



CITY OF HOLLISTER

375 Fifth Street • Hollister, CA 95023-3876

FAX TRANSMITTAL SHEET

Date: July 21, 2005

Fax Number: 805-543-0397

Total Pages (including cover):

Send To: Regional Water Quality Control Board

Attn: Matt Keeling

From: Clint Quilter
City Manager

Should you need to contact our office, or have not received any part of this FAX, please call (831) 636-4305.

Matt –

Following is the ACL extension request.

Clint Quilter

05 JUL 22 PM 3:13
SAN BENITO COUNTY
636-4301

City Attorney
636-4306

City Clerk
636-4304

City Manager
636-4305

Finance
636-4301

Item No. 14 Attachment No. 1
October 21, 2005 Meeting
City of Hollister, San Benito Co.

Fax (831) 636-4310 • TDD Line Only (831) 636-



CITY OF HOLLISTER

375 Fifth Street • Hollister, CA 95023-3876

05 JUL 22 PM 3: 13

895 AEROVISTA PL STE 101
SAN LUIS OBISPO, CA 93401

July 21, 2005

State of California
Central Coast Regional Water Quality Control Board
895 Aerovista Place, Ste. 101
San Luis Obispo, Ca 93401

Attn: Roger Briggs, Executive Officer
RE: Administrative Civil Liability Order R3-2002-0097 – Extension Request

Dear Mr. Briggs:

The City of Hollister is requesting to revise the referenced Administrative Civil Liability Order(ACL) to allow additional time for full implementation of a Long-term Wastewater Management Plan. In addition, the City is requesting that Cease and Desist Order R3-2002-0105 and Waste Discharge Report 2000-020 be revised to be consistent with this extension request. Attached is a memorandum outlining the details of this request.

At the time the ACL was issued, it was believed that a reasonable, implementable engineering solution for long-term wastewater management would be available. However, we have found that wastewater management, particularly disposal, is a portion of a much larger regional water resource management issue.

Regional water resource management has been identified as a priority locally, regionally, and at the state level. In the time since issuance of the ACL, the City of Hollister, San Benito County, and the San Benito County Water District have undertaken a number of activities that are consistent with this priority. These have included both institutional activities and technical studies. The community, through formal agreement of these agencies, has adopted a unified set of principles for regional water resource management including integration of wastewater. Through these efforts, we believe we have identified a path for implementation of a Long-term Wastewater Management Plan that is consistent with responsible management of basin wide water resources.

City Attorney
636-4306

City Clerk
636-4304

City Manager
636-4305

Finance
636-4301

Management Services
636-4324

Personnel
636-4308

State of California
Central Coast Regional Water Quality Control Board
July 21, 2005
Page 2

The ultimate goal is to provide a high quality wastewater suitable for direct reuse on high value, quality sensitive crops. This will require a substantial improvement to overall water quality in the region. The agencies referenced above have agreed formally to accomplish this within a specified period of time.

Intermediate to that, implementation of a Regional Recycled Water Feasibility Study that has already been accepted as complete by the Water Resource Association of San Benito County and the State Water Resources Control Board will be pursued. This feasibility study identifies blending of wastewater with higher quality water as a mechanism for providing recycled water appropriate for reuse on quality sensitive crops. However, market development and assurance cannot be accomplished immediately. The City will be proposing to reuse wastewater for the cultivation of forage and pasture crops that are not as quality sensitive while the market development and assurance is taking place.

Implementation of this program will require additional time to accomplish. This time is identified in the Work Plan contained in the materials accompanying this letter. The Work Plan includes submittal of a revised Long-term Wastewater Management Plan in November of 2005. We are respectfully requesting the opportunity work with the Regional Board staff to put this work plan into a revised ACL for consideration by the Board.

