MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 9, 2026**

FROM: Clemens Heldmaier, General Manager

SUBJECT: General Manager's Report

Operations Report
May 2026

811 Dig Alerts

- 5/1/26- 717 Etheldore st. Work for utilities distribution, water. Main marked with blue paint.
    - 700 Harte st. Work for Road, storm drain. Marked out service line with blue paint.
- 5/4/26- Airport st. Work on potholing to confirm utility locations. USA area marked.
    - 1122 Harte st. Work on residential- fence/ gate/ wall work. Main and service line marked with blue paint and flags.
    - Etheldore st. Work on utilities distribution, sewer/ pipe bursting. Existing marks are adequate.
- 5/5/26- 1993 Carlos st. Work on Non-residential property work. Footings/ foundation work. Existing marks are adequate.
    - 1128 Cresent st. work on utilities distribution, water. Mains and service lines marked with blue paint and flags.
- 5/6/26- 801 Kelmore st. Work on utilities distribution, water. Existing marks are adequate.
- 5/7/26- 2100 Vallemar st. Work on residential property, demolition. Existing marks are adequate.
    - Airport rd. Work on utilities distribution, communications. Work was completed upon arrival.
    - Airport st. Work on utilities distribution, communications. Existing marks are adequate.
- 5/8/26 – 1772 Carlos st. Work for utilities distribution, electric install, new facilities. Existing marks are adequate.
- 5/10/26 – 403 3rd st. Work on utilities distribution, sewer. Marked main and service lines with blue paint and flags.
- 5/11/26 – 1850 Sunshine Valley rd. Work on residential utilities, water. Marked service line and main in USA zone.
    - Carlos st. Work on non-residential property/ mass grading/ excavation. Existing marks are adequate.

  - 1800 Carlos st. Work on utilities distribution, wet utilities install. Existing marks are adequate.
  - Airport rd. Work on utilities distribution, communications. Existing marks are adequate.
  - 544 5th st. Work on utilities distribution, electric, install new facilities. Existing marks are still visible.
  - 1800 Carlos st. Work on utilities distribution, sewer – install new facilities. Existing marks are adequate.
- 5/12/26 – 785 Stetson st. Work on residential, grading/ level/ site prep. Clear no conflict.
- 5/13/26 – 340 12th st. Work on residential, fence, gate and wall work. Meter box and service lines marked with blue paint.
- 5/13/26 – 1800 Carlos st. Work on utilities distribution, sewer- new install. Existing marks are adequate.
  - 1800 Carlos st. Work on non-residential, footing/ foundation. Clear no conflict.
- 5/15/26 – 1352 ceder st. Work on utilities distribution, electric pole work. Service lines marked with blue paint and flags.
  - 1320 Ceder st. Work on utilities distribution, electric power pole work. Service line marked with blue flags.
- 5/16/26 – CA-1 and Marine blvd. work on utilities distribution, multiple utilities repair/ replace. Existing marks are adequate.
  - Cabrillo Hwy and Etheldore st. Work on utilities distribution, multiple utilities repair/ replace. Existing marks are adequate.
  - CA-1 and Virginia ave. Work on utilities distribution, multiple utilities repair/ replace. Area remarked with fresh blue paint.
  - 380 Airport st. Work on utilities distribution, electric- install new facilities. Existing marks are adequate.
- 5/18/26 – 361 10th st. Work on residential landscaping/ irrigation/ drainage work. Service lines marked.
- 2/20/26 – Sunshine Valley rd. Work on utilities distribution, electric pole work. Main and hydrant marked with blue paint.
  - 1321 Cedar st. Work on utilities distribution, electric- existing assets work. Service lines marked with blue paint.
  - 340 12th st – Work on residential property, tree/ root removal/stump grinding. Service line marked.

MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 9, 2026**

FROM: Clemens Heldmaier, General Manager

- 5/21/26 – 55 Bernal ave. Work on utilities distribution, electric- install new facilities.
- 5/22/26 – CA-1. Work on utilities distribution, wet utilities install. USA area marked out. Contractor is aware of water main location.
- 5/23/26 – 1130 Harte st. Work on utilities distribution, water- existing assets work.
  - 1112 Cresent st. Work on utilities distribution, water- existing assets work. Work is already completed.
  - 840 Harte st. Work on utilities distribution, water- existing assets work. Work already complete.
- 5/26/26 - 1360 Cedar st. Work on utilities distribution, electric pole work. Clear no conflict.
  - 1320 Cedar st. Work on utilities distribution, electric pole work. Clear no conflict.
  - 1772 Carlos st. work on Utilities distribution, electric- install new facilities. Existing marks are adequate.
  - 600 Marine blvd. Work on utilities distribution, sewer- existing assets work. Existing marks are adequate.
  - 1125 Harte st. Work on utilities distribution, water- existing assets work. Main and service lines marked with blue paint.
- 5/27/26 – 1112 Cresent st. Work on utilities distribution, water- existing assets work. Work is complete.
  - 840 Harte st. work on utilities distribution, water- existing assets work. Work is complete.
- 5/28/26 – 1320 Cedar st. Work on utilities distribution, electric pole work. Marked service line with blue paint and flags.
  - 1117 Harte st. Work on utilities distribution, water- existing assets work. Work is complete.
  - 1360 Cedar st. Work on utilities distribution, electric poles work. Clear no conflict.
- 5/29/26 – 1320 Cedar st. Work on utilities distribution, electric pole work. Marked service line with blue paint and flags.

Work Orders

- 5/1/26 – 266 6th st- new owner, start water service
- 5/4/26 – 875 Tierra Alta - new owner, start water service

MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 9, 2026**

FROM: Clemens Heldmaier, General Manager

- 5/4/26 – 800 Buena Vista st. - new tenant, start water service
- 5/5/26 – 855 San Ramon Ave - new owner, start water service
- 5/5/26 – 412 3rd st. – Customer complaint for washing machine leaving clothes red. Tested water for color and CL2. No issues found. Let customer know.
- 5/5/26 – 1341 Cedar st. - customer wants profile, emailed results
- 5/11/26 – 185 Los Banos - customer wants profile, emailed results
- 5/12/26 – 920 Franklin - Sold home, end water service
- 5/12/26 – 1198 Main st. move out
- 5/18/26 – 780 Buena Vista St – customer wants profile, emailed results
- 5/19/26 – 906 Cedar st. – customer wanted water checked at home, pet fish are dying. 1.0 residual, customer calling fish specialist.
- 5/20/26 – 795 Heart st- customer wants profile, emailed results
- 5/20/26 – 100 Beach st customer request profile for leak
- 5/22/26 – 422 Nevada st – new tenant, start water service
- 5/22/26 – 807 Tierra Alta – tenant moved, end water service
- 5/26/26 – customer concerned with USA and work around home and request information of whats going on
- 5/26/26 – 807 Tierra Alta, Move in
- 5/28/26 – 120 Beach way needed new meter box lid replaced.

After Hours Call Outs

- 5/2/26 – High Cl2 at AVTP
- 5/4/26 – AVTP/Raw tank callout.
- 5/6/26 – High Cl2 at AVTP
- 5/22/26 – Low Raw Water tank
- 5/22/26 – Main break at 840 Heart st. Saddle replacement
- 5/23/26 – Main Break at Heart and Cresent st. – Clamped
- 5/23/26 – Main break at 1175 Heart st. – Clamped
- 5/23/26 – Main break at 840 Heart st.

Repairs and Leaks

- Replaced 280ft of 2” Steel pipe with SCH80 PVC pipe on Harte st.

