021 critical infrastructure guidance ("Critical Infrastructure at Risk: Sea Level Rise Planning Guidance for California's Coastal Zone") recommend evaluating the extreme risk aversion (also called H++) scenario for critical infrastructure projects such as this. Another important factor to consider is that the dynamic and corrosive nature of coastal environments can cause infrastructure failure before nationwide lifespan averages, and this too must be accounted for in the CHRP.

⁵ Sea level rise can cause groundwater tables to rise, which may damage wastewater facilities and increase the inflow and infiltration of fresh and saline water into wastewater pipes. The draft CHRP does not consider groundwater hazards, however, the CoSMos Our Coast, Our Future hazard map shows groundwater tables emergent, very shallow, or shallow at or adjacent to Alternative Site A with as little as approximately 3 feet of sea level rise. The CHRP must consider potential groundwater hazard issues, including related to sea level rise, for all alternatives.

⁶ The draft CHRP indicates that the CHRP will consider both shoreline and bluff erosion, but does not indicate whether the CHRP will consider long-term erosion and related hazard changes associated with sea level rise; the CHRP must consider these changes as well.

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flooding.⁷ We believe it is reasonable to expect such analysis to take six months, and thus to be complete by August 2023.

Selection of Preferred Alternative

Once alternatives have been evaluated, including through additional public and stakeholder outreach to garner input, SSCSD will need to identify a preferred alternative. The fine screening approach identified in the draft CHRP could be applied at this stage, but ultimately this selection exercise is an evaluation of relative costs and benefits of the alternatives considered, and identification of the alternative that ideally leads to the least coastal resource impacts and the most community benefits at the least cost. Of course, there may be trade-offs in such a consideration, but this can also be conceptualized as a search for the least environmentally damaging feasible alternative, and then further fleshing out project parameters (including mechanisms, costs, funding options, etc.) and timing (including expected timeframes for any necessary land acquisition, planning, permitting, design, construction, etc.). This should be able to be accomplished by the end of 2023.

Final CHRP

After all of those steps are complete, then a final CHRP can be reviewed and approved by the Executive Director, and subsequently implemented to ensure project completion no later than the CDP's deadline for same, namely July 11, 2029. We believe that the above schedule is reasonable, but we would expect that there may be some variation in the dates, including in response to unforeseen issues along the way, and thus suggest that the final CHRP (i.e., a compilation of each of the subcomponents described above) be submitted no later than July 11, 2024. That timing provides for some scheduling and adaptation flexibility along the way, and also aligns with the required CDP compliance check-in date (i.e., also July 11, 2024, pursuant to Special Condition 2 of the CDP). Such a schedule would also require the Executive Director to extend the deadline for CHRP submittal from July 11, 2022 to July 11, 2024, which is allowed by the CDP for good cause, and we are willing to do that in this case provided we reach agreement on a path forward, including in terms of both substance (including as described herein) and timeline. On the former, and to be clear, all aspects of CHRP development, including all subcomponents, are required to be consistent with the terms and conditions of the CDP, and that should provide the overall touchstone in all cases as this process proceeds.

So, after you've had a chance to review this, including with your client, let's set up a time to discuss any questions you have and/or issues you may see, and walk through next steps towards a final CHRP. No matter what, we thank you again for the opportunity for us to provide draft CHRP input, and hope that these suggestions make sense and provide a good roadmap to reaching the required conclusions. We look forward to continued collaboration to ensure compliance with the CDP, and to eventually result in the successful relocation of wastewater treatment functions out of

⁷ The draft CHRP does not state what types of flooding hazards the analysis will consider. The CHRP should consider flooding impacts from both inundation and storm events, all as effected by sea level rise over time, and including 100-year storms over the design life of wastewater infrastructure components.

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harm's way. Please feel free to contact me by email at Esme.Wahl@coastal.ca.gov or by phone at (831) 427-4864 at any time.

Sincerely,

Esme Wahl

Esme Wahl
Coastal Planner
Central Coast District
California Coastal Commission