

(650) 726-4402

(650) 726-3615 (FAX)

POINT PILLAR PROJECT DEVELOPERS, LLC

POST OFFICE BOX 158 • HALF MOON BAY, CA 94019-0158

March 30, 2005

Ms. Marcia Raines
 Director of Environmental Services/Planning Director
 455 County Center 2nd Floor
 Redwood City, CA 94063

RE: Extension of Development Agreement for the Harbor Village Project.

Dear Ms. Raines:

As you are aware, the Point Pillar Project Developers, LLC (PPPD), has applied for an extension of the Development Agreement between the County of San Mateo and PPPD's predecessor in interest in that agreement which PPPD has fully assumed.

The basis for our application is the Force Majeure clause of the development agreement which contains the following language in relevant part:

"15.E. Force Majeure In addition to specific provisions elsewhere set forth in this Agreement, any delay or failure of performance by any party hereunder shall not be deemed to be a breach of the terms of this Agreement where such delays or failures are due to war, insurrection...moratoria imposed by County, governmental restrictions imposed or mandated by other governmental agencies,...or similar bases for excused performance.

"An extension of time for such cause shall be granted in writing for the period of the enforced delay or longer period as may be mutually agreed upon in writing and the term of this Agreement shall be extended by the same period..."

In all, we believe the sum of the delays was over two years, but we expect to have a completed and operating project significantly before that time. Since we cannot predict what challenges we may face in completing construction, we are requesting a two year extension of the Development Agreement

In mid February I received a letter from Michael Murphy, Esq., Chief Deputy County Counsel, in which he asked that we provide more specific information and supporting documentation, to establish that the delays encountered were more than the normal delays which would be experienced in development and construction of such a project. We hope that we have done so in the accompanying summaries, letters, documents and declarations.

Following the order of Mr. Murphy's letter, we first deal with the subject of financing. Since there was only one bank executive, John Curtis, managing the entire process of financing from beginning to end, we have provided his letter detailing his original, enthusiastic interest in the project, his hesitation because of unexpected delays and costs caused by governmental agencies, his inability to proceed because of the effects of the tragedy of the attack of September 11, 2001 and the subsequent war on terrorism, and finally the full financing of the project which was completed and closed as of this month. Mr. Curtis is available to testify to any relevant aspect of this issue.

Second, we detail the delays caused by the Granada Sanitary District, and its inability, for whatever motive, to determine the number of available sewer connections for the period of nearly a year. To support our position on

this issue we have provide a summary of the events leading to the delays, and documentation in the form of exhibits.

Finally, with respect to the inordinate fire department delays, we have the declaration of Ron Stefanik, the consulting contractor who has coordinated the project and provided continuity among the various contractors and subcontractors who are building the project.

Considerable progress has already been made in the construction of the project. PPPD is now in a position to satisfy the requirements of the most recent "pick-up" notice, and weather permitting, continue construction with the building of the remaining portions of the foundation, including plumbing and all utilities, on which the hotel itself will be built. Financing for the entire project has been approved by East West Bank, and is in place. Numerous inquiries have been made by large hotel chains regarding branding this location.

We believe that all of the economic benefits referred to in the Development Agreement will accrue to the Princeton area, and we are committed to making that happen. Princeton merchants are overwhelmingly in favor of the project because the quality and desirability of the visitors' experience will be so greatly enhanced.

Mr. Murphy has asked that this information be provided directly to you, and we are doing so, with a copy to him. We are proud of this project and of the beneficial effect it will have on the entire Pillar Point Harbor area, and we look forward to its completion.

We shall be pleased to provide any necessary additional information or to provide any witnesses which you deem appropriate. Thank you for your consideration of this matter. We look forward to continued work with County staff as this project progresses.

Yours truly,



Frederick Lyon
Attorney for Point Pillar Project Developers, LLC

cc: Michael Murphy, Esq.



EASTWEST BANK

March 25, 2005

*Celebrating
30th
Anniversary*

TO WHOM IT MAY CONCERN:

RE: Harbor Village Development Financing Delays

Dear Sir or Madam:

I have been asked to recount some of the history, and ensuing delays, in working out financing for Harbor Village by Keet Nerhan's Point Pillar Project Developers, LLC (PPPD). Harbor Village is a hotel/mall/restaurant construction project in Princeton-By-the-Sea.

In mid-1999, when I was with United Commercial Bank, Mr. Nerhan came to me seeking financing for the entire project that his LLC had purchased. The purchase included mainly the land itself, architectural plans for all construction and a Development Agreement with the County of San Mateo which was based on those plans. He explained that the project had to be built "as approved." He was seeking sewer connection permits which he expected he would have in hand by the end of that year.

I was very interested in providing the necessary financing; so much so that when I came to East West Bank, I brought that business with me. My managers were enthusiastic about the project and requested current income projections, construction costs, permitting costs and information regarding County approvals. To calculate the requisite sewer costs, Mr. Nerhan provided the sewer permit fees from the one already purchased for the project's first building, and estimated the overall number needed to be about 60-70 more.

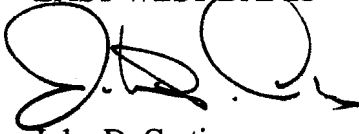
All this was in the process, with estimates in place, when, in late 2000, after a GSD permit freeze and months of refusal by GSD's attorney to allow the matter to be placed on the agenda, it became clear that the GSD, as a final demand would require Mr. Nerhan to purchase sewer connections at three times the originally estimated cost. This added over \$1M to the proposed budget, and we were forced again to recalculate the proposed financing. Notwithstanding this delay, we were committed to finance the project.

While Mr. Nerhan pursued his plan reviews through 2001, we were, we believed, close to executing all documents, subject to those approvals. Then came the horror of 9/11. We were forced to inform Mr. Nerhan that until the economic factors which were being impacted by that terrorist attack were assessed and settled, we were in no position to make the required loans. It was more than a year and a half later that we were authorized to proceed by our bank's hierarchy. We have now obtained all information we need and have completed the financing process.

Without hesitation, I believe that the \$1M change in costs, the long delays in seeing plans approved, and then the aftermath of 9/11, caused financing delays, outside of Mr. Nerhan's control, causing delays of at least two (2) years.

Most sincerely,

EAST WEST BANK

A handwritten signature in black ink, appearing to read "John D. Curtis". The signature is stylized with large, rounded letters and a prominent flourish at the end.

John D. Curtis
First Vice President and Manager
Peninsula Commercial Lending Division

DELAYS TO HARBOR VILLAGE CAUSED BY GRANDADA SANITARY DISTRICT

The following is a summary, with exhibits, of the delay incurred by Point Pillar Project Developers, LLC (PPPD) in obtaining sewer permits for its Harbor Village Project which is the subject of a Development Agreement between The County of San Mateo and the predecessor in interest to PPPD, which PPPD has fully assumed. This summary is presented as one element in the application by PPPD to extend the length of the Development Agreement pursuant to the Force Majeure clause of the Development Agreement.

1. The time period involved in this delay is over one year, from September, 1999 through November, 2000. The principal parties are Point Pillar Project Developers, LLC (PPPD) and the Granada Sanitary District (GSD). Herein, when a fact is stated in reference to a document, a description of that document will follow in brackets, and the document (or relevant portion) will be attached hereto as a labeled exhibit.
2. On September 16, 1999, Applicant (PPPD) applied to the GSD for sewer connection permits (also referred to herein as Equivalent Residential Units or ERUs) for the entire project. [Exhibit A: Initial Application] However, needing to first build an operations structure on the site, PPPD applied in October, 1999 for a permit for a single ERU. This was approved on December 6, 1999, and was issued from the Phase I sewer capacity for a connection fee of \$6,220. [Exhibit B: Approved Permit]. At that time existing ordinances required that these permits be obtained from the Sanitary District prior to application for County Permits.
3. During this time, the GSD had a diminishing number of available connection permits due to the limited capacity of the existing sewer plant, called Phase I.
4. However, almost finished and due to come on line (once approved by the state water authorities), was a new, larger plant facility, the use of which would be called Phase II. Once in place, applicants for a Phase II connection needed to pay not only the connection fee (which was reduced to \$4,700) but contingent and non-contingent assessments (having to do with the bond repayment for the Phase II plant), amounting to \$12,772.36 per ERU.
5. During issuance of permits within the Phase I limited capacity the GSD was required to first provide service connections for priority uses. Applicant's project, deemed visitor serving, was, without dispute, always considered a priority use, for which the GSD was obligated to reserve sewer capacity, and for which the district repeatedly claimed to do.
6. However, as early as 1990 the GSD adopted an Ordinance, probably in conflict with Coastal law, creating a "Priority Use Capacity Transfer Program" (PUCTP) that allowed a portion of the priority use capacity to be transferred for non-priority uses. In January 1997, the GSD increased the allocation to the PUCTP when their plant manager reported that this would not cause a capacity problem. GSD later voted to suspend the PUCTP "until further review. [Exhibit C: January 21, 1997 Kennedy/Jenks (GSD's Engineers) Memorandum]

7. The GSD, however, never completely suspended that program until November, 1999.. As of February 18, 1999, it was reported to the GSD that there were only 118 ERUs left in Phase I, with 93 for the PUCTP and 25.5 for priority use; and as of August 18, 1999 there were only 60 ERUs left, with calculations that referred to there being a negative 32.8 ERUs for priority use. By October, 1999 the total dropped to 29, with a negative 56.3 for priority use, [Exhibits D-1, D-2 and D-3: Priority Use Capacity Analysis and Exhibit E: 10/14/99 report of Kennedy/Jenks].

8. In October, 1999 the GSD's engineers had estimated and reported that the Harbor Village project needed 58 ERUs. Therefore, on October 28, 1999 Keet Nerhan for PPPD wrote the GSD, reminding them of the fact that Harbor Village had priority status, and asking that the requisite 58 ERU's be reserved at the GSD's scheduled November 1, 1999 meeting. [Exhibit G: PPPD Letter 1/28/99]

9. At the GSD meeting of November 1, 1999, the GSD Board had to deal with the issue of remaining capacity on the agenda. At this time there were conflicting reports of what exactly was available for the Harbor Village Project. The last written reports implied 29 or 30, but a staff memorandum of December 3, 1999 seems to imply that 60 were potentially left. [Exhibit I] As reflected in the minutes of that meeting [Exhibit H], and better revealed in viewing the video tape of the meeting (which Applicant has and can make available), the GSD voted to suspend any and all priority capacity issuance, including all applications for priority transfer, and to reserve all available Phase I priority capacity for the Harbor Village Project.

10. At that time PPPD was willing to accept the 29 or 30 permits which were stated to be available since this would allow PPPD to obtain permits from the County for at least some of the work necessary to further the project.

11. However, at that meeting, district legal counsel erroneously opined that the GSD could not issue permits for a part of the Harbor Village Project (i.e., in phases), but that all permits must be issued at the same time. In fact, the permits being currently issued by the GSD are in phase allotments pursuant to the demand of the district. Therefore, instead of receiving enough ERUs to begin construction once County approvals were in hand, PPPD received none, being told that their application was pending a review by the engineers as to exactly what Phase I capacity really existed.

