November 5, 2026

DISCUSSION ITEM STAFF REPORT

ITEM 8.B. Review and Approve Outfall Repair Plan Submittal to Central Coast Regional Water Quality Control Board

Recommendations:

1. Review and approve the attached response to the Central Coast Regional Water Quality Control Board requirement to provide an outfall repair plan.

Discussion:
On August 31, 2026, the Central Coast Regional Water Quality Control Board (R3 Water Board) issued a Notice of Violation (NOV) of NPDES Permit for the District's wastewater treatment plant for failure to complete repairs and maintenance to the District's ocean outfall. The NOV required the District to respond no later than September 30, 2026, and provide the following information related to the outfall repair plan:

1. Steps taken to date to address necessary repairs to the outfall;
2. A detailed explanation of why the repairs have not taken place;
3. Identification of the future steps necessary to repair the outfall; and
4. Timeline, with key dates, of when the outfall repairs will occur.

Staff researched District records and worked with the compliance team at FRM to identify information responsive to the NOV and assemble a draft response. Staff submitted the attached draft to the R3 Water Board on September 28, 2026, to meet the NOV deadline. The transmittal also included an explanation of the draft form of response and requested additional time to permit District Board review and approval at the next scheduled Board meeting.

In October, the District was notified of funding availability for ocean outfall repairs through the State Water Board Cleanup and Abatement Account. Your Board accepted funding and authorized work to proceed during a Special Meeting on October 23, 2026. These subsequent updates are noted in redline on the attached draft.

Staff requests Board approval of the recommended actions.

Attachments:
1. Draft Response

2. Notice of Violation

November XX, 2026

Regional Water Quality Control Board
Central Coast Region
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401
Attention: Mark Lemus
Mark.Lemus@waterboards.ca.gov

SUBJECT: San Simeon Community Services District Outfall Repair Plan

Dear Mr. Lemus,

In response to the Notice of Violation (NOV) issued to San Simeon Community Services District (SSCSD or District) on August 31, 2026, the SSCSD provides the following Outfall Repair Plan.

1. **Steps Taken to Date**

In the time since the outfall issues were identified, SSCSD's management has gone through multiple changes, including transitioning from an external contracted general manager, to multiple internal interim general managers, to ultimately contracting with San Luis Obispo County to provide general manager services under a CalWARN emergency mutual aid agreement. During this time, the District also changed contract operations firms. The current management team reviewed available District documents and board packets to determine a general timeline of steps that had been taken to address the outfall repairs; this timeline is attached as Exhibit 1.

2. **Repair Status**

As outlined in the attached timeline, from 2022 – 2024, the District and its contractors worked toward obtaining the necessary permits and authorizations to complete the outfall repairs. Staff of the contractor selected to complete the outfall repairs indicated that they attempted to contact the Interim General Manager in 2024 to schedule the work but were not able to reach him. Unfortunately, the 2024 Interim General Manager passed away in May 2025, so exact circumstances of this communication cannot be verified.

Based on review of available District records, current staff could not identify any internal or SSCSD Board discussion of project delay or cancellation indicating why the project did not move forward in 2024. Current staff believe that ongoing District funding limitations were likely a contributing factor.

A review of District financial records reveals that the period from 2022 through 2024 corresponded to a significant decline in District financial resources, including a drop of more than 50% in unrestricted cash available. The period was marked by flat revenues

and increasing expenses, including multiple legal issues and settlements. In March 2024, the Board directed staff to prepare a resolution of application for dissolution, based in part on lack of financial resources. The District's application for dissolution was submitted to LAFCO in May 2024, one month after the final permit was received for the outfall repair project.

Current District staff continue to balance District needs and emergencies against continued limited funding. The District has completed a dissolution study and San Luis Obispo County staff is now in the process of developing an alternate structure that may continue providing District services. The formal dissolution process is expected to take up to 18 months from the time of the preparation of this response.

3. Future Steps Needed for Repairs

The following items will need to be completed to schedule and complete the outfall repairs:

A. The District needs to secure funding to complete repairs. At the time of the preparation of this repair plan, District staff anticipates the entire cost of the repairs, including permitting and project management, to range from $150,000 - $200,000.
B. District staff need to determine if the previously selected vendor can be utilized or if District purchasing rules will require another public Request for Proposals (RFP) to be issued to select a contractor.
C. District staff or the selected contractor needs to re-establish the expired permits that were previously issued for the work.