MONTARA WATER AND SANITARY DISTRICT AGENDA

For Meeting Of: **July 9, 2026**

FROM: Clemens Heldmaier, General Manager

Miscellaneous

- 17 missed reads.
    - 8 High Usages

Maintenance

- 10 Dead meters replaced.
- Replaced Hyd #50 Valve Can and Lid at end of Landcaster blvd. old and falling apart

Attachments: 6/24/26 Letter to LAFCo
7/6/26 Technical Memo to California Coastal Commisssion

Montara Water & Sanitary District

Serving the Communities of Montara and Moss Beach

P.O. Box 370131 | Tel: (650) 728-3545
8888 Cabrillo Highway | Fax: (650) 728-8556
Montara, CA 94037-0131 | E-mail: info@mwsd.net

Visit Our Web Site: http://www.mwsd.net

6/24/2026

Rob Bartoli
Executive Director
San Mateo County Local Agency Formation Commission
Via Email at rbartoli@smcgov.org

RE: May 20, 2026 LAFCo Meeting, Public Comment

Dear Rob,

As a public water and sanitary district, Montara Water and Sanitary District ("MWSD") recognizes the State-mandated role of the San Mateo Local Agency Formation Commission ("LAFCo") in conducting Municipal Service Reviews and evaluating the delivery of public services by the various cities and special districts throughout San Mateo County.

MWSD is an independent special district serving more than 6,000 residents and businesses within approximately seven square miles in Montara and Moss Beach. The District provides essential water and wastewater services on a continuous basis and is committed to maintaining reliable public utility services throughout its service area.

MWSD understands that, during LAFCo's May 20, 2026 meeting, public comments were received concerning conditions within a portion of the District's Seal Cove service area. Because several statements made during that meeting do not accurately reflect the District's operations or service delivery, MWSD respectfully provides the following information for LAFCo's consideration as it undertakes its Municipal Service Review.

First, MWSD has not ceased providing water or sewer service to any customer within its jurisdiction. All residences and businesses within the District continue to receive water and wastewater services. Although portions of certain water and sewer facilities located within areas affected by significant land movement in Seal Cove were removed from service in 2025 under emergency measures, replacement facilities and operational measures were implemented to ensure uninterrupted service to affected customers. No MWSD customers were left without sewer or water services at any point despite extraordinary geologic conditions documented by County and geotechnical experts. Further, no state or federal regulator has ever determined that MWSD is failing to provide adequate water or wastewater service.

Second, contrary to statements made during public comment, San Mateo County Public Health has not identified any active sewage discharge on La Grande Avenue, nor has it determined that sewage is entering the Fitzgerald Marine Reserve. During the past year, MWSD has become aware of isolated failures involving privately owned sewer facilities located on private property. As with similar situations elsewhere within the District, San Mateo County Public Health has directed the responsible property owners to undertake repairs where necessary.

Third, ownership and maintenance responsibilities for water and sewer facilities within the District are established by District ordinance and are consistent with common utility practices throughout California. District-owned facilities are maintained by MWSD, while privately owned service lines, building sewers, laterals, and related appurtenances remain the responsibility of the property owner. These requirements apply uniformly throughout the District and are not unique to Seal Cove. In these circumstances, the District advises property owners to contact private contractors to repair these facilities, including in those situations where damaged private facilities are causing sewer effluent to escape.

Historically, following formation of the Seal Cove Area Collection System Improvement Assessment District in 1983 and construction of the sewer facilities in 1986-87, the District utilized available assessment district surplus funds to assist with certain improvements and maintenance activities within Seal Cove. Those funds were eventually exhausted. The District's current administration of maintenance responsibilities is consistent with its adopted ordinances and with the long-standing principle that privately owned facilities remain the responsibility of the benefiting property owner.

In addition, the District notes that a number of matters relating to Seal Cove are currently the subject of filed claims and potential litigation. Accordingly, the District has appropriately exercised caution in making public statements concerning disputed factual and legal issues while those matters remain pending.

MWSD remains focused on its core mission of delivering safe drinking water and reliable wastewater services. Since acquiring the former Citizens Utilities Company water system in 2003 pursuant to voter authorization, the District has continuously provided drinking water meeting applicable state and federal public health standards while maintaining capacity to serve existing customers and accommodate planned growth within its service area. The District continues to invest in infrastructure maintenance, regulatory compliance, emergency preparedness, and long-term capital planning necessary to serve the public.