12. In January, 2000 the GSD engineers reported that 39 ERUs remained. [Exhibit J] None were offered to PPPD. In February, 2000 the GSD wrote PPPD's engineers/architects claiming 69 ERUs were needed, but only 39 remained in Phase I, and since the GSD was not allowed to issue priority Phase I and complete the need using the new plant capacity, none would be offered so that PPPD could begin construction. [Exhibit K: Letter to Eric Jacobsen].

13. PPPD's engineers disagreed with the conclusion that there were only 39 ERUs left in Phase I capacity. There was voluminous correspondence between district counsel and new counsel for PPPD.

14. PPPD's position was bolstered by a July 14, 2000 report from the plant manager that, based on years of output history, the existing plant (Phase I) had as many as 680 ERUs of capacity left. [Exhibit L: E-mail from David Dickson to Eric Jacobsen]

15. This information was presented to the GSD and their legal counsel, and the correspondence between counsel continued, with GSD counsel refusing to allow the PPPD application to be placed on the GSD agenda.

16. Two primary points in disagreement between counsel were: (1) whether any capacity remained in Phase I to offer to this Project, and (2) once that is determined, and enough exists, whether this Project was entitled to them by the vote taken on November 1, 1999 to reserve all remaining capacity for Harbor Village. On August 17, 2000 - 9½ months after disputed reports on available a capacity and the reservation of that capacity to PPPD - district counsel stated that: "The question of the amount of remaining Phase I capacity is under review by the District Engineer and his staff. Upon completion of their review of District records, the matter will be placed on the Board agenda." [Exhibit M: Page 3 of Orton letter of August 17, 2000]

17. The replies always deferred the issue of remaining Phase I capacity to the engineers, and deferred the issue of PPPD's right to have them to a future Board meeting.

18. Finally, and for the first time officially, GSD engineers reported to the Board on November 2, 2000 (almost exactly a year from when PPPD was promised all remaining Phase I capacity at the November 1, 1999 meeting) that "There is no Phase I capacity remaining." [Exhibit N: Kennedy/ Jenks report dated November 2, 2000 on the first page, and October 31, 2000 on internal pages]

19. Throughout the year long delay in providing the amount of remaining available Phase I capacity, it was determined that: (1) many applicants were forced to buy many more ERUs than their actual use required (which is why the plant manager determined that there was a huge remaining capacity) but none were ever repurchased by the GSD, which could have been made available to PPPD; (2) the GSD illegally allowed too many priority ERUs to be transferred and issued to non-priority uses; and (3) the GSD illegally transferred, out of their jurisdiction, approximately 100 priority ERUs to the City of Half Moon Bay.

20. The GSD has changed their policy of 1999, and in 2000 reversed the roles of he GSD and the County permit process as to which must come first. Now, the County permit must be available by a "pick up letter" before the GSD will issue its permit. That was not required when PPPD was applying for its priority ERUs, such that the later delays in County approvals would not have prevented purchase of the ERUs in 1999.

21. There is no doubt that maters involving all aspects of the development (from financing to stage development approvals) would have been accelerated but for this 1 year delay by the GSD in even determining what it had available by way of ERUs in their Phase I capacity.

Keep 1 copy of this application for your files and return the remaining 2 copies to the District

GRANADA SANITARY DISTRICT
P.O. BOX 335
EL GRANADA, CA 94018-0335

Phone: 726-7093
(evenings and weekends)

Received 9-16-99
5:20pm *jk*

PERMIT APPLICATION
(OTHER THAN SINGLE FAMILY RESIDENCE)

1. PARCEL LOCATION:

PRINCETON

Assessor's Parcel Number: 047-081-370
Lot PARCEL B Block _____

2. OWNER:

Name: POINT PILLAR PROPERTIES
Address: BOX 210 SAN MATEO ROAD
SUITE 201 HALF MOON BAY, CA 94019
Phone Number: 650-726-9480

3. OWNER'S AGENT:

Name: KEAT NORMAN
Address: BOX 158
HALF MOON BAY, CA 94019
Phone Number: 650-726-4462

4. CONTRACTOR:

Name: KN CONSTRUCTION
Address: BOX 158
HALF MOON BAY, CA 94019
Phone Number: 650-726-4402

5. PERMIT TYPE (Circle 1) 1B, 1C, 1D, 2A, **(2B)** 2C, 2D, 3

Description of Use _____

6. TYPE OF WORK TO BE DONE

a. Number of Dwelling units (N) = PER PLAN
b. Number of auxiliary lateral connections (M) = _____
c. Computation of Estimated Connection Charge \$ _____

TO BE SUBMITTED (SEE ATTACHED PLANS)

7. COMMENTS: _____

8. ATTACHMENTS REQUIRED:

1. Copy of receipt for plan check from the Building Department of the City of Half Moon Bay or County of San Mateo
2. \$100.00 Application Fee #18792 \$100.00 REC'D 9-16-99 *jk*
3. Estimated Connection Charge
4. Copy of Building plans
5. OTHER _____

In consideration of the granting of this permit, the undersigned agrees:

1. To accept and abide by all provisions of all pertinent District, Half Moon Bay and San Mateo County Ordinances and regulations.
2. To notify the District when the building sewer is ready for inspection and connection to the sewer main, but before any portion of the work is covered.

Dated: 09/16/99

Signed: *K Norman*
(Applicant)

(Address)

For District use only

Approved _____

Permit # _____

Date Issued _____

15

EXHIBIT

A 1 pg.

Post-It* Fax Note	7671	Date	3/13/05	# of Pages	1
To	GREG ANTOINE	From	DELIA COMITO		
Co./Dept.		Co.	GSD		
Phone #		Phone #			
Fax #	726-3615	Fax #			

SEWER CONNECTI

GRANADA SANITARY DISTRICT (P.O. BOX 3; EL GRANADA, CALIFORN (415) 726-7033

2843

1-14-00

2B

PERMIT NUMBER DATE ISSUED PERMIT TYPE

PERMIT EXPIRATION DATE 1-14-02 USE PPH Village construction HQ

CAPACITY ENTITLEMENT: 221 GPD

PERMIT ISSUED TO: Point Pillar Properties 210 San Mateo Road, Ste 201 Half Moon Bay, CA 94019

IDENTIFICATION OF REAL PROPERTY

Assessor's Parcel No. 047-081-370 Lot Parcel A Block Metes & Bounds

Street Address Capistrano Road, Princeton Owner's Name Point Pillar Properties

FEE AND COSTS

Application Fee \$ 100.00 Connection Charge \$ 6,220.00 Additional Cost \$ Amount Paid \$ 6,320.00 Date PAID 1-14-2004 ck # 11287 \$6,220.00

FOR FINAL INSPECTION OF SEWER CONNECTION CONTACT: SEWER AUTHORITY MID-COASTSIDE 726-0124 REQUEST FOR INSPECTION MUST BE MADE 48 HOURS IN ADVANCE

RESTRICTIONS AND CONDITIONS

This permit is subject to all of the provisions of the Granada Sanitary District Ordinance Code and any special conditions and restrictions required by the District.

This permit will expire 2 years from date of issue. In the event the Building Permit has not been obtained by the expiration date, this permit, shall, at that date become void. The District must be furnished a copy of the Building Permit when it is obtained.

This permit is not transferable to another parcel or to be used for a purpose other than is described in the application on file with the District.

The Sewer Authority Mid-Coastside must be notified when the building sewer is ready for inspection and connection to the sewer main, but before any portion of the work is covered.

SPECIAL CONDITIONS:

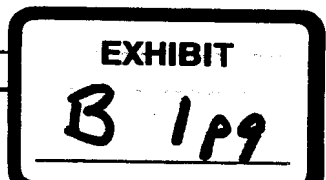
APPROVED BY: [Signature] CERTIFICATION



Date 1-15-00

Date Connection Made 5-1-00 Certification of Work Completed By [Signature]

Notes Date



Kennedy/Jenks Consultants

Engineers and Scientists
2191 East Bayshore Road, Suite 200
Palo Alto, California 94303
(415) 852-2800
CFS Direct (415) 852-2808
Fax (415) 856-8527

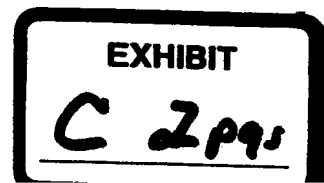
Facsimile Transmission Cover Sheet

Date: 21 January 1997
To: Charles Hall
Copy: Julie Phelps
Bill Esselstein
Fax: 712-1872
From: Carl Schrader Project No.: K/J 965001.01
Pages: 3 (Including cover)
Subject: Granada Sanitary District - Priority Use Capacity

At the December 18, 1996 Granada Sanitary District Board Meeting I made a presentation to the Board on my recent analysis of priority use capacity. My analysis was based on previous analyses by the District's former engineer Kamll Azoury, recent discussions between the District's attorney Bill Esselstein and San Mateo Planning Administrator Terry Burns, and a summary of priority use transfers monitored by Bill Esselstein's secretary Lillian Almazan.

The amount of priority use capacity was originally established at 136,844 gallons per day (gpd). At the time of a previous analysis in June 1989, 19,362 gpd of this capacity had been committed leaving 117,482 gpd of capacity available for use.

On September 11, 1990 the District Board adopted ~~Ordinance No. 78~~ which established the Priority Use Capacity Transfer Program. This program allowed a portion of the priority use capacity to be transferred for non-priority uses. At the time that Ordinance No. 78 was adopted, an additional 20,315 gpd of priority use capacity had been committed leaving 97,167 gpd of priority use capacity still available.



An amount of 33,583 gpd of priority use capacity was initially established for the Priority Use Capacity Transfer Program. This amount was arrived at by taking the 97,167 gpd of available capacity, subtracting 30,000 gpd for anticipated short-term requirements and dividing the remaining capacity by two.

Recently the Planning Administrator for San Mateo County has indicated that the county would permit up to 50 percent of the original amount of priority use capacity to be used for the Priority Use Capacity Transfer Program. This would permit a total of 68,422 gpd, or an additional 34,839 gpd of priority use capacity to be used for the program.

As part of my analysis I talked with Dave Dickson, the manager of the Sewer Authority Mid-Coastside (SAM), to determine if there would be a capacity problem at the treatment plant if the District were to use its full allocated capacity of 600,000 gpd. Dave indicated that the problems at SAM are with Infiltration/ Inflow during wet weather, and not with capacity allocation. Although new sewer connections add additional flow during wet weather as well as during dry weather, the relative impacts from the increased flow would be quite small. This is largely the case since new systems typically have little Infiltration/Inflow. Increased allocations of 15,000 gpd would be expected to increase peak wet weather flows by about 0.1 percent.

At the December 18 Granada Sanitary District Board Meeting I presented three possible scenarios for comparison. The first scenario was for the current strategy which allocated 33,583 gpd for the transfer program. The second scenario was based on available capacity at the time Ordinance No. 78 was adopted which resulted in 48,583 gpd of capacity being available. The third scenario was for the maximum amount of 68,422 gpd being available. The analysis for each scenario is presented in the attached tables.

At the January 15 Granada Sanitary District Board Meeting the District Board adopted Resolution No. 787 which increased the amount of capacity for the Priority Use Transfer Program by 15,000 gpd. The resolution also specified that the transfer program would be temporarily suspended after 5,000 gpd and 10,000 gpd of capacity had been allocated until the District Board reviewed the advisability of continuing the program.