Sincerely,
City of Hollister



Clint G. Quilter
City Manager

Cc: City Council
Steve Wittry, Interim Engineering Manager
William Little III, Harris and Associates
John Gregg, San Benito County Water District
Mike Bethke, San Benito County

DATE: July 21, 2005

TO: Roger Briggs, Executive Office, Central Coast Regional Water Quality Control Board

FROM: Clint Quilter, City Manager, City of Hollister

SUBJECT: ADMISTRATIVE CIVIL LIABILITY ORDER R3-2002-0097 – EXTENSION REQUEST

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RECEIVED
CITY OF HOLLISTER

Introduction:

The City of Hollister is requesting that the Regional Board extend the October 15, 2005, deadline for complete implementation of a Long-term Wastewater Management Plan that is included Administrative Civil Liability Order R3-2002-0097. Additionally, the City is requesting that WDR-2000-020 be revised to make it consistent with the requested extension and that use of the Hollister Industrial Wastewater Treatment Plant for disposal of treated effluent be extended concurrent with the implementation of the Long-term Wastewater Management Plan.

This extension request is made pursuant to Administrative Civil Liability Order R3-2002-0097 that provides the Regional Board authority to amend the time schedules for any or all compliance projects and supplemental environmental projects if it determines delays are due to circumstances beyond the Discharger's reasonable control. The applicable circumstances, the City's performance to date, and proposed future actions will be discussed throughout the remainder of the report.

From late 2000, when WDR-2000-020 was issued through 2002, the City was proceeding with the design and development of a Long-term Wastewater Management Plan based on use of a pond system (Dual Power Multi-Cell) to treat wastewater for subsequent disposal through use of constructed wetlands and percolation beds. This was done in consultation with Regional Board staff. Concurrently the Water Resource Association, made up of representative of the City of Hollister, City of San Juan Bautista, San Benito County Water District, and Sunnyslope County Water District, was proceeding with efforts to update the 1998 Groundwater Management Plan. (The Draft Final Report was completed in July 2003.) In January of 2003, the Regional Board provided the City with general guidance regarding nitrogen removal that made use of a pond system inappropriate for future treatment. . During this same period, preservation of water for beneficial use was identified as an important issue for the community and contributed to the abandonment of the constructed wetlands proposal.

While there was some level of collaboration between agencies prior to the end of 2002, as a community we did not have the political and/or institutional mechanisms in place to cooperatively advance complicated projects and programs. Therefore, efforts by the City of Hollister towards a Long-term Wastewater Management Program were managed as a stand alone project with opportunity for public and other agencies to comment through

the normal public process. Through that process, it became clear that in order to find a solution which would be acceptable to the community a greater commitment for cooperation with outside agencies would be required because that solution must include water resource management for northern San Benito County.

As result, both directly and indirectly, of provisions contained in Cease and Desist Order R3-2002-0105 and Administrative Civil Liability Order R3-2002-0097 and of other technical efforts such as the Updated Groundwater Management Plan, the community has developed both the institutional and political mechanisms necessary to attack water resource management, including Long-term Wastewater Management in cooperative manner. The efforts undertaken to develop these relationships are discussed later in the report and are a key component of the extension request.

It is expected and encouraged, that any extension approval would include milestones and provisions to ensure that the City maintains its commitment to completion of a long-term wastewater management program particularly in the areas of recycling and water quality improvement.

Performance to Date:

A number of performance milestones were identified by the Regional Board in WDR 2000-020, Cease and Desist Order R3-2002-0105, and Administrative Civil Liability Order R3-2002-0097. These performance milestones have been consistently met and are detailed below with very few exceptions. However, the milestones not met are the key milestones for solving the City's wastewater situation. They are submittal of complete Long-term Wastewater Management Plan and ROWD documents and the full implementation of a Long-term Wastewater Management Plan. These are the subject of this extension request and are generally related to the challenges of coordinating disposal of treated wastewater with regional water resource management.