As LAFCo conducts its Municipal Service Review, MWSD respectfully requests that the Commission evaluate District performance based upon objective service delivery metrics, regulatory compliance, financial stewardship, infrastructure management, and the District's overall provision of services to the community as a whole. While issues affecting a limited geographic area deserve careful consideration, they should be evaluated within the broader context of the District's service obligations to the more than 6,000 residents and businesses who rely upon MWSD every day.

The District also notes that San Mateo County recently completed an updated geotechnical evaluation of the Seal Cove area. Among other findings, the report identifies ongoing and, in certain locations, accelerating land movement affecting both public infrastructure and private property. The report revised prior hazard area designations and documents geologic conditions that present significant challenges for infrastructure located within portions of Seal Cove. Indeed, MWSD's response to these conditions has been guided by its obligation to continue providing safe and reliable utility service while protecting public health, public resources, and District infrastructure. The challenges presented by these documented geologic conditions are not unique to District facilities and affect public infrastructure, private utilities, roadways, and private property throughout portions of the affected area.

The District respectfully requests that any evaluation of utility service within Seal Cove take into account the unique geologic conditions documented by the County's technical experts. Assessing service delivery without consideration of these conditions may result in an incomplete understanding of the operational, engineering, and financial challenges faced by all public agencies and property owners within the affected area.

Issues arising from land movement in portions of Seal Cove extend beyond the provision of water and wastewater services and involve matters within the jurisdiction of multiple public agencies. The District is aware that claims and disputes relating to these conditions have been asserted against other governmental entities in addition to MWSD. While the District will not comment on the merits of any such matters, their existence underscores the fact that the challenges facing Seal Cove are broader than the operations of any single public agency and are closely tied to the unique geologic and land use conditions affecting the area. The District respectfully submits that the issues raised concerning Seal Cove should be considered in the context of the significant geologic conditions recently documented by County experts and the resulting impacts on public infrastructure, private property, and multiple governmental jurisdictions.

We look forward to working with LAFCo in the coming year as we continue our work to support the public of the Coastside.

Sincerely,

Clemens Heldmaier

Cc: LAFCo Commissioners and Alternates
MWSD Board
Mid-Coast Community Council

Montara Water & Sanitary District

Serving the Communities of Montara and Moss Beach

P.O. Box 370131 | Tel: (650) 728-3545
8888 Cabrillo Highway | Fax: (650) 728-8556
Montara, CA 94037-0131 | E-mail: mwsd@coastside.net

Visit Our Web Site: http://www.mwsd.montara.com

July 6, 2026

Dan Carl
Coastal Commission North Central Coast District Director
Via email: NorthCentralCoast@coastal.ca.gov

Re: **San Mateo County's Proposed Midcoast Local Coastal Program Amendment**

Dear Mr. Carl:

The Montara Water and Sanitary District has recently become aware of a proposed amendment to the Local Coastal Program that would modify the existing Midcoast growth-management program. The District has prepared the attached technical memorandum addressing the impacts of the proposal for consideration by Coastal staff and ultimately the Coastal Commission.

Sincerely,

Clemens Heldmaier, General Manager

CC: Melissa Ashley, Coastal Planner
Isobel Cooper, Coastal Planner
Steve Monowitz, San Mateo County Director of Building and Planning
MidCoast Community Council
MWSD Board

Montara Water & Sanitary District

Serving the Communities of Montara and Moss Beach

P.O. Box 370131 Tel: (650) 728-3545
8888 Cabrillo Highway Fax: (650) 728-8556
Montara, CA 94037-0131 E-mail: info@mwsd.net

Visit Our Web Site: http://www.mwsd.net

DATE: July 6, 2026

TO: Dan Carl, Coastal Commission North Central Coast District Director

FROM: Montara Water and Sanitary District

SUBJECT: **Technical Review of San Mateo County's Proposed Midcoast Local Coastal Program Amendment**

I. Executive Summary

Montara Water and Sanitary District (MWSD) supports the County's objective of facilitating affordable housing and recognizes the County's obligations under state housing law. The District does not oppose amendment of the Local Coastal Program (LCP) where supported by substantial evidence and consistent with the California Coastal Act. The District's concern is that the proposed amendment modifies one of the central implementation mechanisms of the certified Midcoast growth-management program without a corresponding reevaluation of the integrated infrastructure assumptions upon which the California Coastal Commission relied when certifying the current LCP.