**Granada Sanitary District
Priority Use Capacity Analysis
February 18, 1999**

Item	Transfer Program	Priority Use	Total
Capacity Available in 1989 (gpd)	68,422 (a)	49,060	117,482 (b)
Capacity Used Since 1989 (gpd)	<u>36,243 (c)(e)</u>	<u>35,575 (d)(f)</u>	<u>71,818</u>
Capacity Available (gpd) July 1, 1997	32,179	13,485	45,664
Capacity Used July 1987 - Feb. 1998 (gpd)	5,746 (g)	3,205 (g)	8,951
Capacity pending (gpd)	<u>5,967 (h)</u>	<u>4,641 (i)</u>	<u>10,608</u>
Capacity Available (gpd)	20,466	5,639	26,105
ERUs Available	93	25.5	118

- a. One half of total amount of priority capacity of 136,844 gpd
- b. Capacity available - June 1989
- c. Based on information furnished by Julie on 7/8/96 (150 @ 221 ERUs + 3 @ 442 ERUs)
- d. Approximate value to July 1, 1997 based on review of sewer permits
- e. Includes 10 pending transfers and 2 rescissions at the July Board Meeting
- f. Farm Labor Housing
- g. Based on information furnished by Julie Phelps on 2/26/98
- h. Includes 27 pending transfers from December of 1997
- i. Includes 21 ERUs for Ohlone Lodge, 12/29/98

Granada Sanitary District
Priority Use Capacity Analysis
August 18, 1999

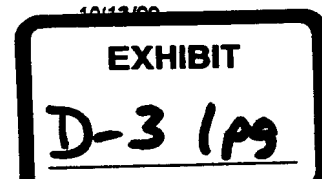
Item	Transfer Program	Priority Use	Total
Capacity Available In 1989 (gpd)	68,422 (1)	49,060	117,482 (2)
Capacity Used Since 1989 (gpd)	<u>36,243 (3)</u>	<u>35,575 (4)(5)</u>	<u>71,818</u>
Capacity Available (gpd) July 1, 1997	32,179	13,485	45,664
Capacity Used July 1997 - Aug. 1999 (gpd)	11,713 (6)	20,744 (6)	32,457
Capacity pending (gpd)	<u>0</u>	<u>0</u>	<u>0</u>
Capacity Available (gpd)	20,466	-7,259	13,207
ERUs Available	93	-32.8	60

1. One half of total amount of priority capacity of 136,844 gpd
2. Capacity available - June 1989
3. Based on information furnished by Julie on 7/8/96 (150 @ 221 ERUs + 3 @ 442 ERUs)
4. Approximate value to July 1, 1997 based on review of sewer permits
5. Farm Labor Housing
6. Based on transfer and priority permits approved since July 1997, not all are connected yet:
Includes Ramada Inn expansion (1,105 gpd, 5 ERUs), ~~KNIRV Park (5,525 gpd, 25.45 ERUs)~~, and
Ohlone Lodge (4,621 gpd, 21 ERUs).

Granada Sanitary District Priority Use Capacity Analysis October 18, 1999

Item	Transfer Program	Priority Use	Total
Capacity Available in 1989 (gpd)	68,422 (1)	49,060	117,482 (2)
Capacity Used Since 1989 (gpd)	<u>36,243 (3)</u>	<u>35,575 (4)(5)</u>	<u>71,818</u>
Capacity Available (gpd) July 1, 1997	32,179	13,485	45,664
Capacity Used July 1997 - Oct. 1999 (gpd)	8,840 (6)	24,611 (6)	33,451
Capacity pending (gpd)	<u>4,420 (7)(8)</u>	<u>1,326 (8)</u>	<u>5,746</u>
Capacity Available (gpd)	18,919	-12,452	6,467
ERUs Available	86	-55.3	29

1. One half of total amount of priority capacity of 136,844 gpd
2. Capacity available - June 1989
3. Based on information furnished by Julie on 7/8/96 (150 @ 221 ERUs + 3 @ 442 ERUs)
4. Approximate value to July 1, 1997 based on review of sewer permits
5. Farm Labor Housing
6. Based on transfer and priority permits approved since July 1997, not all are connected yet
Includes Ramada Inn expansion (1,105 gpd, 5 ERUs), KN RV Park (5,625 gpd, 25.45 ERUs),
Ohlone Lodge (4,621 gpd, 21 ERUs), Ohlone Expansion (1657.5 gpd, 6.5 ERU), 38 Priority permits,
10 of the outstanding Transfer program participants, and 4 Owner to Owner transfers.
7. In September of 1999 the District sent out letters informing those in the transfer program that have not completed permitting procedures that they have until October 31, 1999 to have their applications processed for action at the November Board meeting. 16 represent the remainder of the 27 outstanding Dec. 1997 Transfer Program. There are 2 outstanding Owner to Owner Transfers.
On the 18 October 1999 Agenda there are six applications representing 8 units of capacity up for Board consideration (6 Priority, 2 Transfer).



6033

Kennedy/Jenks Consultants

14 October 1999

MEMORANDUM

To: Granada Sanitary District Board of Directors
From: Jessamy Zagel Trisler
Subject: Priority Use Capacity Analysis Update
K/J 995001.00

The Sewer Authority Mid-Coastside Wastewater Treatment Plant is currently permitted at 2.0 million gallons per day (mgd) Average Dry Weather Flow (ADWF). Of this 2.0 mgd, Granada Sanitary District has contracted for 0.6 mgd. Current Granada Sanitary District ADWF is in the 0.47 mgd range leaving approximately 0.13 mgd unused capacity. The District Staff performs an analysis calculating the allocation of the remaining unused capacity contracted to the District. This memo presents past communications and calculations, the present calculation, and an explanation of the possible ramifications of the dwindling remaining capacity in view of the NPDES permitting of the expanded treatment capacity of the plant and property owner interest in developing their parcels within the District.

BACKGROUND

The amount of Priority Use Capacity available to the Granada Sanitary District was originally established at 136,844 gallons per day (gpd) based on the contracted capacity minus the actual ADWF for the District. In June of 1989, a portion of this capacity, 19,362 gpd, had been allocated leaving 117,482 gpd of remaining capacity. The District Board instituted the Priority Use Capacity Transfer Program (Transfer Program) in September of 1990 which allowed for residential development for parcels without "Priority" status. The San Mateo County Planning Administrator indicated that the County would permit up to 50% of the original 136,844 gpd (68,422 gpd) for the Transfer Program. Therefore, the District has been granting permits using the Priority Capacity for both "Priority" uses and "Transfer Program" uses.

The District grants permits with a capacity limit expressed in capacity units of 221 gpd. This unit is based on an average household size of 2.6 persons and a per person wastewater flow generation of 85 gpd. The 85 gpd value is from the Local Coastal Program recommended wastewater generation flow range of 70 to 100 gpd. While the individual flows from a residence or permitted development may not have flows up to 221 gpd; they are permitted for that amount. There are also outstanding permits with their corresponding allocated capacity that must be accounted for in calculating the remaining capacity. Therefore, when making calculations of remaining Priority Capacity the permitted capacity granted by the District rather than the actual flow experienced at the plant is the deciding factor in remaining available capacity.

AVAILABLE CAPACITY

The District Staff periodically analyzes the status of the remaining available capacity. Attachments to this memo present the analyses performed in January of 1997, July 1997.

EXHIBIT

E 2pgs

Kennedy/Jenks Consultants

MEMORANDUM

Granada Sanitary District Board of Directors

14 October 1999

Page 2

February 1998, February 1999, August 1999, and the most current October 1999. From these analyses it is evident that the District has allocated through the issuance of permits the vast majority of the once available capacity. There are approximately 29 units of capacity available at this time taking into account:

1. outstanding Ordinance 78 "Transfer Program" potential allocations,
2. recently allowed Owner-to-Owner allocations and other "Transfer" type reallocations,
3. flurry of small commercial type Priority permits,
4. Priority residential development in Miramar, and
5. larger "visitor serving" priority permits.

CONSEQUENCES

The Sewer Authority Mid-Coastside Plant is in the process of applying for NPDES permitting of the expanded plant capacity. Dave Dickson of the SAM plant has offered mid- to late-November as a certification date. Once this expanded capacity is certified, the District will have an additional 0.6 mgd treatment capacity available. Also at this time, the Priority Capacity appellation will cease to exist. Thus, any benefit from purchase of "Priority" capacity will cease to exist and all permits will be granted based on the "new" capacity. ~~Any remaining "old" capacity will be retained by the District and the Contracted ADWF flow for the District will be 1.2 mgd. As of October 18, approximately 29 units of capacity remain unallocated.~~ At the present permitting rate of 10 units of capacity per month this capacity will be exhausted January 2000. ~~Should any large commercial development come up the capacity will be exhausted much sooner.~~ Should the plant actually be certified in November the District will then need to determine permitting procedures for the "new" capacity.

Enclosure(s) (#)

cc: Gina Holmes - District Administrator
Gary Orton - District Counsel

POINT PILLAR PROJECT DEVELOPERS L.L.C.
P.O. Box 158
HALF MOON BAY, CA. 94019
(650) 726-4402

October 28, 1999

Granada Sanitary District
455 Avenue Alhambra, #6
P.O. Box 335
El Granada, Ca. 94018

Sub: Priority Use/Reserve Capacity
Re: Pillar Point Harbor Village Project

Gentlemen:

This letter is to request your consideration and evaluation in reserving capacity of fifty eight units for the planned Pillar Point Harbor Village Project.

Plans and an application for these units have previously been submitted to the District, and I am currently only awaiting the compilation of additional details requested by the District for this project. I expect this information to be completed shortly.

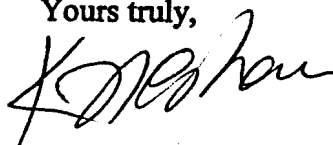
My interpretation of Section 2.21 of the L.C.P., would indicate that a visitor serving project is a priority use of capacity, and as such, any reserve capacity available should be allocated to said projects.

As you are aware, this project has been in the works for near twenty years, and with the cooperation of the District, should be in the groundbreaking stage by early 2000.

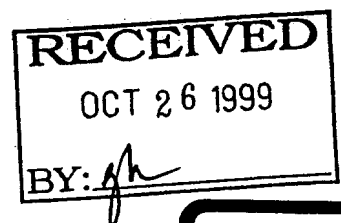
In consideration of the time already elapsed in preparation of the project, the significant financial commitment, and the positive impact of the project on the economic future of the area, I urge you to reserve these 58 units at your November 1, 1999 meeting.

Thank you for your time and courtesy in this matter.

