



# CITY OF SAN MATEO

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## Agenda Report

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**TO:** City Council  
**FROM:** Drew Corbett, City Manager  
**PREPARED BY:** Community Development Department  
**MEETING DATE:** October 21, 2019

**SUBJECT:**

Underground Flow Equalization System: Special Use Permit and Site Plan and Architectural Review

**RECOMMENDATION:**

Adopt a Resolution to approve the City of San Mateo Underground Flow Equalization System, certify the final Environmental Impact Report, and adopt California Environmental Quality Act Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program.

**BACKGROUND:**

**PROJECT DESCRIPTION**

The City of San Mateo is implementing a series of capital projects, referred to collectively as the Clean Water Program (CWP), to replace aging wastewater infrastructure, build wet weather capacity, comply with regulatory requirements, and align with the City's sustainability goals. In adopting the 2016 Final Program Environmental Impact Report (EIR) for the CWP as a whole, the City Council selected the "In-System Storage Program" (now known as the Underground Flow Equalization System) alternative. On July 17, 2017, the City Council selected the San Mateo County Event Center parking lot as the preferred location for the project.

The Project consists of a concrete holding structure, pump station, diversion sewers and force main, and an odor control equipment room (see [Attachment 2](#) showing the layout of proposed facilities). These facilities would be located underground. Access hatches, an emergency backup generator, and an electrical building and vents for treated air would be located at ground level.

**SITE DESCRIPTION**

The project (2495 S. Delaware Street - PA-2018-010) would be in the southeast corner of the San Mateo County Event Center (Event Center) parking lot along Saratoga Drive, approximately 800 feet southeast from the Event Center buildings (see [Attachment 3](#)). Single- and multifamily residences are situated east and south of the Project site across Saratoga Drive and 28th Avenue, and the Bay Meadows Community Park is adjacent to the south side of the Project site. The closest homes in Fiesta Gardens are approximately 150 feet from the site, across Saratoga Drive. The closest residential buildings to the south are over 350 feet from the site, with Bay Meadows Park separating them. The Nueva School Bay Meadows Campus is located approximately 1,000 feet southwest of the Project site. The location of the holding structure was situated in an area that would optimize reduction of sanitary sewer overflows in a portion of the collection system where a major hydraulic bottleneck exists.

**APPLICABLE CODE REVIEW**

Special Use Permit

A Special Use Permit (SUP) is required to allow the use of the site for a public facility in the "A" Agricultural District. The Underground Flow Equalization System (UFES) is considered a public facility, and as noted in the Final Environmental

Impact Report, and the Environmental Determination section above, impacts have been reduced to a less than significant impact other than short-term construction noise impacts. Additionally, construction noise reduction measures and monitoring are outlined in the Final EIR as noted above.

#### Site Plan and Architectural Review

A Site Plan and Architectural Review is required to allow for construction of a new electrical building (14 feet-8 inches in height), eight-foot perimeter walls along Saratoga Drive and Bay Meadows Park, and a ten-foot air exhaust. The project is consistent with City codes as reviewed by all affected City departments/divisions, and impacts of the project design are limited by the low height of improvements; additionally, the proposed perimeter walls and landscaping will provide a consistent treatment along the project site perimeter, compatible with both the Bay Meadows Park and Saratoga Drive.

#### **BACKGROUND REGARDING CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW**

A Draft Project Environmental Impact Report (Draft EIR) was prepared to specifically identify and analyze the anticipated environmental impacts of the Underground Flow Equalization System (UFES or Project) at the San Mateo County Event Center site. A Planning Commission meeting, for the purpose of receiving public comment on the Draft EIR, was held on April 9, 2019. Because of the extent of community interest, the comment period was extended from May 7 to May 31, 2019. In addition, a Community Meeting was held on May 21, 2019, to discuss refinements to the project, and a Planning Commission Study Session was held on August 27, 2019, to confirm these refinements and discuss construction monitoring.