Under the current LCP, the Coastal Commission did not evaluate the 40-unit growth limitation as a stand-alone accounting rule. Rather, it evaluated residential growth together with residential buildout, water demand, wastewater capacity, transportation, public works phasing, priority-use allocations, and public health and safety. The Commission concluded that growth limitations were necessary to address infrastructure constraints and further stated that growth limitations should be revisited after critical infrastructure needs and public service capacities were reevaluated.

The County proposes to replace the existing rolling three-year averaging methodology with a cumulative historical accounting methodology extending back to January 1, 2013.[1] While characterized as a minor administrative revision, the practical effect is to create a permanent bank of previously unrealized permits that never expires. District engineering analysis (discussed below) concludes that this approach could allow approximately 188 previously unrealized residential units to be constructed during a future year while remaining below the cumulative average. Based on MWSD's historical demand assumptions, such a scenario would increase average day water demand by more than 28,000 gallons per day, or approximately 10.4 percent above current average day demand, substantially exceeding the annual planning assumptions historically relied upon by the District.

As this memo describes, the District respectfully requests that the County address several planning questions before any modification to the certified growth-management methodology:

1. What planning principle supports relying upon permit activity dating back to 2013 to regulate infrastructure planning in 2026, 2030, or future decades?
2. At what point do unused residential permits become too remote in time to remain a reliable indicator of current infrastructure demand and public service capacity?
3. Has the County evaluated how replacing the existing rolling three-year methodology with a cumulative historical averaging methodology changes the effective annual growth rate, permit availability, and resulting demand on public infrastructure?
4. How does the amendment affect water demand, wastewater demand and priority-use allocations?
5. What are the fiscal and planning implications for utility providers?

The District believes these questions directly address the proposed amendment so that it complies with the Coastal Commission's regulations require that an LCP amendment include "a discussion of the amendment's relationship to and effect on the other sections of the certified LCP." (14 Cal. Code Regs. § 13552.) Without answers, the Board cannot determine whether the amendment merely changes an accounting methodology or fundamentally alters the growth-management framework previously certified by the California Coastal Commission.

---

[1] Since the initial preparation of this memorandum, the District understands that the County may revise its proposed permit accounting methodology in response to public comments. Regardless of the methodology ultimately adopted, the County must still analyze whether the infrastructure assumptions underlying the existing growth limit continue to support the proposed level of development.

The County's proposal staff report focuses primarily on administrative efficiency and the practical consequences of exhausting the 2025 permit allocation. While those are legitimate implementation concerns, they do not answer the separate planning question of whether replacing the certified three-year growth-management mechanism with a cumulative historical accounting system remains consistent with the integrated infrastructure planning framework upon which the current LCP was certified.

II. Background

The LCP's current growth management framework was developed through a comprehensive planning effort over more than a decade:

- **1999** – County initiates Midcoast LCP Update project.
- **1999–2009** – Extensive public workshops, technical studies, and Commission review.
- **December 2009** – Coastal Commission approves the Update subject to 72 modifications focused on tying growth to infrastructure capacity.
- **2010–2011** – County revises the amendment and resubmits it.
- **2012** – Coastal Commission certifies the revised LCP after incorporating the Commission's modifications, including the 40-unit annual growth limit, updated water and wastewater demand analyses, priority-use allocations, and public service requirements.
- **2026** – County proposes changing the permit accounting methodology without updating those related infrastructure assumptions.

At the time the California Coastal Commission certified the current Midcoast LCP in 2012 (https://documents.coastal.ca.gov/reports/2012/8/W15a-8-2012.pdf; https://documents.coastal.ca.gov/reports/2009/12/th18a-12-2009.pdf), it evaluated an integrated planning framework consisting of:

- residential buildout;
- water supply and demand;
- wastewater treatment and transmission;
- transportation capacity;
- public works phasing;
- priority water allocations; and
- growth management.