Yours truly,



Keet Nerhan



EXHIBIT

F 199

GRANADA SANITARY DISTRICT OF SAN MATEO COUNTY

455 Avenue Alhambra, #6 P. O. Box 335 El Granada, California 94018
Telephone: (650) 726-7093 Facsimile: (650) 726-7099

Board of Directors November 1, 1999 Regular Meeting Minutes

1. **Call to Order:** The meeting was called to order at 7:35 p.m. by Board President Leonard Woren at the Portola Pump Station in El Granada
2. **Role Call:** Attending were President Leonard Woren, Vice President Leni Schultz, Treasurer Sam Caponio, Board Member A.J. Prosser, and Board Member Barbara Prosser. Attending staff were District Engineer Howard Hoffman, District Counsel Gary Orton, and District Administrator Gina Holmes.
3. **Hear the Public:** Tom Carey asked if conforming Miramar parcels would continue to be considered as priority parcels.
4. **Consent Agenda:** The following items were pulled from the consent agenda: 4.A.1, 2, & 3. Leonard Woren had minor corrections for the minutes of July 9, 1999 (item 4.A.1), July 19, 1999 (4A2), and August 2, 1999 (4A3). The minutes were approved with the corrections (**Sam Caponio/Barbara Prosser, 5-0**).
5. **Director's Reports:** Woren reported on the dedication ceremony for the expanded Sewer Authority Mid-Coastside treatment plant. At the last SAM meeting the main discussions was on Wet Water Flow .
Sam Caponio commented on the continuing problem with Nurserymen's Exchange's meters not working. Woren said he didn't know why Nurserymen's had sewer service, since they are outside the urban-rural boundary.
6. **Staff Reports**
 - 6.A. **Administrator's Report:** 1. Gina Holmes presented a memo to the Board regarding the case of District resident Linda Campbell. Campbell has requested that the District find a way by which she could get relief on her parcel assessments, and how she might obtain a permit or a "will serve" letter. Holmes' memo outlined Campbell's options for Assessment relief, and stated that at this time there were no permits available for any non-priority parcels. The Board had voted on September 9, 1999 not to issue permits against future SAM capacity.
 - 6.A.2. Holmes presented for information a log that was being compiled by Administrative Assistant Delia Comito. The table would serve as both a record and a reference. Woren stated that the format was good, but that the emphasis should be on compiling an Ordinance log for amended Ordinances after 1987 forward.
 - 6.B. **Engineer's Report:** There was no Engineer's report.
 - 6.C. **Attorney's Report:** Gary Orton reported that he and the Prosser's had met with the consultants who were reviewing and clarifying Seacoast Disposals books, accounts, and audit reports. Seacoast would respond within 30-60 days addressing the financial reports and their request for a rate increase.
Following this report, Leni Schultz asked Orton where the District stood in its ability to issue wastewater permits against future treatment capacity, as the Board had done earlier in 1999. Orton responded that the Assessment District Ordinance No. 104, page 4, provided the definition of completion of the [sewer plant] improvement is that the plant had received "all approvals." The 10 permits issued earlier in the year had required payment of the contingent assessment, the continued levying of the noncontingent assessment, and the signing of a hold harmless.
7. **Old Business**

7.A.1. Regarding revisions to the District permit policy, Holmes provided the Board with a report outlining the priority capacity conversions that remained outstanding and had not gone forward to complete the permitting process. Public input was taken.

John Barbour asked the Board to characterize the need to issue permits when the RWQCB had yet to approve the final permit for the SAM plant. Barber said the commercial property should have preference to current capacity.

Judy Taylor reviewed the table of priority conversion applicants and quickly outlined the status of each for the Board.

Craig Menden checked on whether or not his parcel in Miramar qualified for priority, and was told yes.

Bruce Turner clarified the status on his permit application and if it would be reviewed now that his subdivision was complete.

Returning to the Board, Woren suggested that due to the severe shortage of capacity that remained for the District, no applications for any kind of transfers should be processed. Barbara Prosser suggested that since no transfer/priority capacity conversions were going forward in any case, the issue could be "back burned" until the SAM plant sign-off was complete.

The Board discussed types of priority and the ability to accept applications and issue permits for reallocations. Caponio moved to use remaining capacity for priority uses only, which was seconded by Woren. Public input was taken.

Judy Taylor encouraged the Board to allow those in the transfer/priority capacity reallocation process to continue the application process.

Greg Ward suggested that applicants could be served now since there were so many hookups outstanding.

Keet Nerhan said he needed a guarantee that capacity was available for the Pillar Point Harbor Village, or he couldn't move forward.

Orton reviewed LCP information regarding required sufficient capacity vs. reserve priority capacity, and stated that continuing with the transfer program was a policy decision. If priority capacity was transferred to a non-priority parcel, that parcel then would be designated a priority parcel.

Woren asked Caponio if he would clarify his motion to state that the Board would discontinue all capacity transfers/reallocations applications of those who had not moved forward with the permitting process, and to no longer accept any reallocation applications. Caponio so clarified his motion, which was passed **(Caponio/Woren, 3-2, A.J. Prosser and B. Prosser dissenting)**.

7.A.2. Holmes and Orton provided background on the length of time that elapsed on a number of permits between the time they were approved and the time that they were issued. Since wastewater capacity was set aside once the permit was approved, the permits not issued removed that capacity from use. A proposed resolution would limit the amount of time that could pass between permit approval and permit issuance. Public input was taken.

Judy Taylor asked that the resolution not be adopted, since the planning process could be lengthy.

Tom Carey stated that sometimes the planning process could take a year.

Orton suggested that if the applicant was unable to pick up their permit in the specified time, they could re-apply later.

The Board discussed lengths of time to require. They approved a 120 period by which the applicant would be required to pick up his or her permit following its' approval. **(4-1, B. Prosser/A. Prosser, 4-1, Schultz dissenting. Ordinance No. 131)**.

7.B. Discussing approving the response to the Wet Weather Flow capacity study by Carollo Engineers was tabled until 11/15/99.

7.C. Discussing leasing Unit #7 at the El Granada Center, Woren stated that the space was needed for expanding workspace and storage. The Board discussed pros and cons and possible alternatives. The item would be continued to the 11/15/99 meeting.

At this point the Board approved extending the meeting for another 15 minutes, until 10:50 pm. (Caponio/A. Prosser, 5-0).

8. New Business

8.A. This agenda item, which was to consider eliminating priority capacity transfers/reallocations had been approved in item 7.A.1..

8.B. The Board was presented with a draft letter to Governor Davis requesting appointment of Board members to the California Regional Water Quality Control Board. The Board approved the letter and directed that the letter be marked "Urgent" and be cc'd to all concerned County and State representatives (A Prosser/Caponio, with necessary modifications, 5-0).

Schultz requested that an agenda item be placed on the 11/15/99 agenda to consider issuing connection permits against future capacity for those who have merged non-conforming parcels to 10% or more of zoning requirements.

9. **Adjourn to Closed Session:** Woren read the closed session agenda item and Government Codes: Conference with Legal Counsel : Anticipated Litigation District et al. (Govt. Code Subdivision (b) of Section 54956.9: Nurserymen's Exchange. Woren adjourned to closed session at 10:45 p.m..

10. **Reconvene to Open Session:** Woren reconvened the meeting to open session at 10:53 p.m. He stated that no action had been taken in Closed Session.

11. **Adjournment:** The Board meeting adjourned at 10:54 p.m. (B. Prosser/Caponio, 5-0).

GRANADA SANITARY DISTRICT

MEMORANDUM

TO: GRANADA SANITARY DISTRICT BOARD OF DIRECTORS
FROM: GINA HOLMES, DISTRICT ADMINISTRATOR
SUBJECT: RECOMMENDATIONS FOR ACCEPTING PERMIT APPLICATIONS
FROM PRIORITY CAPACITY CONVERSION APPLICANTS
DATE: DECEMBER 3, 1999
CC: ORTON; HOFFMAN

In October, the Granada Sanitary District Board of Directors received a report from Associate District Engineer Jessamy Trisler regarding the District's remaining capacity. The Engineer's most recent calculations indicated that as few as 60 capacity units were available to the District until the Sewer Authority Mid-Coastside received its' final permit approval. The Board determined at that time that the remaining capacity would be set aside to meet the needs of permit applicants with commercial and priority residential parcels. Persons wishing to apply for wastewater connection permits for any uses not considered priority would be obliged to wait until the expanded SAM treatment capacity was available.

A number of participants in the District's priority capacity reallocation program were in various stages of the application process. The Board requested a report outlining which parcel owners might be able to move forward with connection permit applications. The majority of the program applicants were in no way prepared to apply for a connection permit. Staff reviewed all cases of priority capacity transfers completed under Ordinance No. 78, as well as applications for priority capacity purchase and same person reallocations under Ordinance No. 112 and No. 124. Fewer than ten applicants might be allowed to apply for connections in the near future.

The following chart shows the applicants that have either persisted in the process for a considerable length of time, or who may soon be ready to apply for a connection permit. A brief background is given for each case, and a staff recommendation is provided.

EXHIBIT

H 129

11 January 2000

MEMORANDUM

To: Granada Sanitary District Board of Directors
From: Jessamy Zagel Trisler *JZT*
Subject: Priority Use Capacity Analysis Update
K/J 995001.00

The Sewer Authority Mid-Coastside Wastewater Treatment Plant is currently permitted at 2.0 million gallons per day (mgd) Average Dry Weather Flow (ADWF). Of this 2.0 mgd, Granada Sanitary District has contracted for 0.6 mgd. Current Granada Sanitary District ADWF is in the 0.47 mgd range leaving approximately 0.13 mgd unused capacity. The District Staff performs an analysis calculating the allocation of the remaining unused capacity contracted to the District. This memo presents the calculation of current residential and non-residential permitted capacity and an explanation of the possible ramifications of the dwindling remaining capacity in view of the NPDES permitting of the expanded treatment capacity of the plant and property owner interest in developing their parcels within the District.

BACKGROUND

The amount of Priority Use Capacity available to the Granada Sanitary District was originally established at 136,844 gallons per day (gpd) based on the contracted capacity minus the actual ADWF for the District. In June of 1989, a portion of this capacity, 19,362 gpd, had been allocated leaving 117,482 gpd of remaining capacity. The District Board instituted the Priority Use Capacity Transfer Program (Transfer Program) in September of 1990 which allowed for residential development for parcels without "Priority" status. The San Mateo County Planning Administrator indicated that the County would permit up to 50% of the original 136,844 gpd (68,422 gpd) for the Transfer Program. Therefore, the District has been granting permits using the Priority Capacity for both "Priority" uses and "Transfer Program" uses.

The District grants permits with a capacity limit expressed in capacity units of 221 gpd. This unit is based on an average household size of 2.6 persons and a per person wastewater flow generation of 85 gpd. The 85 gpd value is from the Local Coastal Program recommended wastewater generation flow range of 70 to 100 gpd. While the individual flows from a residence or permitted development may not have flows up to 221 gpd; they are permitted for that amount. There are also outstanding permits with their corresponding allocated capacity that must be accounted for in calculating the remaining capacity. Therefore, when making calculations of remaining Priority Capacity the permitted capacity granted by the District rather than the actual flow experienced at the plant is the deciding factor in remaining available capacity.

AVAILABLE CAPACITY

The District Staff periodically analyzes the status of the remaining available capacity. Attachments to this memo present the analysis performed in January of 2000. From this



MEMORANDUM

Granada Sanitary District Board of Directors

11 January 2000

Page 2

analysis it is evident that the District has allocated through the issuance of permits the vast majority of the once available capacity. There are approximately 39 units of capacity available at this time taking into account the 4 remaining potential transfer permits.