Following these meetings, the City published the Final EIR on September 6, 2019, including responses to comments. An Errata document was posted on September 9, 2019, to respond to an additional 40 comments that were not included in the Final EIR. The Final EIR is presented in the same format as the Draft EIR, with text changes in strikethrough and underline text summarizing the refinements made in response to comments, including the following:

- Updates to the description of construction methods (Section 2.6.1), based on the phased construction implementation information presented at the May 21, 2019, Community Meeting and August 27, 2019, Planning Commission Study Session. These changes correspond to Final EIR Master Response 1, which is included in both the Final EIR Executive Summary and Appendix F. The Master Response describes the commitment the City has made in response to comments, which is that no pile driving will be used for construction of the underground storage facility.
- Updates to the description of construction traffic (Section 2.6.3), including the commitment to access the site primarily from S. Delaware Street using a new easement through the Event Center. This change corresponds to Final EIR Master Response 3, Construction Traffic. Conditions of Approval #35 and #36 identify this as the primary haul route, with Saratoga Drive as the secondary route; it is expected that the secondary route would only be used when a significant event, such as the County Fair, requires it.
- A new section describing the City's commitments regarding construction monitoring (Section 2.6.7) for noise, vibration, groundwater drawdown, settlement, construction traffic, and dust control. The basic requirements are consistent with the Final EIR mitigation measures. The City has committed to going beyond the items required by the mitigation measures – those will be adopted as Conditions of Approval (COAs):
  - Provision of soil site observations with periodic and final reports to the City (COA 3).
  - Preparation of an acoustical analysis to verify that the completed project complies with the City's noise requirements (COA 27).
  - Identification of permitted work hours and the criteria that must be met to allow any exemptions (COA 31).
  - Requirements for equipment operation and maintenance, site watering, grading cessation during windy periods, covering of haul vehicles, and pedestrian/traffic detour plans (COA 34).
  - Provision of ground monitoring wells with monitoring by the construction inspectors to ensure that fluctuations stay within the seasonal variability (COA 37 A).
  - Provision of ground settlement monitoring including baseline inspections prior to construction and follow-up checks every six months (COA 37 B).
  - Provision of visual and measured dust monitoring, which could result in increased site watering and the installation of tire wash facilities (COA 37 C).

- Updates to the impact analysis in Chapter 7, Geology and Soils, based on the discussion in Master Response 4, Property Damage.
- Updates to the impact analysis in Chapter 12, Noise, based on the discussion in Master Response 2, Noise and Vibration.
- Updates to the impact analysis in Chapter 16, Transportation and Traffic, based on the discussion in Master Response 3, Construction Traffic.
- Updates to Chapter 19, Alternatives, to clarify the alternatives screening process including a new table summarizing the comparative effects of the various project alternatives. These changes correspond to Final EIR Master Response 6, Site Location.
- A Mitigation Monitoring and Reporting Program (MMRP) has been prepared (see Attachment 6) and is referenced in the conditions of approval. This document helps to ensure compliance with the mitigation measures by indicating those responsible for implementing mitigation measures and reporting on that implementation.

Except for noise, all impacts would be less than significant or could be reduced to less than significant by implementing the mitigation measures listed in the Final EIR. Noise impacts would remain significant and unavoidable. As described in Master Response 2, noise levels at the property line cannot be guaranteed to always be less than the City standard of 90 dBA. For example, a concrete saw or jackhammer operated at the back of the existing sidewalk could exceed 90 dBA for a receptor at the property line. Although scenarios where equipment is operated so close to the property line are expected to be infrequent, the Municipal Code standard is not flexible. In addition, the City may allow some construction activities to begin prior to 7 a.m., which is the weekday start of work allowed by the Municipal Code. Again, these early starts are expected to be infrequent but could be very important for project construction (e.g., to allow large concrete pours to cure before afternoon heat). For these reasons, noise impacts would remain significant and unavoidable. Note also that this determination is consistent with the Clean Water Program Final Programmatic EIR, adopted in 2016.

