

Honorable Board of Directors
Sewer Authority Mid-Coastside
1000 N. Cabrillo Highway
Half Moon Bay, CA, 94019

Dear Honorable Board Directors,

We are writing to you with concern on item 4.B. on today's (April 25th, 2022) Board of Director's Meeting agenda.

We'd like to express our continued support for this program. We are all stewards of the Coastside and we take that responsibility very seriously. Our beautiful beaches and marine life are a pillar of this great region, and we are the ones charged with ensuring it stays that way.

We are writing this letter because we are concerned that the fees outlined in the staff report for this agenda item are exponentially high and that in practice these fees will be overwhelming to all non-domestic dischargers, not just the ones currently being pursued.

Not to take more of your time than necessary, using the formula that it requires five gallons of water to make one gallon of beer. In 2019 the Half Moon Bay Brewing Company produced 65,286 gallons of beer, multiplied by 5 that would be a process water usage of 326,430 gallons. At a fee of \$0.15 that would be a cost of \$48,964.50. (Note. in 2020 when the problems at the plant got worse, HMBBC only brewed 37,500 gallons.)

That cost would be debilitating to any business, but to small businesses in an industry experiencing an ever-increasing list of hardships it would be terminal.

We employ 158 people on the Coastside, our employees bring home a combined \$8 million in paychecks and tips, which is then spent at other business around the Coast. On top of the financial impact to our employees, we have also donated over \$1 million to local non-profits over the past 10 years. This support has provided food and housing security to the most vulnerable of Coastside residents as well as more than 50 HMB High School scholarships to further education.

This is just the impact this will have on two businesses. When these fees are applied evenly to all non-domestic dischargers the ripple effects will be felt throughout the whole Coastside economy and labor market.

In summary our top concerns are:

- The fees adopted in resolution 2019-05 were Temporary Discharge Fees and never meant to regulate a business in the NDWC program.

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- The fees are too high and would force local companies out of business. If this is the direction the board chooses to take, we would like to see the fees in the fraction of a cent range.
- The program is still not being applied equitably to all non-domestic dischargers. Breweries are still the only business being targeted.
- These fees are based on potable water flow not wastewater flow, most of the water that enters our breweries goes down the drain below the Maximum Allowable Concentration Limits (MACLs) as rinse water or out the door as finished product (beer).
- SAM has fixed the issues at the plant and has since not experienced a violation of their permit.

I appreciate you taking the time to read this letter and listen to our concerns. We are both available anytime to tour our facilities and talk about these issues.

Sincerely,



[Craig Carroll \(Apr 25, 2022 14:37 PDT\)](#)

Craig Carroll
Half Moon Bay Brewing Company
CEO/President



[Dan Littlefield \(Apr 25, 2022 14:34 PDT\)](#)

Dan Littlefield
Hop Dogma Brewing Company
Owner









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Final Audit Report

2022-04-25

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