CONSEQUENCES

The Sewer Authority Mid-Coastside Plant is in the process of applying for NPDES permitting of the expanded plant capacity. Dave Dickson of the SAM plant has offered mid-March 2000 as a certification date. Once this expanded capacity is certified, the District will have an additional 0.6 mgd treatment capacity available. Also at this time, the Priority Capacity appellation will cease to exist. Thus, any benefit from purchase of "Priority" capacity will cease to exist and all permits will be granted based on the "new" capacity. Any remaining "old" capacity will be retained by the District and the Contracted ADWF flow for the District will be 1.2 mgd. As of January 10 approximately 39 units of capacity remain unallocated. At the present permitting rate of 10 units of capacity per month this capacity will be exhausted April of 2000. Should any large commercial development come up the capacity will be exhausted much sooner. Should the plant actually be certified in March the District will then need to determine permitting procedures for the "new" capacity.

Enclosure(s) (#)

cc: Gina Holmes – District Administrator
Gary Orton – District Counsel

Granada Sanitary District
Priority Use Capacity Analysis
January 10, 2000

Item	Transfer Program	Priority Use	Total
Capacity Available in 1989 (gpd)	68,422 (1)	49,060	117,482 (2)
Capacity Used Since 1989 (gpd)	<u>36,243 (3)</u>	<u>35,575 (4)(5)</u>	<u>71,818</u>
Capacity Available (gpd) July 1, 1997	32,179	13,485	45,664
Capacity Used July 1997 - Jan 2000 (gpd)	10,166 (6)	25,937 (6)	36,103
Capacity pending (gpd)	<u>884 (7)</u>	<u> </u>	<u>884</u>
Capacity Available (gpd)	21,129	-12,452	8,677
ERUs Available	96	-56.3	39

1. One half of total amount of priority capacity of 136,844 gpd
2. Capacity available - June 1989
3. Based on information furnished by Julie on 7/8/96 (150 @ 221 ERUs + 3 @ 442 ERUs)
4. Approximate value to July 1, 1997 based on review of sewer permits
5. Farm Labor Housing
6. Based on transfer and priority permits approved since July 1997, not all are connected yet
Includes Ramada Inn expansion (1,105 gpd, 5 ERUs), KN RV Park (5,625 gpd, 25.45 ERUs),
Ohlone Lodge (4,621 gpd, 21 ERUs), Ohlone Expansion (1657.5 gpd, 6.5 ERU), 44 Priority permits,
19 of the Transfer program participants.
7. As of 1/10/2000 there are 4 possible outstanding transfers that have the potential to receive permits.

GRANADA SANITARY DISTRICT OF SAN MATEO COUNTY

P. O. Box 335 El Granada, California 94018
Telephone: (650) 726-7093 --- Facsimile: (650) 726-7099

10 February 2000

Eric Jacobsen
Jacobsen & Associates
213 San Mateo Rd., Suite 100
Half Moon Bay, CA 94019

Subject: Class 2A Permit Application
Pillar Point Harbor Village – Phase II
APN 047-081-370

Dear Mr. Jacobsen:

The District Engineer has received an application for a Class 2A Sewer Service Connection Permit for the above named parcel and project. The parcel, zoned CCR/DR, is within unincorporated San Mateo County. Copies of the project plans, without lateral connection details have been included in the application attachments.

This project, as a visitor serving land use, meets the qualifications for "Priority" sewer capacity. However, the District Engineer has calculated the remaining "Priority" capacity at the plant and has determined that 39 units of capacity at 221 gallons per day per unit are currently available. The District Engineer and supporting staff have met with you and determined that the estimated connection capacity for Phase II (hotel, eleven apartments, and retail area) is 69 ERUs. The District does not have the "Priority" capacity available at this time to grant this permit. A permit cannot be granted using "Priority" and new capacity.

Granada Sanitary District is anticipating that the expansion capacity at the Sewer Authority Mid-Coastside Plant will be permitted by the Regional Water Quality Control Board in mid-March. At this time the 0.6 million gallons per day expansion capacity allocated to the District will become available in discrete increments. However, this capacity was funded by the Granada Sanitary District Sewage Treatment Facilities Improvements Integrated Financing District ("Financing District"). One qualification for connection to this capacity is participation in the Financing District to the level of use for that connection. APN 047-081-370 currently has 1.0 ERU of Noncontingent Assessment. An additional 68 ERUs of Noncontingent Assessment are necessary for this project. Noncontingent Assessments can be purchased from the District for \$4,401 per ERU.

Participation in the Financing District and use of the expanded capacity also requires payment of a Contingent Assessment for each unit of estimated capacity for that connection. This project requires 69 ERUs of estimated capacity. Therefore, 69 Contingent Assessments at roughly \$8,371.36 each are required.

Eric Jacobsen
10 February 2000
Page 2

Finally, the connection fee is also calculated on a per ERU basis. The current fee is \$6,220 per ERU.

The total connection fee for this project is calculated as follows:

Noncontingent Assessment:	68 ERUs @ \$4,401.00 per ERU =	\$299,268.00
Contingent Assessment:	69 ERUs @ \$8,371.36 per ERU =	\$577,623.84
<u>Connection Fee:</u>	<u>69 ERUs @ \$6,220.00 per ERU =</u>	<u>\$429,180.00</u>
Total Connection Fee:		\$1,306,071.84

If you have any questions, please call me at (650) 852-2840.

Very truly yours,

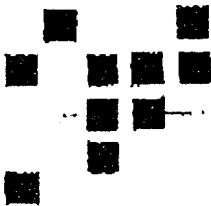
GRANADA SANITARY DISTRICT



Howard L. Hoffman, P.E.
District Engineer
Kennedy/Jenks Consultants

cc: Granada Sanitary District Board of Directors
Gary Orton - Legal Counsel

p:\00\005003.00\connection fees\pillar point harbor village 047-061-370.doc



JACOBSEN & ASSOCIATES
ARCHITECTS

FAX Cover Sheet

Date: 7/13/00

From: Eric
Jacobsen & Associates
213 San Mateo Road, Suite 100
Half Moon Bay, California 94019

Phone: (650) 726-5131
Fax: (650) 726-1759

To: KEET

The following message consists of 3 total page(s) (including this cover sheet).
Please call (650) 726-5131 if there are any problems in receiving this transmission.

KEET,

GRANADA SANITARY HAD 600,000 GPD OF PHASE 1 CAPACITY.
THE MOST THEY HAVE FLOWED THROUGH SANI WAS 450,000 GPD
LAST YEAR. THAT REPRESENTS 75% OF CAPACITY. 150,000 GPD
(630 ERU'S) IS A LOT OF "RESERVE", UNUSED CAPACITY
OR SAFETY FACTOR SPREAD OVER EXISTING SUBSCRIBERS.

ERIC

07/24/00 MON 12:59 FAX 850 728 3615

K N PROPERTIES

003

FROM : Jacobsen & Associates

FAX NO. : 650 726 1759

Jul. 14 2000 04:34PM P2

GSD Flows

~~CONFIDENTIAL~~

Subject: GSD Flows

Date: Tue, 13 Jun 2000 14:58:18 -0700

From: David Dickson <ddickson@coastside.net>

To: Eric Jacobsen <ehjarcht@pacbell.net>

Eric -

The attached spreadsheet shows GSD average daily dry weather flows (ADDWF) for 1986 - 1999. The ADDWF is the basis for determining flow allocations at SAM. Before the expansion, GSD owned 0.6 mgd of plant capacity. I'd presume this is the basis for the Phase I calculation.

Based on the 1999 figure of .45 mgd actual flow, they would appear to have 150,000 gpd of Phase I left, or enough for about 600 eru's. So I'm not sure how they come up with 39 available. That's the calculation you may want to look at.

Good luck.

- Dave

Flows.xls	Name: Flows.xls Type: EXCEL File (application/msexcel) Encoding: base64
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07/24/00 MON 12:59 FAX 850 726 3815
FROM: Jacobsen & AssociatesK N PROPERTIES
FAX NO. : 650 726 1759004
Jul. 14 2000 04:34PM P3~~CONFIDENTIAL~~**SEWER AUTHORITY MID-COASTSIDE****HISTORICAL FLOWS****HISTORICAL AVERAGE DAILY DRY WEATHER FLOWS (ADDWF)**

YEAR	ADDWF	ADDWF	ADDWF	ADDWF	% Q	% Q	% Q
	HMB	GSD	MSD	TOTAL	HMB	GSD	MSD
1986	0.702	0.417	0.350	1.469	47.8%	28.4%	23.8%
1987	0.741	0.374	0.349	1.463	50.6%	25.6%	23.9%
1988	0.632	0.334	0.345	1.311	48.2%	25.5%	26.3%
1989	0.705	0.358	0.328	1.391	50.7%	25.7%	23.6%
1990	0.728	0.338	0.323	1.389	52.4%	24.3%	23.3%
1991	0.652	0.337	0.279	1.268	51.4%	26.6%	22.0%
1992	0.561	0.357	0.303	1.221	45.9%	29.2%	24.8%
1993	0.608	0.381	0.293	1.282	47.4%	29.7%	22.9%
1994	0.577	0.341	0.343	1.261	45.8%	27.0%	27.2%
1995	0.730	0.348	0.385	1.463	49.9%	23.8%	26.3%
1996	0.928	0.397	0.377	1.701	54.6%	23.3%	22.2%
1997	0.754	0.362	0.374	1.489	50.6%	24.3%	25.1%
1998	0.788	0.421	0.374	1.583	49.8%	26.6%	23.6%
1999	0.725	0.450	0.368	1.543	47.0%	29.2%	23.8%

Gregory J. Antone

August 17, 2000

Page 3

You also indicated in your letters that you would like some indication of the Board's policy regarding "...the issue of the necessary ERU's, the remaining capacity in Phase I, whether this project, once ready, has priority over reserved capacity, etc.." My response to each of these issues is as follows:

1. The question of how many ERU's (equivalent residential units of treatment capacity) will be necessary for this project is, of course, largely an engineering question. The Board would never make such a decision without a recommendation of the District Engineer, and could be criticized if it were to do so without expert advice. This, of course, is the reason that your client needs to give the District Engineer a complete set of plans and the necessary information regarding the anticipated usage. A discussion at a Board meeting without such information would be futile and contrary to past Board practices.
2. The question of the amount of remaining Phase I capacity is under review by the District Engineer and his staff. Upon completion of their review of District records, this matter will be placed on the Board agenda.
3. Your question of "whether this project, once ready, has priority over reserved capacity" is unclear. Prior to March 15, 2000, the amount of treatment capacity available for connection permits was less than the amount necessary for your client's project. This was explained to you in my letter of August 4, 2000. On March 15, 2000, the California Regional Water Quality Control Board granted a permit to the treatment plant that allows the District to use an additional 600,000 gallons of recently constructed sewage treatment capacity. The San Mateo County Local Coastal Program ("LCP") policy 2.21 requires the District to reserve sewer treatment capacity for certain land use designations. Table 2.7 of the LCP is entitled "Sewage Treatment Capacity to be Reserved for Priority Land Uses - Granada Sanitary District." To the extent that sewage treatment capacity is required by LCP table 2.7 to be reserved for commercial recreation uses, it is a "priority land use." The District currently has sufficient capacity for the priority land uses described in LCP table 2.7.