### **Statement of Overriding Considerations**

When there are unmitigated significant and unavoidable environmental impacts associated with a project, the California Environmental Quality Act requires the decision-making agency to balance the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental impacts when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered acceptable. When the agency approves a project that will result in the occurrence of significant effects that are identified in the final environmental impact report, but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final environmental impact report or other information in the record. (CEQA Guidelines Section 15093.) This document is called a “Statement of Overriding Considerations” and is included in attached Resolution for Council adoption ([see Attachment 1](#)).

The City finds that the mitigation measures proposed to reduce significant impacts related to construction noise cannot guarantee reduction of the impact to a less-than-significant level due to the equipment, technology and construction methods necessary to construct the project. However, the following economic, legal, social, technological, and other benefits and considerations outweigh the significant and unavoidable adverse environmental impact due to construction noise:

- The project will provide storage for wastewater flow, thus supporting the City’s need to meet current regulatory requirements regarding blending and sanitary sewer overflows;
- The project will provide adequate system capacity to efficiently convey and treat the peak wet weather flow, including wet weather flow equalization and optimization of the existing collection system performance;
- The project will improve safety and reliability of the wastewater collection system and Wastewater Treatment Plant;
- The project will reduce discharge of raw sewage within San Mateo and into San Francisco Bay;
- The project will aid the City in complying with the Cease and Desist Order related to overflows; and
- Construction of the project will provide temporary jobs for local residents.

These considerations identify why the City believes the project and its benefits outweigh its unavoidable significant environmental impact.

### **PLANNING COMMISSION REVIEW**

Prior to the September 24 Planning Commission meeting, Public Works staff met with members of the public from adjacent neighborhoods to discuss conditions of approval. Based upon discussion at this meeting, Public Works project staff agreed to further modify the conditions of approval as outlined above. These modifications include:

- Noise barrier installation within the construction area along Bay Meadows Park (COA 34 G and 34 H).
- Addition of two stationary dust monitors and a video camera (COA 37 C).
- Delineation of a 500 ft radius from the project site for the property inspections to track settlement (COA 37 B).
- Survey of sidewalks, curb and gutters within a 500 ft radius of the project site (COA 37 B).
- Voluntary inspection of sewer laterals within a 500 ft radius of the project site (COA 37 B).
- Groundwater, noise, vibration, and dust monitoring on a continuous basis that will be posted on the project website after data quality review (COA 37 D).
- Review of Draft Traffic Control Plan with a small group of community residents prior to approval (COA 18).
- Provision of safe and continuous access for all modes of travel (COA 18).
- Queuing on easements at Event Center (COA 35).
- Construction hours to be defined as from 7 a.m. to 7 p.m. on weekdays with exemptions (e.g. concrete pours) (COA 31).
- Exemptions will be limited to 2 months of consecutive working days (COA 31 and 34 A).
- Notifications to be provided 14 days and 3 days prior for exemptions and detours (COA 34 A and 37 E).
- Provision of project updates to a UFES project specific webpage, email list, email newsletter, and via SMS text messaging (COA 37 E).

It is important to note that these modifications to the Conditions of Approval do not impact the California Environmental Quality Act findings nor do they reflect additional mitigation measures. These modifications are intended to be reflective of the City's good faith effort to continue to work with the community.

The Planning Commission voted 3-1 to recommend approval of the project, including certification of the Environmental Impact Report and adoption of the Statement of Overriding Considerations (see [Attachment 4](#)). This action included incorporation of the condition of approval enhancements provided by the Public Works Department.

In recommending approval, the Planning Commission noted the additional public outreach provided by the Public Works Department and the additional conditions of approval that had been developed over the course of the processing of this project. Other items discussed included use of Event Center easement for construction staging, traffic control plan review, dust monitoring provisions, methodology use to anticipate future waste water needs, and completion of studies.

Members of the public expressed appreciation for the continued efforts of the Public Works Department in addressing issues raised by the public and indicated that future and continuous dialogue would be needed to insure adequacy of construction measures and monitoring.