As the Coastal Commission explained:

> "The proposed Update ... assures consistency with Coastal Act requirements that new development is concentrated in urban areas with **adequate public services, including water supply, wastewater disposal, and transportation capacity**...."
>
> **"Coastal Act section 30250 directs new growth and development to existing urban areas with adequate public services, including water supply, wastewater disposal, roadway capacity and other infrastructure**, so that growth does not adversely affect coastal resources."

The Commission concluded that significant public service issues, including water supply, wastewater capacity, transportation congestion, and cumulative development impacts, required an integrated planning response before modifying growth limitations.

The County's current proposal is intended to address affordable housing implementation but does not revisit those integrated assumptions. Without a current examination of these critical underlying growth assumptions, the proposed amendment fails to the consider the potential impacts to public services. The District respectfully submits that the current proposal changes that carefully balanced methodology without evaluating whether the infrastructure assumptions that justified the balance remain valid.

III. The Proposed Amendment Fundamentally Changes the Certified Growth-Management Mechanism

The County's proposed LCP Amendment fundamentally changes the operation of the certified growth management program. Under the current certified LCP, affordable housing projects that exceed the annual 40-unit growth limitation may proceed only if the average number of permits issued over the current year and the following two years does not exceed 40 units per year.

This approach temporarily smooths unusually large affordable housing projects while maintaining the overall annual growth limitation adopted by the California Coastal Commission. *The methodology functions as a short-term planning tool that remains directly tied to current development activity and near-term infrastructure planning.*

The Coastal Commission specifically recommended this three-year averaging approach as a means of accommodating affordable housing projects while preserving the overall 40-unit annual growth limitation adopted to address infrastructure constraints.

Further, the proposed amendment creates a different accounting methodology by calculating compliance using the annual average number of permits issued from January 1, 2013 through the year in which permits are issued. Although this appears at first glance to be merely a longer averaging period, the practical effect is substantially different.

Rather than temporarily smoothing development over a limited planning horizon, the proposed methodology effectively creates a permanent bank of unused residential permits accumulated since 2013. Because each year in which fewer than 40 permits were issued remains permanently incorporated into the calculation, unused permit capacity never expires and continues to influence permit availability indefinitely.

As the historical averaging period grows longer, the denominator also increases each year. Consequently, the County may continue issuing permits well above the historical annual average while remaining below the cumulative average established by the proposed amendment.

Accordingly, the proposed amendment *no longer functions as a limited-term averaging mechanism*. Instead, it establishes a cumulative historical accounting system based upon permit activity extending back more than a decade.

As stated above, the certified LCP established a growth management mechanism designed to regulate the pace of development in relation to available public services and infrastructure. The proposed amendment appears to replace that mechanism with a different planning tool that allows historical unused permit capacity to be carried forward indefinitely, which is more than a mathematical adjustment because it changes how residential growth is measured, how permit availability is determined, and potentially how future development is distributed over time.

The County staff report does not evaluate whether this different accounting methodology affects the infrastructure assumptions that formed the basis for certification of the current LCP. Indeed, the Commission evaluated residential growth together with public service capacities. The Commission concluded that these planning elements collectively formed the basis for limiting residential growth until critical infrastructure deficiencies were addressed. The Commission further stated:

> "Once these critical infrastructure needs are addressed, the County will be in a position to reevaluate whether public service capacities are adequate and thus whether growth limitations should be adjusted."

Based on the foregoing, the District respectfully submits that changing the methodology by which the growth limitation operates should similarly be accompanied by an evaluation of whether the supporting infrastructure assumptions remain valid. Before modifying that certified framework, the same integrated analysis should accompany the County's current proposal.

IV. The Coastal Commission Required an Integrated Infrastructure Analysis

MWSD respectfully requests that the County evaluate whether the underlying infrastructure assumptions remain valid in light of more than a decade of actual development. Thus, the question is whether changing the methodology used to administer the growth cap alters the assumptions regarding:

- water demand;
- wastewater generation;
- public works phasing;
- infrastructure capacity;
- priority-use reservations; and
- future capital improvements.