Another format for bringing District-related development issues to the Board is by way of a proposal for a development agreement. If you have such proposal, please feel free to make it. Undoubtedly, the Board would require staff to review any proposal and make recommendations prior to considering it at a Board meeting.

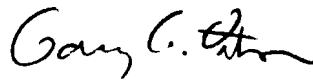
Finally, your consultant/engineer should contact Howard Hoffman, District Engineer or Jessamy Trisler, District Support Engineer, both of whom are employed by Kennedy/Jenks Consultants to discuss the issue of ERU's needed for the project. Mr. Jacobsen and his associates have discussed this project with Mr. Hoffman and Ms. Trisler on prior occasions. If you plan on attending any of these meetings, please let me know so that I can also attend. As indicated herein above, the issue of "general Phase I capacity remaining" is being studied by the District's engineers and until they complete their work, any discussion about this would be premature. Suffice it to say,

Gregory J. Antone
August 17, 2000
Page 4

however, the Board has not made any decision regarding the allocation of remaining Phase I capacity, if any there be. The current policy of the District is that any new connection must obtain a contingent assessment and non-contingent assessment for each ERU needed by the project.

Please let me know if you need any further information regarding your client's application.

Very truly yours,



Gary A. Orton

GAO:jeh

2 November 2000

MEMORANDUM

To: Granada Sanitary Board of Directors
From: Jessamy Zagel Trisler
Subject: Status of Entitlements and Priority Capacity
K/J 995004.00 G94

OBJECTIVE

The new upgraded capacity at the Sewer Authority Mid-Coastside Plant (SAM Plant) was officially certified for Granada Sanitary District (District) use on March 18, 2000. The District Engineering Staff has analyzed both the status of the entitlements within the District and the amount of remaining Phase I Priority Capacity, if any, from the original 0.6 mgd allocated to the District. This memo presents the results of these analyses.

ENTITLEMENTS

The Granada Sanitary District is the agency responsible for administration of the sanitary sewer system in El Granada, Princeton by the Sea, Miramar and select areas of Half Moon Bay. The District:

1. constructs and maintains the collection system in these areas,
2. transports and treats the collected flows in conjunction with the other agency members of the Joint Powers Authority,
3. permits the District's entitled capacity at the treatment facility, and
4. enforces regulations pertaining to permitting, discharging to sewers, overflows and other sanitary flow issues.

One of the responsibilities listed above is the permitting of flows within the confines of the District. Each discharger to the collection system within the District is required to be permitted and is charged an annual sewer service charge on the San Mateo County Tax Roll.

Residential dischargers are permitted and charged based on a flat residential flow estimate, or implied entitlement, of 221 gallons per day (gpd) per equivalent residential unit (ERU). Thus, a single family residence is permitted a capacity of 221 gpd. This capacity assignment was chosen as the mid-point of the range recommended by the Local Coastal Plan. Prior to 1989, the capacity per ERU was set at 250 gpd.

Non-residential discharges are permitted based on the estimated flow stated in terms of ERUs. These non-residential dischargers are then charged based on their annual metered water usage and type of usage. Different user types have different wastewater strengths. Since both

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volume and strength affect wastewater treatment, different costs are associated with the different types of discharge from various user categories. In this way, categories of user types are charged based on the average strength of the discharge and the volume of discharge.

The District Staff has made a significant effort to document the historical permits, correct any errors in sewer service charges, and develop and implement current permitting procedures. During this process, the issue of entitlements was addressed. In several cases, the permits for both residential and non-residential uses could not be found, did not have a recorded entitlement, or the permitted entitlement had been exceeded in recent years. A procedure for determining the non-residential entitlements had to be developed and implemented. The District Staff, in the persons of the District Engineer and his staff, the District Counsel and the District Administrator met, discussed, and developed a procedure for determination of entitlements.

Process of Determination

The District Staff submitted a memorandum, dated 6 July 2000, to the Granada Sanitary District Board of Directors. This memorandum is attached as Appendix A to this document. In this memorandum, the procedure for determining the entitlement and subsequent monitoring and amendment of the entitlement are set forth.

Several documents were used to determine non-residential entitlements. These include:

1. the Capacity Analysis – Phase I Report, dated April 1987, prepared by the then District Engineer CREM
2. the Revised Capacity Analysis – Phase I Report, dated June 1989, prepared by CREM
3. the District permit files
4. the 1984-85 water records, and
5. the 1999-2000 water records

Non-residential entitlements were set using the following methodology:

- a. Entitlement stated on the permit, if available. If unavailable, then
- b. Entitlement listed in the Capacity Analysis – Phase I Report, which is based on the 1984-85 water records. If not listed in this report, then
- c. Entitlement is set at the 1985-86 water usage.

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- d. If the permit was issued after 1985 but has no set entitlement, the entitlement is set at the flow calculated for the connection based on estimated use for that user category.
- e. The minimum entitlement for any parcel is set at 250 gpd for those connected prior to 1989, and 221 gpd for those connected after 1989.

Residential users also have a capacity associated with their permits. Prior to 1989 this capacity was 250 gpd, after 1989 it was set at 221 gpd. Although the District does not use metered water records to monitor and charge for residential flow, the ERUs of capacity granted with the permit provide an implied entitlement for residential users of 221 gpd per ERU. This means that, although a single residence may not use its full 221 gpd, when one averages all the residential user flows, 221 gpd per ERU covers the total flow treated from residential users.

The 6 July 2000 memorandum also details procedures for determining and enforcing amendment of the entitlements. The first step in this process is to notify all non-residential users of their current entitlement and their current flow. In cases, where the flow from the last three years exceeds the entitlement, the owner will be advised to lower their flow to meet the entitlement within the coming year. If the owner cannot meet the entitlement, a connection charge will be levied equivalent to the excess capacity necessary to bring the entitlement up to current flows. Since this excess flow is based on the current, existing flow, the connection fee will be charged based on Phase I capacity and not subject to the charges associated with the Phase II capacity (i.e., Contingent and Non-contingent Assessments).

Current Entitlements

The current non-residential entitlements are listed in Appendix B. Total non-residential flow for 1999-2000 was 35,724 hundred cubic feet (ccf) per year or 73,215 gpd. Non-residential entitlements total 54,015 ccf or 110,701 gpd. Individual entitlements were exceeded by a total of 16,963 gpd. Therefore the total entitled flow is the 127,664 gpd.

Action Items

The following are the action items associated with Entitlements:

1. Notify all non-residential users of their entitlement and current flow.
2. Notify all non-residential users of any exceedence of their entitlement within the past three years. Advise these users that the flow from their facility must either be reduced to meet the entitlement within the year or the owner must pay additional connections fees to amend the entitlement to the larger flow.

PRIORITY CAPACITY

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The Sewer Authority Mid-Coastside Wastewater Treatment Plant Phase I construction was permitted at 2.0 million gallons per day (mgd) Average Dry Weather Flow (ADWF). Of this 2.0 mgd, Granada Sanitary District had contracted for 0.6 mgd. The Local Coastal Plan set restrictions for Priority and non-Priority use and designated reserved capacity for these uses. In 1987 the District Engineer analyzed the District's remaining Phase I capacity and made a determination of the remaining Phase I capacity. Granada Sanitary District has kept records monitoring the allocation of the remaining Phase I capacity until the dedication of the Phase II capacity.

Historical Basis

The amount of Priority Use Capacity available to the Granada Sanitary District was originally established at 136,844 gallons per day (gpd) based on the Local Coastal Plan. In June of 1989, a portion of this capacity, 19,362 gpd, had been allocated leaving 117,482 gpd of remaining capacity. The District Board instituted the Priority Use Capacity Transfer Program (Transfer Program) in September of 1990 which allowed for residential development for parcels without "Priority" status through the process of purchasing or transferring priority capacity from a "priority" parcel to a "non-priority" parcel. The San Mateo County Planning Administrator indicated that the County would permit up to 50% of the original 136,844 gpd (68,422 gpd) for the Transfer Program. Therefore, the District has been granting permits using the Priority Capacity for both "Priority" uses and "Transfer Program" uses.

The District grants permits with a capacity limit expressed in capacity units of 221 gpd. This unit is based on an average household size of 2.6 persons and a per person wastewater flow generation of 85 gpd. The 85 gpd value is from the Local Coastal Program recommended wastewater generation flow range of 70 to 100 gpd. While the individual flows from a residence or permitted development may not have flows up to 221 gpd; they are permitted for that amount. There are also outstanding permits with their corresponding allocated capacity that must be accounted for in calculating the remaining capacity. Therefore, when making calculations of remaining Priority Capacity the permitted capacity granted by the District rather than the actual flow experienced at the plant is the deciding factor in remaining available capacity.

Current Status as of March 2000

Table 1 presents a summary of the Priority Capacity Analysis. This summary presents the 1999 flow figures by category, the number of new permits, the amount of additional entitlement and compares the resulting total flow to the allocated capacity. Appendix C provides lists of permitted uses as backup to Table 1.

From Table 1, Total Priority Capacity is 215,482 gpd. When compared to the stipulated 140,644 gpd of the Local Coastal Plan there is a shortfall of roughly 339 ERUs. Total non-Priority Capacity is 389,614 gpd. When this is compared to the allowable capacity of 459,356

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gpd there is an excess of 316 ERUs. In all, there is a shortfall of 24 ERUs of capacity. This means that the District has permitted over the 600,000 gpd of Phase I capacity.

Although the 1999/2000 ADWF was 472,000 gpd, which would seem to indicate that the District has 128,000 gpd of unused Phase I capacity, this capacity is claimed by current users either through an entitlement to a non-residential user or is allocated as an average use to a residential user. There is no Phase I capacity remaining.

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6 Facsimile: 650-654-3416

7 Attorney For Applicant: POINT PILLAR PROJECT DEVELOPERS, LLC

8
9 **BEFORE THE BOARD OF SUPERVISORS**
10 **OF THE COUNTY OF SAN MATEO**
11

12 IN RE THE APPLICATION OF:)
13) **DECLARATION OF**
14) **RON STEFANICK**
15) **IN SUPPORT OF APPLICATION;**
16) **REGARDING DELAYS IN**
17) **PERMIT PROCESS AT THE**
18) **HALF MOON BAY FIRE**
19) **PROTECTION DISTRICT**
20)
21)
22)
23)
24)
25)
26)
27)
28)

29 I, RON STEFANICK, declare as follows:

- 30 1. I am a general contractor, with over 26 years of contractor related experience here on the
31 Mid-Coast. Currently, among other things, I consult as an independent contractor for Point Pillar
32 Project Developers, Inc. to assist in overall management of the project and all subcontractors. In that
33 capacity I have been "hands-on" with respect to all plan submittals to the County of San Mateo and
34 the Half Moon Bay Fire Protection District; explaining our drawings and plans, helping to modify
35 them in response to County or Fire District concerns, and attending most all meetings in that regard.
- 36 2. For many years I have had the occasion to submit plan approvals to the Fire District. In all
37 such experience, even the most complicated and controversial applications or plans were addressed,
38 responded to and the issue(s) resolved within approximately two (2) months of any submittal.
- 39 3. My experience on this project, ever since there were changes in Fire District personnel (there
40 have been, I believe, three chief inspectors during this time) is that such submittals have been grossly
41 drawn out as to time of response from that District, let alone time of approvals.