ORDER 00-020

	Required	Status
Cease diversion to IWTP	October 15, 2005	Requesting Revision
Timelines for Development and Implementation of LTWWMP	September 15, 2002	Revised Dates are included in this request
Submit Financial Capability Statement	Requirement of incremental capacity increase	Complete
Salt Management Plan	November 15, 2000	Complete
Odor Control Plan	October 15, 2000	Complete
Install additional Monitoring Wells	November 15, 2000	Complete
Complete Implementation of Long-term WW Management Plan	October 15, 2005	Will Not Meet Request Revision

CDO Order No R3-2002-0105

	Required	Status
Seasonal Storage Basin	January 1, 2002	Complete
Head Works	August 1, 2003	Complete
Award Interim Project	March 3, 2003	Complete
Interim Treatment	August 1, 2003	Complete
Flow Reduction Summary (Reporting Quarterly)	Ongoing	Complete-Ongoing
Hydrogeologic Study	May 20, 2004	Complete-Ongoing
Complete ROWD	May 20, 2004	Submitted-Incomplete Requesting Extension

ACL Order No. R3-2002-0097

	Required	Status
Pay \$24,000.00 for Staff Time	December 2, 2002	COMPLETE
TSS Reduction Project	August 1, 2003	COMPLETE
New Headworks	August 1, 2003	COMPLETE
#3 of Suspended liability Implement all aspects of LTWWMP	October 15, 2005	Will Not Meet Requesting Extension
Emergency Storage Basin	January 1, 2003	COMPLETE
Hydrogeologic Study	April 20, 2004	COMPLETE
Provide \$126,000.00 to WRA	February 6, 2003	COMPLETE

Request Justification:

The timelines identified in the Administrative Civil Liability Order in 2002 were based on an assumption that a reasonable engineering solution could be developed and immediately implemented to solve the wastewater management dilemma faced by the City of Hollister. With regard to treatment and other milestones **not** dependent on the disposal/reuse of the treated wastewater, this has been the case and is evidenced by the 90% completion of treatment design and adherence to milestone schedules. The treatment design is being held at 90% pending coordination with disposal and completion of CEQA.

However, this has not been the case for disposal/reuse of that wastewater after treatment. Through coordination with other agencies it has become apparent that there is no stand alone "solution" to dispose of the City of Hollister's treated wastewater. What has been identified through coordinated and cooperative efforts of the City and two of the major

stakeholders in the region- San Benito County and the San Benito County Water District- is that disposal/reuse of the City of Hollister's treated wastewater is a significant component, with regard to quality and quantity, of a much greater effort to manage water resources in northern San Benito County. The Regional Board has consistently stressed, if not required, this cooperative and coordinated effort in order to receive favorable consideration. A more detailed discussion of disposal evaluation is found below.

Subsequent to the adoption of CDO R3-2002-0105 and ACL R3-2002-0097, a number of activities have provided information that has changed the scope of City of Hollister wastewater management from a local project with regional impacts to a subset of both a much larger regional water resource management program and an overall urban area service program. These activities have been driven by consultation, coordination, and ultimately cooperation between the regional stakeholders. These stakeholders are the City of Hollister, San Benito County and the San Benito County Water District. There are activities that have contributed to development of a policy base for management of water resources and activities that have provided technical information.

Development of the policy base culminated in a determination that the City of Hollister LTWWMP will be based on the principles set forth in the Memorandum of Understanding, Hollister Urban Area Water and Wastewater Master Plan between the City of Hollister, San Benito County and San Benito County Water District. These principles are found as Sections 2.1.1, 2.1.2, 2.1.3, 2.1.8, 2.2.2, 2.2.3, 2.2.4 and 2.2.9 of the referenced Memorandum of Understanding and are paraphrased below:

- The Hollister Domestic Wastewater Treatment Plant is the primary wastewater treatment plant for the Hollister Urban Area including areas in the County that are designated to be served by that facility.
- Standards for the quality of wastewater to be discharged shall be developed and agreed to by the City of Hollister, San Benito County and the San Benito County Water District and shall include appropriate consideration of regional issues. These standards shall be the most stringent of local standards, state regulations or federal regulations and shall include careful consideration of anticipated future regulation.
- Wastewater treatment processes and disposal methods shall include careful consideration of future wastewater disposal requirement, shall provide for maximum reuse of wastewater, and shall be agreed to by the City of Hollister, San Benito County and the San Benito County Water District.
- Disposal options and sites shall not:
 - o Impact drinking water supplies or negatively impact adjacent land uses or values unless fully mitigated to the satisfaction of the City of Hollister, San Benito County and the San Benito County Water District.
 - o Be inconsistent with applicable General Plans or Policies including preservation of agricultural land.
 - o Be or result in conditions inconsistent with the quantity, quality or groundwater levels objectives of groundwater management plans for the area of disposal.

