

# **COUNTY OF HUMBOLDT**

**For the meeting of:** 10/6/2020

## File #: 20-1206

То:	Board of Supervisors
From:	Planning and Building Department

Agenda Section: Public Hearing

# SUBJECT:

Samoa Peninsula Wastewater Project (SPWP) Environmental Impact Report (EIR) Certification, Project Approval and Local Coastal Program Amendment Initiation; Record Number PLN-2020-16642

# RECOMMENDATION(S):

That the Board of Supervisors:

- 1. Open the public hearing, receive and consider the staff report, and accept public comment;
- 2. Close the public hearing and deliberate;
- 3. Adopt Resolution No. \_\_\_\_\_ (Attachment 1) Making Findings of Fact, Certifying the Final Environmental Impact Report (FEIR) for the SPWP (Attachment 3), adopting the Mitigation Monitoring and Reporting Program (Attachment 2), approving the SPWP, and initiating amendments to the Humboldt Bay Area Plan that are necessary to allow the SPWP to proceed;
- 4. Direct Planning and Building staff to file a Notice of Determination with the Humboldt County Clerk and State Clearinghouse; and
- 5. Direct Planning and Building staff to prepare amendments to the Humboldt Bay Area Plan necessary for the SPWP to proceed.

## SOURCE OF FUNDING:

282-3109, State Water Resources Control Board Planning Grant Agreement No. D16-04034 in the amount of \$550,000.

## DISCUSSION:

This item involves construction of a proposed wastewater system to serve existing development on the Samoa Peninsula outside the Town of Samoa. The project will reduce water quality impacts from existing septic systems which currently discharge into the high groundwater in the area. It will benefit residents in the towns of Fairhaven, and Finntown, Samoa Peninsula Union School, existing industrial uses, the Samoa boat ramp and RV park, and smaller commercial operations located on or near the City of Eureka Samoa Field.

The wastewater project aligns with and adds value to the planning for improvements to the Town of Samoa wastewater treatment plant and efforts by the Humboldt Bay Harbor Recreation and Conservation District (HBHRCD) to permit the use of the ocean outfall pipe at the Redwood Marine Terminal II (RMTII) for municipal use. The proposed wastewater system will also facilitate new Coastal-Dependent Industrial development on properties in the Fairhaven area which are presently constrained by inadequate means of wastewater disposal.

**Project Funding.** In November of 2016, the Board of Supervisors approved Resolution 16-130 (Attachment 4) authorizing the submission of a Financial Assistance Application to the State Water Resources Control Board (SWRCB) for grant funding to plan and design the SPWP. The grant was prepared by the Planning and Building Department on behalf of the Samoa Peninsula Fire Protection District (FPD), which at that time was in the process of reorganizing as the Peninsula Community Services District (CSD) with the intent of providing a range of municipal services, including wastewater service, within its boundaries. The Samoa Peninsula FPD was ineligible to apply for the Project funding because it had no authority to carry out a wastewater project. The Peninsula CSD is now officially formed and will take responsibility for buildout of the project moving forward.

In 2018 the SWRCB awarded a planning grant to the County in the amount of \$500,000 (increased to \$550,000 through a subsequent amendment) for preliminary design/engineering report, public outreach, environmental review and necessary special studies, a sewer rate study, preliminary permit documents, and the preparation of a Clean Water State Revolving Fund construction grant application. The local engineering firm GHD, Inc., was contracted to carry out the technical, planning and design work funded by the grant.

The final deliverable for the County's current planning grant is the certification of the Final EIR for the project. Planning staff recommends the Board certify the Final EIR, approve the wastewater project as a whole and initiate amendments to the Humboldt Bay Area Plan (HBAP) necessary for construction to proceed. Following Coastal Commission approval of the HBAP amendments which are described below in more detail, the Peninsula CSD will then submit an application to fund permitting and construction of the project from the Clean Water State Revolving Fund.

**CEQA Process.** The planning grant requires the California Environmental Quality Act (CEQA) process be completed and the Final EIR certified before a Clean Water State Revolving Fund construction grant application can be submitted by the Peninsula CSD. The County of Humboldt designated itself as the CEQA lead agency in preparing the EIR as it took a lead role initiating the project, it serves as the principal agency in project approval, and has considerable interest in carrying out the Project, as described below:

- 1. Wastewater service is important to achieve County public health and water quality objectives for the Fairhaven area as well as to achieve the County's economic development objectives on the Samoa Peninsula;
- 2. The County is carrying out its function as a local government with significant jurisdiction in the

project area to protect the public health, safety and welfare;

- 3. The County has applied for and secured all funding for the planning, feasibility, design, and CEQA compliance for the Project over the last six years, with grant funding from the Economic Development Administration and a Community Development Block Grant, and the State Water Resources Control Board, as well as other County funds to support project planning and coordination as described in Attachment 5;
- 4. The County may choose to seek additional funding, in partnership with the Peninsula CSD, to help ensure Project feasibility;
- 5. The Project relies on County approval of the LCP amendment to proceed; and
- 6. The County will be considering Coastal Development Permits submitted by the Peninsula CSD as the Project proceeds.