1 4. Our phone calls are often not returned such that we are often forced to go in person to the
2 District office to get anything done. Attempts to plan meetings have met with resistance and resulted
3 in further delays. I am informed of this by our architect and agents, as well as by County staff.

4 5. The entire process in submittal-to-approval at the District requires us to take a watchdog
5 approach, constantly pushing, prompting and reminding staff that we have had no response for far
6 longer than was warranted by the submittal.

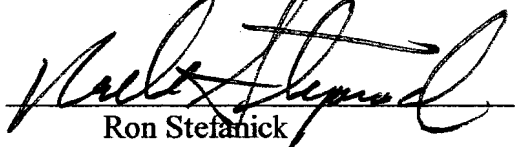
7 6. In the past, to expedite the process, we were always allowed to directly contact the
8 independent consultant advising the District. In fact, we are required to pay for that consultant, as
9 well as our own. We need that direct contact. Almost every complicated or substantive question
10 posed to the inspectors is met with: "I have to discuss that with the consultant."

11 7. However, the current chief inspector has ordered our project manager **not** to directly contact
12 the District's consultant at all. That is contrary to a long standing precedent upon which we always
13 based our time estimates of permit approval. The old three way discussion, now, in some instances,
14 drawn out by a chain of discussions, has caused massive delay. This can be particularly frustrating in
15 any situation where the District's consultant's opinion or conclusion may not be correctly read or
16 interpreted by the District inspector, such that the matter has to be resubmitted to him.

17 8. It is without hesitation that I can state that, long after other construction delays were resolved,
18 at least two (2) submittals (and probably more) were unreasonably and inordinately delayed by the
19 District as to their response, by as much as four (4) months each – an overall loss of eight (8) months.

20 9. If called as a witness in the above captioned matter I would be competent to testify to, and
21 would testify to, these facts of my own knowledge or from records in my possession.

22 I declare, under penalty of perjury under the laws of the State of California, that the foregoing
23 is true and correct. Executed this 28th day of March, 2005 at Half Moon Bay, California

24
25 
26 Ron Stefanick

COUNTY OF SAN MATEO
 ENVIRONMENTAL SERVICES AGENCY
 PLANNING AND BUILDING DIVISION

Pillar Point Village Project

COMPLIANCE STATUS WITH ALL 1989 CONDITIONS OF APPROVAL

County File Numbers: CDP 88-46, UP 88-6, and SMN 89-9

CONDITIONS	COMPLIANCE			COMMENTS
	Yes	No	Pending	
<u>For Minor Subdivision (County File No. SMN 89-9)</u>				
<u>Department of Public Works</u>				
1. The applicant shall design and construct roadway improvements on the northerly half of Capistrano Road, including necessary right-of-way dedications, to provide a left turn pocket into the Harbor, one through lane on Capistrano; and a free right turn lane into the proposed subdivision's entrance. The design shall include a sidewalk, a four-way stop at the Capistrano/Harbor access-intersection, and appropriate drainage and drainage facilities, if required by the Department of Public Works.			X	Design approved; encroachment permit issued. Correction pending.
2. The applicant shall design and construct an acceleration (merge) lane on the northerly half of Capistrano Road from the subdivision's easterly entrance to westbound Capistrano Road.			X	Same comment as #1.
3. Construction plans for Conditions #1 and #2 shall be submitted to the Department of Public Works for review and approval.	X			
4. The applicant shall design and construct improvements to northbound Highway 1 at the Capistrano Road intersection to provide two (2) left turn lanes onto Capistrano; one through northbound lane; and one free right turn lane. The plan shall be submitted to the Department of Public Works and CalTrans for review and approval.			X	Plans submitted; need copy of CalTrans permit.

CONDITIONS	COMPLIANCE			COMMENTS
	Yes	No	Pending	
5. The applicant shall design and construct improvements to southbound Highway 1 at Capistrano Road intersection to provide a separate eastbound left turn on Capistrano Road; a separate southbound right-of-way lane on Highway 1; separate westbound through and right-turn lanes on Capistrano Road. The plans shall be submitted to the Department of Public Works and CalTrans for review and approval.			X	Same comment as #4.
6. The applicant shall provide documentation to the Department of Public Works that the applicant has acquired an encroachment permit and complied with all requirements of the State Division of Highways for any proposed work within the State Highway right-of-way at Highway 1.		X		
7. The applicant shall obtain an encroachment permit from the County Public Works Department prior to commencing any work within the County right-of-way on Capistrano Road.	X			
8. The applicant shall comply with all the provisions of the San Mateo County Grading Ordinance.	X			
9. No grading or excavation shall commence until the applicant has met all requirements of the Department of Public Works and the County Building Inspection Section.	X			
10. The applicant shall prepare a drainage analysis of this proposed subdivision and submit it to the Department of Public Works for review. The drainage analysis shall be signed by a registered civil engineer, and shall consist of a narrative analysis and a plan. The flow of stormwater onto, over, and off the property being subdivided shall be detailed on the plan, and shall include adjacent lands as appropriate to clearly depict the pattern of flow. The drainage analysis shall either certify that the proposed lots are adequately drained or recommend engineering measures necessary for adequate drainage, including, but not limited to, assuring that post-developed runoff from the subdivision does not exceed that which existed in its pre-development stage. Recommended engineering measures shall be designed by the subdivider's engineer, reviewed by the County, and constructed prior to the recordation of the parcel map.	X			

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
11.	The applicant shall prepare a plan which demonstrates the feasibility of sewerage the proposed parcels of this subdivision by gravity and submit this plan to the Department of Public Works for review.	X			
12.	The applicant shall submit written certification from the Coastsie County Water District to the Public Works Department and the Planning Division verifying proof of 24 water connection permits and stating that District's requirements to provide water service connections to the proposed project have been met prior to the issuance of a building permit.			X	Need written certification.
13.	Any potable water system work required by Coastsie County Water District within County right-of-way shall not be commenced until County requirements for issuance of an encroachment permit have been met. Plans for such work shall be reviewed by the Public Works Department.	X			
14.	The applicant shall submit written certification from the appropriate energy and communications utilities to the San Mateo County Department of Public Works and the Planning Division stating that they will provide energy and communications service to the proposed parcels of this subdivision.			X	Need written certification.
15.	"As-Built" plans of all construction required by these conditions shall be prepared and signed by the subdivider's engineer upon completion of all work. The "As-Built" plans shall be accompanied by a written certification by the subdivider's engineer that all private facilities have been completed in conformance with the approved plans.			X	Will be done upon completion of <u>all</u> work.
16.	The applicant shall submit a parcel map to the Department of Public Works for review and recording.	X			
17.	The applicant shall submit for review, to the Department of Public Works, improvement plans, profiles, typical sections, etc., for driveway access (both easterly and westerly entrances), parking lot area, and drainage installations.	X			

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
18.	The applicant shall record documents which address the future maintenance responsibilities of the private roadways, private drainage facilities, and the private parking lot, including ingress-egress easements to the proposed parcels, if applicable. Prior to recording these documents, they shall be submitted to the Department of Public Works for review.	X			Need copies of <u>recorded</u> documents.
<p><u>For Use Permit (County File No. UP 88-6) and Coastal Development Permit (County File No. CDP 88-46)</u></p> <p><u>Department of Public Works</u></p>					
1.	A geotechnical investigation report shall be submitted to the County Geologist for review and approval prior to the issuance of a building permit.	X			
2.	All grading and excavation activities, foundation supports and pavement design shall adhere to the recommendations in the geotechnical report prepared by Harding Lawson Associates, 1988. All grading and foundation plans shall be reviewed and approved by Harding Lawson Associates prior to submittal to the County Geologist for final review and approval. If any modifications or changes are made by the County Geologist, the geotechnical consultants shall inspect the final grading and foundations to determine whether their recommendations are still valid before final building and grading permits are issued.	X			
3.	During grading and construction for foundations and pavement, the geotechnical consultant shall provide weekly on-site observations as necessary, together with field and laboratory testing, to ensure compliance of conditions of approval for all plans, specifications and soil compaction. The geotechnical consultant shall be required to be on site to observe all footing excavations for proper fill materials, depth and clean out. All observations will be combined into a final compliance report which will be reviewed by the County Geologist.			X	Work not completed; therefore, no final report yet.

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
4.	The applicant's engineering geologist shall conduct on-site observations each week and after each heavy rain, and during excavation and grading. The engineer shall be responsible for ensuring compliance with all drainage plans. A summary report of inspections and verification of compliance shall be submitted to the Department of Public Works and the Building Inspection Section prior to final grading and building approval. If drainage plans are not complied with, the engineering geologist will contact the County for appropriate action.			X	Upon completion of work.
5.	The applicant shall close the median strip on Capistrano Road across from the proposed hotel and install a right-turn only sign to restrict turning movements from the driveway prior to the issuance of a Certificate of Occupancy.		X		Talked to engineer on March 22, 2005 to review and submit plan.
<u>Environmental Health Division</u>					
6.	The applicant shall submit a letter from the Coastside County Water District stating that the necessary water connection is available for the project. The need for a water main extension and/or an increase in water pressure shall be completed to the satisfaction of the Coastside County Water District and the Department of Public Works.	X			
7.	The applicant shall receive a sewer permit from the Granada Sanitary District prior to the issuance of a building permit.			X	GSD has tentatively approved their service capacity to this project in its entirety and have issued the required permits for the retail portion, but not for the hotel rooms of the pending hotel building permit, but not yet for the pending and separate building permit for the restaurant.
8.	The applicant shall extend the sanitary sewer main to serve the project to the satisfaction of the Granada Sanitary District.	X			The sewer main has been installed, as authorized by GSD.
9.	The applicant shall submit construction plans for the restaurant and retail food establishments to the Environmental Health Division for review and approval prior to the issuance of a building permit.			X	Environmental Health has received and approved the construction plans for the separate restaurant building. They have not yet received the plans for any food establishment within the main hotel building.

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
<u>Building Inspection Section</u>					
10.	The applicant shall apply for a building permit prior to any construction or excavation and all requirements of the County Building Inspection Section shall be met.			X	The project is comprised of the following building permits, each followed by their issuance status: BLD 1999-01211 (Separate Office Building) – Issued, constructed, not yet finalized. BLD 2000-01630 (Underground Parking Structure) – Issued, ongoing. BLD 2004-00911 (Hotel Portion) – Not issued. BLD 2004-01322 (Restaurant, Shell Only) – Not issued. BLD 2004-01433 (Hotel Slab Foundation) – Issued.
11.	Low-pressure valves and water conservation devices shall be installed on all water fixtures prior to the issuance of a Certificate of Occupancy.			X	Will be confirmed prior to final project approval.
<u>Half Moon Bay Fire Protection District</u>					
12.	The applicant shall comply with all the requirements of the Half Moon Bay Fire Protection District for providing fire safety features, i.e., automatic sprinkler system, alarm monitoring system, fire hydrant installation, and an emergency access adjacent to the hotel and retail structure. The applicant shall contract with the District for a fire protection consultant to perform plan checks, construction review and sprinkler checks to ensure the development complies with code and other conditions required by the District. The consultant shall be hired and the contract finalized prior to the issuance of a building permit.	X			Contract for third party plan review signed with Hughes Assoc. All outstanding fees shall be paid prior to a final project approval by the Fire District.
13.	The applicant shall submit written verification from the Coastside County Water District that there is adequate water pressure to service the automatic sprinkler systems prior to the issuance of a Certificate of Occupancy.			X	Will be submitted prior to final project approval by Fire District.