### **ADDITIONAL PUBLIC INPUT**

After the September 24 Planning Commission meeting, Public Works staff received additional public correspondence (see [Attachment 6](#)) requesting consideration of further revisions to the conditions of approval. As a result, the Public Works Department is recommending that additional condition revisions be made as follows:

- Indicate that limitations on days and hours of construction activities will "...apply to all noise-generating construction-related activity." (COA 31)
- Add language regarding exemptions from permitted hours of construction to indicate that "...it is the City's intent to minimize the number of days of exemptions to the maximum extents feasible." (COA 31 and 34)
- Indicate that noise reduction measures will be required for "...above grade pumping equipment and portable generator-powered lights stations..." (COA 34 H)

These condition modifications are included as an exhibit to the resolution for Council adoption, so no additional action is required by the Council other than a motion on the proposed resolution.

### **ENVIRONMENTAL DETERMINATION**

As noted above, a Final Environmental Impact Report, including a Mitigation Monitoring and Reporting Program, as well as a Statement of Overriding Considerations have been prepared for this project. Staff is recommending certification of those documents through approval of the Resolution included as Attachment 1.

### **BUDGET IMPACT:**

The adoption of the Resolution and approval of the environmental documents maintain this project on schedule and on budget. Funding for UFES is available in Project 46S003 - Basins 2 and 3 Collection System Improvements, which has an unencumbered balance of approximately \$130.6M. While there are sufficient funds to cover the estimated \$61M in construction costs for UFES, delays in these approvals may impact the project as follows:

- The appraised value for the Event Center easements are required to finalize negotiations for the agreement with the County of San Mateo. Staff is anticipating approval of the easement agreement by City Council and the County of San Mateo Board of Supervisors between November 2019 and January 2020. Delays may result in the need for additional appraisals and would extend the negotiation period. In addition, construction would be delayed since activities cannot begin without the easement agreement approved by both parties.
- By November 2019, the City may be invited by the EPA's WIFIA loan program to apply for the Basins 2 & 3 Collections System Project, which includes the UFES project package. Timely submittal of a complete application for the WIFIA loan is expected to save approximately \$20 million in reduced interest payments (based on a comparison to a bond rate of 4.5%). A delay in the approval of this project could result in a delay in applying.
- The current project has been designed to comply with the current building codes. Following the SUP and SPAR application approvals, a building permit application is scheduled for submittal before the end of 2019. New building codes become effective on January 1, 2020. Delaying the building permit application submittal into 2020 will require redesign to comply with the new building codes. In addition to redesign costs, there will likely be increased construction costs as these new building codes are expected to require more stringent design criteria.
- Construction is currently scheduled to start Spring 2020. Any delays have potential construction cost escalation impacts influenced by market conditions.

### **NOTICE PROVIDED**

In accordance with Government Code Section 65091 and the City's Municipal Code noticing requirements, this public hearing was noticed to the following parties more than ten days in advance of the neighborhood and Planning Commission meetings:

- Property owners, residential tenants, and business tenants within 1,000 feet of the project site.
- The City's "900 List" which contains nearly 100 Homeowner Associations, Neighborhood Associations, local utilities, media, and other organizations interested in citywide planning projects.
- The City's Planning "Notify Me" email list.
- The interested parties list, which includes interested individuals who contacted the City and requested to be added to the project notification list.
- Publication of notice in the San Mateo Daily Journal.

### **ATTACHMENTS**

Att 1 – Proposed Resolution

Att 2 – Project Plans

Att 3 – Location Map

Att 4 – Planning Commission Minutes, September 24, 2019 (Draft). Video available here:

<https://sanmateo.primegov.com/Portal/Meeting?compiledMeetingDocumentFileId=2171>

Att 5 – Final Environmental Impact Report - previously forwarded to the City Council, also available at the Clean Water Web Page here: <http://cleanwaterprogramsanmateo.org/enviropemitting/>

Att 6 – Additional Public Comments

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