- Water and wastewater management to protect and sustain the local surface and groundwater supplies of San Benito County.
- Drinking water shall have a TDS concentration of not greater than 500 mg/l and a hardness of not greater than 120 mg/l
- Recycled wastewater shall have a target TDS of 500 mg/l and shall not exceed 700 mg/l. This objective shall first be met by rigorous source control and second by demineralization. Blending recycled water with San Felipe water shall only be used as an interim measure to meet these water quality objectives. These objectives shall be met by the measures identified above and the reduction of TDS concentrations in drinking water as soon as practical and not later than 2015.
- Within the Hollister Urban Area all wastewater shall be treated at a central wastewater treatment plant and City and County general Plans and supporting public service plans and implementing Ordinances/Regulations shall be consistent with that requirement. This provision shall not preclude wastewater separation plants for the recovery of water for local recycling.
- Within the Hollister Urban Area dual water supplies and distribution systems shall be required for all new development and for new parks, school grounds, cemeteries and other large landscaped areas. Every reasonable effort shall be made to provide existing park, school grounds, cemeteries and other large landscape areas with supplies separate from the domestic water system. Nothing shall prevent the San Benito County Water District from developing groundwater supplies for parks, school grounds, cemeteries and other large landscaped areas.

The intent of the MOU is to integrate water and wastewater resource management consistent with County and City General Plans and Policies and meeting the long term needs and interests of the community including effective regulatory compliance.

The activities that have resulted in this policy base are as follow:

-Adoption of Planning Criteria – Long-term Wastewater Management developed in conjunction with San Benito County and San Benito County Water District(Adopted by: COH - 12/18/02-attached)

This documented prepared in consultation with the San Benito County Water District and San Benito County **set forth criteria to be considered in development of wastewater treatment and disposal activities.**

-Intergovernmental Meetings at Elected Level – Developing principles for water resource management. (2003 – 2005) Over this span meetings have varied from quarterly to monthly depending on the ongoing activities.

-Statement of Intent to prepare Urban Area Water and Wastewater Master Plan by three agencies (Adopted by: COH - 10/18/04; SBCWD - 10/21/04; SBC – 10/12/04-attached) **This was a foundation document for the preparation of the MOU below. It laid out the intent of the parties with regard to policy principles for development of the master plan and with regard to coordination of the master plan effort to maintain compliance with Regional Board Orders, remove and/or lessen restrictions of the Cease**

and Desist Order, and secure and maintain support of the San Benito County Water District and San Benito County.

-MOU for Preparation of Hollister Urban Area Water and Wastewater Master Plan defining community principles and policies for water resource planning. (Adopted by: COH - 12/13/04; SBCWD - 12/15/04; SBC - 12/7/04- attached)

This document **sets forth the policy guidelines for completion of an Urban Area Water and Wastewater Master Plan that fully integrates water and wastewater resource management, in terms of quality, quantity, and groundwater level and coordinate resource management with City and County General Plans.**

-Agreement of cooperative screening and re-evaluation of wastewater disposal strategies. (Concurrent with Statement of Intent) This process is discussed in more detail below and is based significantly on the criteria identified in the MOU for Preparation of the Hollister Urban Area Water and Wastewater Mast Plan.

-Agreement between agencies to prepare a joint CEQA document for Long-term Wastewater Management Project and Reclaimed Water Project with City as lead agency and San Benito County and San Benito County as responsible agencies. (Adopted by: COH - 6/9/05; SBCWD - 5/26/05; SBC - 6/28/05-attached)

This ties the City's wastewater project to the WRA/ San Benito County Water District Regional Reclaimed Water Project for the purposes of CEQA since they will ultimately be tied together in implementation.

In addition to the policy items identified above significant technical work has been undertaken and completed.