	CONDITIONS	COMPLIANCE			COMMENTS
		Yes	No	Pending	
14.	The lighthouse tower shall not be used for public entry or access without Fire Department approval. The plans will be modified to provide fire access to all sides of the lighthouse tower. The maximum height shall be 75 feet to the peak, and a document shall be recorded that will prohibit occupied use of the structure (i.e., no public entry or access for any purpose) until such time as the Half Moon Bay Fire Protection District shall allow removal of the condition. (This condition has been made inoperative by reason of the deletion of the lighthouse from the approved project.)	--			N/A; lighthouse deleted from plans.
15.	No building permit shall be issued until the Half Moon Bay Fire Protection District notifies the County that satisfactory arrangements have been made for the purchase of a 75-foot aerial truck. (This condition has been made inoperative by reason of the deletion of the lighthouse from the approved project.)	--			N/A; lighthouse deleted from project.
16.	The applicant shall agree to participate in the formation of a special fire service zone to assist in funding the additional manpower required to service the project. The goal of this zone shall be to fund three (3) firefighters. The applicant shall include all of its property in the harbor area in such zone, consisting of approximately 35 acres. Initially, the Pillar Point Harbor Village project will fund the salaries of one and one-half (1 1/2) firefighters through assessment. As additional areas within the special fire services zone are developed, the assessment may be adjusted as necessary to reflect the proportionate contribution of each area for fire protection services. Prior to the issuance of the building permit, the applicant shall execute an agreement with the Fire District which shall provide for fully funding the first year's assessment at a date set forth in the agreement.		X		Applicant has not yet formed the required Melo Roos Community Facilities District.
17.	The applicant shall provide radio controlled traffic signal devices for the Highway 1 and Capistrano Road intersection and for firefighting equipment, as permitted by the California Department of Transportation.		X		The installation of an optical, not radio-controlled, traffic per-emption system at the intersection of Capistrano and State Highway 1 will need to be completed under a permit from CalTrans.

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
18.	No building permit shall be issued until the applicant has provided written verification from the Coasts County Water District that there is sufficient fire flow for the project, in accordance with Insurance Services Office standards.			X	Fire flow tests were performed on the on-site hydrant system.
19.	Upon submission of plans for Fire District review, the applicant shall pay all necessary fees and expenses of the Fire District to perform plan checks, construction review and sprinkler checks to ensure compliance with requirements and safety features specified by the Fire District.			X	All outstanding fees shall be paid prior to Fire District's final approval on this project.
20.	Unless earlier dates are specified, all of the foregoing conditions shall be fully implemented prior to the issuance of the Certificate of Occupancy for the project.			X	As previously stated.
<u>Planning Division</u>					
21.	The proposed development shall be constructed according to the plans approved by the Board of Supervisors. Minor architectural and site changes that are consistent with the intent of the plans may be approved by the Planning Director.	X			So far, the building plans either are the same as the originally approved plans, or the _____.
	The height of the building in the development shall be measured in conformance with Section 6102.44 (Definition of Height) and Section 6102.41 (Definition of Grade) of the County Ordinance Code.	X			The BLD plans were reviewed and the approved height confirmed. The approved height will be confirmed during construction.
22.	Exterior colors for the development shall be natural and nautical shades (i.e., blues, grays, whites, etc.) and shall be to the approval of the Planning Director.			X	These colors have been reviewed and approved; they will also be confirmed prior to final project construction approval.
23.	The design and colors of the identification sign for the project shall be in a maritime theme to the approval of the Planning Director.			X	Project sign design has not yet been submitted or approved, but will need to be prior to final project approval.
24.	A landscape plan for the commercial facilities and parking area prepared by a landscape architect shall be submitted for review and approval by the Planning Director. The plan shall utilize drought-tolerant plants and a drip irrigation system and shall include both the common and scientific			X	Landscape plan has been reviewed and approved. Implementation of the approved plan will be confirmed prior to final project approval.

CONDITIONS	COMPLIANCE			COMMENTS
	Yes	No	Pending	
name of all plants proposed, a planting plan keyed to a legend showing container size and number of plants, as well as proposed methodology of staking. The landscaping plan shall include, and applicant shall construct, benches for use by the public along the area of Capistrano Road facing the harbor. The landscaping plan shall show proposed walkways, benches, walls, fencing, irrigation system and any additional landscape features. The benches shall be sited so as to provide views of the harbor.				
Also, included in the landscaping plan shall be a 10-foot wide planting strip between the hotel and the adjacent Pillar Point Inn. This strip shall be heavily planted with tall trees and dense vegetation to screen the Inn from the hotel.			X	As indicated above, except that prior to the final project approval, that section of the landscape plan pertaining to this element of Condition 24 shall be revised to include a more dense planting of tall trees and vegetation.
25. A Letter of Assignment in an amount of \$15,000 shall be posted to guarantee installation and maintenance of the approved landscape plan for a two-year growing season. The landscape architect shall inspect the landscaping twice a year for the two growing seasons to ensure correct installation and maintenance of plant materials. The landscape architect shall submit a report to the Planning Director verifying all landscaping has been successfully established prior to releasing the Letter of Assignment.			X	This shall be submitted upon confirmation that all approved landscaping has been installed and prior to the final project approval.
26. An outdoor lighting plan for the parking area and commercial facilities shall be submitted for review and approved by the Planning Director prior to the issuance of a building permit. The plan shall include the lighting layout and fixture design, and shall provide for low intensity shield lighting in the parking lots to minimize nighttime illumination and glare. The plan shall be designed with consideration of nighttime security.			X	The proposed lighting plan has been approved and its implementation will be confirmed prior to final project approval.
27. Ninety of the new required parking spaces shall be made available for shoreline access parking between 10:00 a.m. and 4:00 p.m. in a location to be approved by the Planning Director. Signs shall be posted designating the spaces available for shoreline access parking in accordance with Section 6269(d) of the County Zoning Ordinance.			X	A plan showing the location and associated signage for these spaces shall be submitted for approval and implemented prior to final project approval.

CONDITIONS		COMPLIANCE			COMMENTS
		Yes	No	Pending	
28.	The applicant shall submit a dust control plan that provides measures for minimizing dust levels during construction, i.e., periodic watering of graded surfaces, prompt replanting of disturbed areas, limiting grading on excessively windy days, etc., prior to the issuance of a building permit.	X			Included on the BLD plans.
29.	The applicant shall offer an avigation easement in a document provided by the Department of General Services to the County prior to the issuance of a Certificate of Occupancy.			X	Will be submitted and reviewed prior to final project approval.
30.	The applicant shall install a red obstruction light on top of the lighthouse prior to the issuance of a Certificate of Occupancy. (This condition has been made inoperative by reason of the deletion of the lighthouse from the approved project.)	--			N/A – Lighthouse deleted from project.
31.	No structure shall exceed a height which cannot be served by an aerial tanker fire truck. The applicant shall agree to participate in the purchase of an aerial tanker fire truck to protect such structure prior to the issuance of a Certificate of Occupancy.	--			N/A – Lighthouse deleted from project.
32.	Final building plans shall be reviewed to ensure that solid waste storage areas, loading docks and other less attractive features are located away from the street and screened with fencing and landscaping.	X			
33.	Recycling bins for glass shall be provided in the trash disposal areas for the hotel and restaurant, and for glass and cardboard in the disposal areas for the commercial retail uses, and shall be indicated on the final site plan.			X	BLD plans need to be revised to show this prior to final project approval.
34.	The applicant shall arrange with Coastside Scavenger for the collection of recyclable solid waste products prior to the issuance of a Certificate of Occupancy.			X	Confirmation of this agreement shall be confirmed prior to final project approval.

	CONDITIONS	COMPLIANCE			COMMENTS
		Yes	No	Pending	
35.	The layout of the surface parking lot shall be designed to provide: (1) safe parking spaces that will not disrupt vehicular traffic by eliminating all on-site parking spaces that will produce unsafe parking, (2) pedestrian cross walks constructed of brick or material other than asphalt and raised slightly above the parking surface, and (3) speed bumps. The design of the parking lot shall be to the approval of the Planning Director and the Department of Public Works prior to the issuance of a building permit.	X			Current BLD plans indicate compliance. Installation of speed bumps will be confirmed prior to final project approval.
36.	The applicant shall retain an acoustical consultant to prepare a detailed acoustical analysis for the project. The report shall address: (1) construction specifications necessary to control interior noise levels to a CNEL of 45 dB, (2) measures for reducing mechanical noise levels, (3) methods for controlling noise in areas exposed to traffic, and (4) design of temporary construction noise barrier between project site and Pillar Point Inn. The recommendations in the acoustical analysis shall be reflected in the building plans.	X			
37.	The applicant shall construct a temporary noise wall adjacent to the Pillar Point Inn during the duration of the construction period prior to approval of a building permit.	X			
38.	All construction-related vehicles and equipment shall be properly muffled and restricted to weekday daytime hours between 8:00 a.m. and 6:00 p.m.	X			Will be monitored and enforced throughout construction phase.
39.	The applicant shall place a building directory at the main entry to the shopping complex prior to the issuance of a Certificate of Occupancy.			X	Will be confirmed prior to final project approval.
40.	The applicant shall contact the U.S. Army Corps of Engineers for verification that there is no evidence of wetlands or stream channels on the project site and shall submit a letter to the Planning Director providing details of all communications with the Corps prior to the issuance of a building permit.	X			

CONDITIONS	COMPLIANCE			COMMENTS
	Yes	No	Pending	
41. A check for \$21,000 shall be deposited by Fishing Village Associates to assure compliance with the mitigation measures adopted as conditions of this permit. Amendments to the amount of deposit may be made by the Planning Director to assure that compliance with AB 3180 is achieved. The condition is adopted pursuant to AB 3180 (PRC Section 21081.6).	X			Ralph Osterling Associates is on contract to monitor all mitigation measures.
42. In recognition of the need for future traffic and circulation improvements in the area of the project, the owner shall participate in an assessment district or similar fair and appropriate mechanism to provide funds for future traffic improvements made necessary because of the cumulative impacts of this and future development in the area.			X	Their participation will be confirmed prior to final project approval.
43. The applicant shall prepare a Transportation System Management Plan which provides for three (3) vanpool parking spaces, provisions for employee carpooling, use of public transportation facilities (including buses), etc. This plan shall be to the satisfaction of the Planning Director.			X	Submittal of the plan and confirmation and signage for the vanpool spaces will be confirmed prior to final project approval.
44. One year after opening of the Fishing Village complex, the applicant shall conduct a study of its employees to determine the need and feasibility of establishing a child day care center in the complex for the employees. This report shall be presented to the Planning Commission for review and action after completion of the study. The Planning Commission may require installation of a child day center if the study determines there is a need for such a service.			X	This will be arranged at the time of the final project approval.
45. During the construction phase of the project and to the extent allowed by law, the applicant shall pay prevailing wages at a level which would be required if the proposed project was a Public Works project.	X			

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