The Coastal Commission specifically treated these subjects as interdependent when certifying the current LCP. Indeed, Commission staff stated that the proposal before it included

> "an update of the estimated Midcoast residential buildout," "an update of the estimated Midcoast water and sewer demand," "reallocation and reservation of increased water supply," and "a reduction in the residential growth rate limit ... to address infrastructure constraints."

The current amendment proposes to modify only one of those interrelated planning elements. The District respectfully submits that the additional analysis is warranted because the Coastal Commission originally conditioned the residential growth limitation upon the relationship between growth and available public services.

V. District Engineering Analysis

LCP Policy 1.23 established the annual residential growth limitation as one element of an integrated public infrastructure strategy. As recognized in the County's staff report, the annual growth limit was intended to remain in place until: (1) a comprehensive transportation management plan was incorporated into the LCP; (2) facilities were constructed to adequately manage stormwater and eliminate wastewater overflows; and (3) the growth rate was modified through an LCP amendment. While progress has been made on portions of this framework, the County has not demonstrated that the integrated infrastructure assumptions supporting the certified LCP have been comprehensively reevaluated before changing the growth-management methodology.

Moreover, District engineering analysis demonstrates that the proposed amendment is not merely an accounting revision. Using the County's own permit data, approximately 188 previously unrealized residential permits could remain available under the proposed cumulative methodology. Because those unused permits never expire, the proposal allows a potential future spike in annual development while remaining below the cumulative average dating back to 2013. This represents a materially different growth-management mechanism than the existing rolling three-year methodology.

From an infrastructure planning perspective, the distinction is significant. Based upon MWSD's historical average residential demand of approximately 48 gallons per capita per day and an average household occupancy of approximately 3.14 persons per dwelling, implementation of approximately 188 additional units within a single year would increase average day demand by more than 28,000 gallons per day, resulting in an approximately a 10.4 percent increase over the District's current average day demand. This level of growth substantially exceeds the historical planning assumptions used in the District's water supply planning, capital improvement programming, infrastructure sizing, reserve planning, and long-term financial planning.

The District has historically relied upon the certified LCP's annual growth limitation and associated planning assumptions when preparing master plans, capital improvement programs, capacity analyses, grant applications, and infrastructure replacement schedules. Replacing the certified methodology after more than a decade of reliance changes the planning baseline upon which those decisions have been made. Before implementing a fundamentally different accounting methodology, the County should evaluate the implications for infrastructure planning and public utility providers that have reasonably relied upon the certified LCP.

Recent residential growth has also been concentrated within MWSD's service area. Consequently, the proposed amendment may disproportionately increase demands on MWSD's water and wastewater infrastructure, accelerate capital improvements, and shift additional financial burdens to existing and future MWSD ratepayers. The issue is not whether development should occur within one service area or another; rather, it is whether the County has evaluated whether actual development patterns remain consistent with the water demand, wastewater, and infrastructure assumptions underlying the certified LCP.

These engineering findings reinforce the District's legal concern that the proposed amendment changes the operation of one of the principal implementation mechanisms of the certified LCP without a corresponding evaluation of the integrated infrastructure framework upon which the California Coastal Commission relied when certifying the Midcoast growth-management program.

Consequently, changing the methodology for measuring residential growth should also include an evaluation of whether these supporting infrastructure assumptions remain accurate today. The relevant question is whether changing the averaging methodology affects the infrastructure assumptions upon which the certified LCP relies.

VI. Procedural and Planning Considerations

Planning staff states that modifying the averaging methodology is the quickest method of addressing the current permitting problem and will improve administrative efficiency and reduce permitting uncertainty. Planning staff concludes that changing the averaging methodology is needed to avoid administrative challenges, facilitate future affordable housing and compliance challenges.

However, characterizing the proposal extends beyond a simple administrative revision because it changes the implementation mechanism of the certified LCP.