4. Timeline for Repairs

The following items will directly impact the timeline to complete outfall repairs:

A. Securing funding will be the largest hurdle for the District to overcome; District staff appreciate any recommendations from Regional Water Quality Control Board staff regarding potentially available grant funding. Availability of funding is the primary driver of the District being able to complete all other required tasks for this project.
B. If another RFP is required to be issued, an estimated additional 45-60 days will be needed to prepare and issue an RFP and select a vendor. The previously selected vendor has indicated willingness to resume work on the project subject to funding availability and the seasonal work window required to complete the project. The coastal work environment is subject to wind and swells generally emanating from the northwest, west, and sometimes south. Ocean conditions are moderately rough year-round, with calmer conditions in the summer and fall. It is anticipated that the work will require appropriate weather conditions for at least one work week (Monday through Friday) to allow for three days for repairs, one day for mobilization, and one day for demobilization.
C. Based on past records, it took approximately 10 months for the selected vendor to obtain the required permits to conduct the repairs; it is currently unknown how

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long it will take to re-establish the permits that have expired, but it is expected to be 10 months or less.

Given the above timeline constraints, below is a rough timeline for repairs to be conducted assuming that an RFP is not required and funding is available:

1. Vendor to re-establish permits required to conduct the repairs. Complete within 10 months after being awarded contract.
2. Re-establish contract with previously selected vendor for repairs. Requires District Board vote. Can be completed within 45 days, anticipated to be completed once permits are issued or close to being issued for the project.
3. Repairs must be conducted under the site conditions outlined above; if funding and permits are available, repairs could feasibly be conducted within the next available work window from that time (anticipated to be in the summer or fall to allow for best chance of calmer conditions).

If there are any questions regarding this response, please reach out to Suzy Watkins at swatkins@co.slo.ca.us.

Regards,

Attachment:

Exhibit 1 - Timeline

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Exhibit 1
San Simeon CSD
Ocean Outfall Timeline – Based on Records Available

5/10/22	SSCSD Board awards contract for repairs to J.F. Brennan
8/9/22	SSCSD Board approved on-call contract with Padre to provide project permitting services
10/24/22	Inspection Completed by J.F. Brennan – condition rated as poor with several unsupported spans
6/13/23	SSCSD Board reviewed Padre outfall permitting workplan
6/13/23	SSCSD Board reviewed change order with Brennan to include outfall integrity assessment
9/11/23	Noice of Exemption (NOE) filed
9/18/23	Coastal Development Program (CDP) Application submitted for repair and maintenance
1/26/24	CDP Amendment Notice
4/19/24	Permit received from Monterey Bay National Marine Sanctuary (MBNMS) authorizing repair project
8/5/25	Annual Inspection Completed by J.F. Brennan – condition poor to serious with several unsupported spans
7/20/26	Annual Inspection Completed by J.F. Brennan – condition poor to serious with a single unsupported span

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Central Coast Regional Water Quality Control Board

August 31, 2026

Via Electronic Mail and Certified Mail
7020 1810 0002 0767 8827

Karina Tiwana
Chairperson
San Simeon Community Services District
111 Pico Avenue
San Simeon, CA 93452
Email: ktiwana@sansimeoncsd.org

Karina Tiwana:

ENFORCEMENT PROGRAM: SAN SIMEON COMMUNITY SERVICES DISTRICT, WASTEWATER TREATMENT PLANT, 9245 BALBOA AVENUE, SAN SIMEON, SAN LUIS OBISPO COUNTY: NOTICE OF VIOLATION OF NPDES PERMIT

The California Regional Water Quality Control Board, Central Coast Region (Central Coast Water Board) is a state regulatory agency with the responsibility for protecting the quality of the waters of the state within its area of jurisdiction. The Central Coast Water Board has authority to require submission of information, direct action, establish regulations, levy penalties, and bring legal action when necessary to protect water quality.

The treatment and disposal of wastewater from the San Simeon Community Services District's (CSD) Wastewater Treatment Plant (Facility) located on 9245 Balboa Avenue in San Simeon, California is regulated by the Central Coast Water Board. The CSD is regulated by Waste Discharge Requirements Order R3-2022-0003, National Pollutant Discharge Elimination System (NPDES) Permit CA0047961 (Permit).

You are receiving this notice of violation because the Central Coast Water Board alleges that CSD has violated its NPDES Permit requirements.

This notice of violation is to inform the CSD of the alleged violations and to notify you of the associated administrative civil liability (monetary penalties) that accrue for each day of violation, and the required actions.

Background

On January 30, 2021, the CSD submitted its 2020 Outfall Inspection Report prepared by Harbor Offshore, Inc. (Harbor). The 2020 Outfall Inspection Report documented findings based on observations describing the condition of the outfall as "heavily deteriorating

but appears to be functioning properly." Findings included sections of unsupported pipe, outfall end anchor corrosion and sacrificial anode depletion.

On January 30, 2022, the CSD submitted its 2021 Outfall Inspection Report, also conducted by Harbor, that also documented deteriorating outfall conditions similar to those described in the 2020 Outfall Inspection Report.

On January 30, 2023, the CSD submitted its 2022 Outfall Inspection Report prepared by J.F. Brennan Company, Inc. (Brennan). The 2022 Outfall Inspection Report again documented similar findings to the 2020 and 2021 reports. These findings specifically detailed continued deteriorating conditions and stated repairs were scheduled to occur in 2023.

No outfall inspection reports were submitted in 2024 (for the 2023 reporting year) or 2025 (for the 2024 reporting year).