-Completion of Draft Updated Groundwater Management Plan Base Document (July 2003 - provided)

The Draft Updated Groundwater Management Plan was intended update the 1998 Groundwater Management Plan which was prepared by a consortium of agencies in San Benito County. The Updated Groundwater Management Plan was prepared by the Water Resource Association of San Benito County which is made up of representative from the City of Hollister, City of San Juan Bautista, San Benito County Water District, and Sunnyslope County Water District. The Updated Groundwater Management Plan built upon previous work to **identify and evaluate alternatives defining coordinated basin wide approaches to groundwater management and served as the basis for a Programmatic Environmental Impact Report.**

-Completion of Hydrogeologic Study (April, 2004- provided)

The purpose of this study was to further **understand the hydrogeologic conditions in the vicinity of the City's Domestic and Industrial Wastewater Treatment Plants and evaluate what impact, if any, wastewater disposal methods at these facilities may have on groundwater and surface water conditions both upstream and downstream of the facilities.** This study was required by Cease and Desist Order R3-2002-0105 and was accomplished as a joint project by the City of Hollister, the San Benito County Water

District, and San Benito County. Additional "phases" of this work are being accomplished in the form of continued monitoring as recommended in the Study and evaluation of data from that ongoing monitoring.

-Completion of Final Program Environmental Impact Report for adoption of Updated Groundwater Management Plan (May, 2004 – provided)

This document provided the environmental review and public disclosure necessary for actual adoption of the Updated Groundwater Management Plan. Included are comments received, responses to comments, and revisions based on those comments.

-Reclaimed Water Feasibility Study (May 2005 – provided)

The Regional Recycled Water Feasibility Study was prepared for the Water Resource Association of San Benito whose membership is noted above. **The purpose of the feasibility study was to identify a cost effective water recycling project that would meet the needs of the region.** This feasibility study has been completed and accepted by the Water Resource Association and the State Water Resource Control Board.

-Capability of Multi-Dimensional Groundwater Modeling (2005)

The San Benito County Water District has maintained a groundwater model for some time. **However, it now has capabilities for multi-dimensional modeling at scale appropriate for evaluating site specific groundwater conditions and activities.**

-Coordinated Screening of Treated Wastewater Disposal/Reuse (2005)

This coordinated effort by the City, San Benito County, and the San Benito County Water District was completed based upon the policy level principles discussed above and is more specifically described below.

The City, San Benito County, and the San Benito County Water District evaluated disposal alternatives based on standard engineering criteria such as cost, land requirement, etc. and also what were termed stewardship criteria that were based on the policy considerations and technical information identified previously. Alternatives included river discharge, export out of basin, percolation, sprayfields, recycling, evaporation and various permutations of these alternatives. Some such as ocean outfall and evaporation were eliminated due to low probability of successful permitting based on discussions with Regional Board staff.

Recycling in one form or another was identified as the only alternative that met all of the criteria. The San Benito County Regional Recycled Project as identified in a Feasibility Report dated May, 2005 and accepted by both the Water Resource Association of San Benito County and the State Water Resource Control Board, is the preferred of these alternatives. However, full implementation of this alternative can't be accomplished immediately because of effluent quality, no immediately feasible brine disposal mechanism, and/or time necessary for market development and implementation.

Having determined that effluent quality and market assurance would need some additional time to resolve, the remaining alternatives were then evaluated to determine

which would most nearly meet the criteria. Both percolation and reuse for forage/pasture were comparable with the exception of managing the quantity of water being disposed of in the basin. Quantity is a significant driving issue in the San Juan Basin and in all of northern San Benito County. Consequently, properly designed reuse for forage/pasture was determined to be a superior alternative to bridge the gap necessary for implementation of the Regional Recycled Water Project. It is also quite possible that this use may be a permanent portion of the communities reclaimed water program.

It is intended that reuse for forage/pasture would incorporate expandable seasonal storage to maximize reuse. It will also be possible to consider inclusion of a pilot program of blending wastewater with imported surface water for use on crops that are more sensitive to Total Dissolved Solids than forage/pasture.