The Coastal Commission's regulations governing amendments to an LCP requires discussion of an amendment's relationship to and effect on the remainder of the certified LCP. (14 CCR section 13552) The County's staff report does not evaluate updated water demand, wastewater demand, public works, fire flow, emergency supply, priority-use allocations or infrastructure phasing. As stated above, these omissions mirror concerns identified by the Coastal Commission in 2009. Commission staff specifically stated:

> "Once these critical infrastructure needs are addressed, the County will be in a position to reevaluate whether public service capacities are adequate and thus whether growth limitations should be adjusted."

Accordingly, administrative efficiency and infrastructure planning should be considered together rather than separately.

Moreover, the District recognizes that the County's adopted Housing Element may require the County to pursue future amendments to the certified Local Coastal Program in order to accommodate additional housing opportunities. However, those obligations do not alter the Coastal Commission's independent responsibility to determine whether any proposed LCP amendment is consistent with the Coastal Act. Indeed, the Housing Element expressly provides:

> "… The Housing Element does not alter any policies or regulations relating to the County's coastal zone, and has been reviewed and determined to be consistent with the LCP and all implementing regulations."

As such, the Housing Element does not diminish the need for updated analyses of water supply, wastewater capacity, transportation, fire protection, public infrastructure, and priority-use allocations where the proposed amendment would materially affect the certified growth-management framework. To the contrary, if the County anticipates future increases in the allowable rate of residential development, that prospect further supports preparing a comprehensive amendment evaluating the infrastructure assumptions underlying the certified LCP rather than adopting piecemeal amendments that address individual implementation issues in isolation.

Finally, the Coastal Commission recognized during it previous certification of the LCP that residential growth cannot be evaluated solely by reference to permit availability. Rather, the Commission emphasized that development potential throughout the Midcoast is affected by environmental constraints, including geologic hazards, environmentally sensitive areas, and other physical conditions that influence the location, density, and feasibility of development.

The Commission further observed that County regulations limiting development within environmentally constrained areas are necessary to protect public safety and comply with state and federal environmental requirements. These considerations formed part of the planning framework supporting certification of the current LCP and those principles remain equally applicable today.

Since certification of the current LCP, San Mateo County has completed an updated geotechnical evaluation of the Seal Cove area. The report documents continuing, and in certain locations accelerating, ground movement affecting both public infrastructure and private property. It also revises prior geologic hazard mapping and identifies conditions that present increasing challenges for public infrastructure, private utilities, roadways, and private development within portions of the Midcoast. The District's response to these documented conditions has been guided by its statutory obligation to provide safe and reliable water and wastewater service while protecting public health, public resources, and critical public infrastructure. The District offers this information to illustrate that the environmental constraints identified by the Coastal Commission continue to evolve and directly affect infrastructure planning.

Accordingly, before modifying the certified residential growth-management methodology, the County should evaluate whether updated information regarding geologic hazards and other environmental constraints warrants corresponding revisions to the infrastructure planning assumptions that underlie the certified Local Coastal Program.

VII. Conclusion

The County staff report characterizes the proposed amendment as a relatively limited modification to the methodology used to average residential building permits. However, the practical effect of the amendment appears to be substantially broader.

Rather than merely extending the averaging period, the proposal would replace the certified rolling three-year averaging methodology with a cumulative historical accounting system based upon permit activity dating back to January 1, 2013. As a result, unused permit capacity accumulated over more than a decade would continue to influence permit availability indefinitely, fundamentally changing the manner in which the Midcoast residential growth management program operates. This is not simply a mathematical adjustment; it changes the accounting methodology used to administer one of the principal implementation mechanisms of the certified Local Coastal Program.

MWSD respectfully requests that the Board defer action on the proposed amendment until the County completes an integrated evaluation of the infrastructure assumptions that support the certified Midcoast Local Coastal Program.

The District believes such analysis will provide the County, the Coastal Commission, and the public with a more complete record upon which to evaluate whether the proposed amendment maintains the internal consistency of the LCP while accommodating the County's housing objectives.