As described in the EIR, the Project would be implemented in two phases:

- The Short-Term phase includes construction and operation of a collection system, upgrades to the previously approved Samoa wastewater treatment facility (Approved Samoa WWTF), and a disposal system using the RMTII ocean outfall to serve the existing structures in Fairhaven, Finntown, Coastal-Dependent and Industrial facilities, the County Boat Launch facility, and the Eureka Airport, that currently use on-site wastewater treatment systems. In addition, future residential infill development located within 300 feet of the sewer main could theoretically be connected if approved through a Coastal Development Permit subject to performance standards adopted by ordinance that relate to coastal hazards and resources (that would have the same practical effect as the planning process identified in the Long-Term phase described below).
- The Long-Term phase does not involve the construction of any wastewater facilities and is not intended to encourage or facilitate development. Rather, it is a comprehensive planning process that will culminate in future amendments to the HBAP, in a manner consistent with the Coastal Act and certified by the Coastal Commission, to address exposure to projected inundation due to sea level rise, exposure to tsunami hazards, and ESHA protection. Future development in Fairhaven would be served by the Project's collection system and the SPWP, consistent with the HBAP amendments under the comprehensive planning process of the Long-Term phase.

In accordance with Assembly Bill 52 and Government Code 21000, on October 16, 2017 the County sent notifications of the project to the interested Native American Tribes inviting their comments and suggestions. On March 9, 2018, Humboldt County met with Tribal representatives to present the project and get their input. The Tribes requested the project include mitigation measures specifying protocols for inadvertent discovery of archaeological resources during project construction. These recommendations are incorporated into the EIR.

A Notice of Preparation (NOP) for the EIR was distributed on April 30, 2018 to inform interested parties of the County's determination that an EIR would be required for the Project and to solicit input about the desired content and scope of the Draft EIR. The County of Humboldt held a scoping meeting on May 16, 2018, at the Samoa Peninsula Fire Station to solicit input from the regulatory

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agencies and public, including consultation with the California Coastal Commission (CCC) and the Regional Water Quality Control Board (RWQCB). Subsequent meetings with the CCC and RWQCB regarding land use policy, project design, and project mitigation measures resulted in recommendations that were incorporated into the EIR.

The Draft EIR was completed in 2018, and a Notice of Availability for the Draft EIR, State Clearinghouse Number 2018042083, was published on January 31, 2019, initiating a public review period ending on March 19, 2019. A public meeting on the Draft EIR was held at the Samoa Fire Protection District Firehouse on February 26, 2019 where six (6) speakers provided comments on the Draft EIR at the meeting. In addition, the County received 10 comment letters on the Draft EIR.

A Final EIR was prepared (Attachment 3) that includes responses to comments on the Draft EIR as well as a refined project description that includes revisions and clarifications to more clearly present the project components. The Final EIR concludes that all the project's impacts on the environment are either less than significant or can be mitigated to less than significant levels. No impacts were found to be significant and unavoidable.

A Mitigation Monitoring and Reporting Program (MMRP) describing the mitigation measures in the Final EIR, and the timeline and responsible agencies is in Attachment 2. The MMRP in Attachment 2 is designed to ensure compliance with the EIR's mitigation measures during project implementation and must be adopted in conjunction with project approval. The Peninsula CSD will be responsible for carrying out the mitigation measures and will be required to enter into an "Agreement to Implement a Mitigation Monitoring and Reporting Program" with the County prior to initiation of any construction activity.

**HBAP Amendments.** As indicated above, amendments to the HBAP are necessary to allow the wastewater project and must be approved by the County and certified by the Coastal Commission for the project to proceed. The Coastal Commission commented on the Draft EIR expressing concern that the project may have impacts on environmentally sensitive areas and may induce new residential growth in areas subject to tsunami and future sea level rise hazards.