On February 9, 2024, the California Coastal Commission adopted Coastal Development Permit (CDP) 3-19-0020-A1, Amendment to Coastal Development Permit 3-19-0020 for the San Simeon Community Services District, which approved work to correct structural deficiencies for the outfall pipe such as pipe underlayment support, end-pipe mattress installation, and additional end pipe cathodic protection.

On January 30, 2026, the CSD submitted its 2025 Outfall Inspection Report prepared by Brennan. The outfall inspection was performed on August 5, 2025 and submitted by Brennan to the CSD on August 6, 2025. The 2025 Outfall Inspection Report assigned a condition assessment of poor to serious, defined in the report as follows:

"*Poor: Advanced deterioration or overstressing was observed on widespread portions of the structure but does not significantly reduce the load-bearing capacity of the structure. Repairs may need to be carried out with moderate urgency.*"

"*Serious: Advanced deterioration overstressing, or breakage may have significantly affected the load-bearing capacity of the primary structural components. Local failures are possible and loading restriction may be necessary. Repairs may be carried out on a high-priority basis with urgency.*"

The 2025 Outfall Inspection Report found that there are several spans of outfall pipe that are unsupported and missing cathodic protection as well as a one-inch hole in the outfall pipe crown near one of the diffuser ports. The report recommended ballast repairs be conducted as soon as possible to properly support the outfall and recommended repairing the hole in the outfall pipe crown as soon as possible.

Alleged Violations

Central Coast Water Board staff alleges that the CSD violated the Permit as detailed in the sections presented herein.

1. **Deficient Reporting**

   Permit Section 6, Provisions - Subsection 6.2, Monitoring and Reporting Program (MRP) Requirements, requires the CSD to comply with the MRP, Attachment E of the Order. **Attachment E - Monitoring and Reporting Program Section 9, Other Monitoring Requirements - Subsection 9.1, Ocean Outfall Inspection**, states: "At least once per year the discharger must visually inspect the entire outfall and diffuser structure to note its structural integrity and any cracks, breaks, leaks, plugged ports, or other actual or potential malfunctions. The outfall inspections will also check for possible external blockage of ports by sand and/or silt deposition. The Discharger must report all finding and actions, including any observed cracks, breaks, or malfunctions to the Executive Officer in the applicable annual report. The month for inspection specified by the Discharger must be a month of good underwater visibility."

   The CSD violated MRP Section 9.1 for failing to conduct and report on outfall inspections in 2024 (for the 2023 reporting year) and in 2025 (for the 2024 reporting year).

2. **Proper Operation and Maintenance**

   Permit Section 6, Provisions - Subsection 6.1, Standard Provisions, Item 6.1.1 requires the CSD to comply with all Standard Provisions and Central Coast Water Board Standard Provisions included in Attachment D of the Permit. **Attachment D - Standard Provisions Section 1, Standard Provisions - Permit Compliance - Subsection 1.4, Proper Operation and Maintenance**, states: "The Discharger shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Discharger to achieve compliance with the conditions of this Order. Proper operation and maintenance also includes adequate laboratory controls and appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities or similar systems that are installed by a Discharger only when necessary to achieve compliance with the conditions of this Order."

   The CSD violated Standard Provisions Section 1.4 for failing to properly maintain the outfall in proper operating condition as documented in outfall inspection reports from 2020, 2021, 2022, and 2025. The CSD will remain in violation until such repairs are conducted to bring the outfall into proper operating condition.

Actions Required

The CSD must repair the outfall to ensure it is in proper operating condition.

Additionally, the CSD must submit an **Outfall Repair Plan** on or before **September 30, 2026.** At a minimum, the report must include:

1. Steps taken to date to address necessary repairs of the outfall;
2. A detailed explanation of why the repairs have not taken place;
3. Identification of the future steps necessary to repair the outfall; and
4. Timeline, with key dates, of when the outfall repairs will occur.

Legal Authority

Violations of the Permit may result in the imposition of administrative civil liability by the Central Coast Water Board in an amount not to exceed $10,000 for each day of violation plus $10 per gallon discharged for discharges above 1,000 gallons and not cleaned up pursuant to section 13385 of the California Water Code.

Furthermore, the Central Coast Water Board reserves the right to take any enforcement action authorized by law including, but not limited to, the issuance of a cleanup and abatement order pursuant to Water Code section 13304 or a cease and desist order pursuant to Water Code sections 13301 and 13303.

If you have questions regarding this letter, please contact Mark Lemus at Mark.Lemus@waterboards.ca.gov or (805) 549-3703, Arwen Wyatt-Mair at Arwen.WyattMair@waterboards.ca.gov or (805) 542-4695.

Sincerely,

Kelsey DeLong
Digitally signed by Kelsey DeLong
Date: 2026.08.31 12:09:04 -07'00'
Water Boards

for Angela V. Schroeter
Assistant Executive Officer

cc via email:
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