In responding to the Coastal Commission, County staff initially proposed to prohibit new residential development from connecting to the proposed wastewater system during the Short-Term Phase. The proposed HBAP amendments included as mitigation in the Draft EIR would only allow existing residential development in Fairhaven to connect to the new wastewater collection system. The way it is described in the EIR, the intent of this proposed mitigation is to prevent new infill residential development during the immediate Short-Term phase of the project until coastal hazard and resource planning, that is being carried out under the under the Long-Term phase, could be completed. This mitigation was intended to ensure that new infill development is sited and designed to the greatest extent feasible to protect life and property from sea level rise and tsunami inundation hazards on the Samoa Peninsula and to protect ESHA.

Since the publication of the Draft EIR, the County has learned that mitigation is not feasible because the Building Code requires connection of all new residential development to public sewer lines if

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located within 300 feet of the sewer line and the new residential development is otherwise consistent with the General Plan land use and Zoning. Accordingly, the project description and proposed mitigation measures in the EIR have been revised to clarify that new homes could be connected to the new sewer lines during the Short Term Phase, but that they must at the same time be designed to protect life and property from sea level rise and tsunami inundation hazards and to address other coastal resource impacts such as impacts to ESHA.

These protection measures are required in one of two ways. Under the immediate Short-Term phase, performance standards would be adopted by ordinance that would ensure such development would be (1) protective of public health, safety and welfare relative to sea level rise, and tsunami inundation on the Samoa Peninsula, and (2) protective of ESHA, based on site-specific investigations and analyses prepared by qualified professionals with expertise in coastal hazards, wetlands, and/or ESHA.

Under the future Long-Term phase, comprehensive coastal hazard and resource planning, consistent with the Coastal Act, would occur to ensure new infill development is sited and designed to the greatest extent feasible to protect life, property and coastal resources from sea level rise and tsunami inundation hazards and to protect ESHA. The performance standards adopted under the Short-Term phase would be expected to result in the same outcomes for each new development project as the Long -Term phase comprehensive coastal hazard and resource planning.

**Project Approval.** As lead agency the County must certify that the EIR was completed in compliance with CEQA, that the Board of Supervisors has reviewed and considered the information in the EIR, and that the EIR reflects the County's independent judgement and analysis. Following certification of the EIR, staff recommends the Board approve the project as a whole and move the project forward by initiating amendments to the HBAP.

After the County certifies the Final EIR and approves the project, the Peninsula CSD will be able to complete its Clean Water State Revolving Fund construction grant application, and thereby secure the funding necessary for permitting and construction.

# FINANCIAL IMPACT:

Preparation of the EIR and accompanying technical reports were funded through the State Water Resources Control Board Planning Grant Agreement No. D16-04034. Staff costs for review and approval of amendments to the HBAP are budgeted to come from the 2020/2021 General Fund contribution to the Long-Range Planning unit, 1100-282. Costs of construction of the project are likely to be grant funded as well. The newly formed Peninsula CSD will be applying for those funds and building out the project on their own. It is anticipated the project will be developed and operated without the need for future funding from the County. Any unanticipated future funding needs for this project will come to the Board as a separate item.

## STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by creating opportunities for improved safety and health and protecting vulnerable populations.

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# OTHER AGENCY INVOLVEMENT:

Planning and Building has coordinated closely on this project with the Peninsula CSD, State Water Resources Control Board, Regional Water Quality Control Board, Humboldt Bay Harbor Recreation and Conservation District, and the California Coastal Commission.

# ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could choose to certify the Final EIR and not approve the Project. Staff does not recommend this alternative because it could result in some uncertainty for the Peninsula CSD in its future actions relying on the Final EIR. The Board could also delay certification of the Final EIR until the HBAP amendment is ready for review. Staff does not recommend this alternative because it would unnecessarily delay for several months completion and submittal of the Peninsula CSD's construction grant application for the project.

# ATTACHMENTS:

- 1. Resolution Making Findings of Fact, Certifying the Final Environmental Impact Report for the SPWP, adopting the Mitigation Monitoring and Reporting Program, approving the SPWP, and initiating amendments to the Humboldt Bay Area Plan that are necessary to allow the SPWP to proceed
- 2. Samoa Peninsula Wastewater Project Mitigation Monitoring and Reporting Program
- 3. Samoa Peninsula Wastewater Project Final Environmental Impact Report
- 4. Resolution 16-130 authorizing the submission of a Financial Assistance Application to the SWRCB
- 5. Samoa Wastewater Planning Project, Item I-1, File Number 18-405, June 5, 2018

## PREVIOUS ACTION/REFERRAL:

Board Order No.: I-1 Meeting of: June 5, 2018 File No.: 18-405