All of these activities contributed to both the knowledge base and policy foundation for managing water resources for the Hollister urban area and northern San Benito County. A key realization from this work is that there is not a reasonable, immediately available mechanism to dispose of treated wastewater that serves by itself as a long-term solution for the community.

Based on the above considerations, the City of Hollister is requesting an extension, in order to implement a phased reuse program that includes the submittal a revised Long-term Wastewater Management Plan. The plan contains milestones for revision and implementation based upon additional master planning necessary to fully integrate water and wastewater resources to address water quality issues for the basin and upon further development of an assured market for reuse beyond forage and pasture.

Work Plan

Below is a draft work plan associated with this extension request with a description of the individual components. In summary, the City proposes to provide a revised Long-term Wastewater Management Plan that incorporates the rest of the work plan and associated technical data. Included in the work plan is a key juncture in the spring/summer of 2007. At that point, the City, County, and Water District will have completed the Hollister Urban Area Water and Wastewater Master Plan. That effort will identify integrated work plans for long-term management and quality improvement of wastewater and long-term supply and quality of potable water. Included would be the ultimate disposition of the Industrial Wastewater Treatment Plant.

Upon completion, amendments to the Long-term Wastewater Management Plan would be made to incorporate implementation plans for activities identified in the Hollister Urban Area Water and Wastewater Master Plan in coordination with the Regional Recycled Water Project Facility Plan. These updates will be submitted to the Regional Board for review and consideration. Additionally, a determination would be made as to whether additional forage/pasture reuse would be necessary prior to implementation of the Regional Recycled Water Project. If so, development of that reuse would begin immediately to be consistent with the implementation time.

Dates that identify a range are a result of acknowledging the possibility of variability in the CEQA process as noted below.

-Revised LTWWMP – November 2005

The Long-Term Wastewater Management Plan will incorporate the rest of the work plan as well as associated technical data for treatment and an initial period of reuse for forage/pasture for immediate development. Included in the Long-term Wastewater Management Plan and work plan is a key juncture in spring/summer of 2007. This will be the completion of the Hollister Urban Area Water and Wastewater Management Plan and subsequent request to amend Long-term Wastewater Management Plan to incorporate integrated work plans for implementation of the Regional Recycled Water Facility Plan and for implementation of quality improvements for both potable water and wastewater to allow for reuse of high quality wastewater effluent without the need for blending.

-CEQA – Completion June to August, 2006

Completion of environmental review for Wastewater Project and Reclaimed Water Project. The variability included in the schedule is to identify that there is a level of risk that additional studies will need to be accomplished based upon the results of studies contained in the document. It is also noted that comments and response to comments of the environmental document are area where additional time could be required.

-Finalize Treatment Design May to July 2006

Design of the Membrane Bio-Reactor Treatment Plant will be finalized in conjunction with completion of CEQA review. Treatment Design is currently at 90%.

-Treatment Construction Award – June to August 2006

Award of contract for construction of MBR Wastewater Treatment Facility.

-Forage/Pasture Land Acquisition – No later than April 2007

In order to complete construction of Forage/Pasture Reuse concurrently with the Treatment Facility, land acquisition must be completed no later than April 2006.

-Forage/Pasture Reuse Design - completion April 2007

Design of Forage/Pasture Reuse will be a fairly simple design and construction time will considerably less than for treatment. The design is being delayed until substantial completion of CEQA to avoid influencing CEQA process.

-Forage/Pasture Reuse Construction Award – No later than May 2007

In order to complete construction of Forage Pasture Reuse concurrently with the Treatment Facility, this contract must be awarded no later than May 2007.

-Construction Completion – November 2007

Construction of Treatment Facility and Forage/Pasture Reuse Complete. This completion date may be affected by the variability identified in the CEQA discussion above.

-Hollister Urban Area Water and Wastewater Master Plan - Completion January 2007

Completion of Master Plan which integrates water and wastewater resource management with City and County General Plans and policy guidelines adopted by the City, County and Water District. A major contribution from this plan will be integration of potable water and wastewater quality improvements to allow for high quality wastewater for reuse and protection of the Groundwater Basin.

-Amend Long-term Wastewater Management Plan to include implementation of Regional Recycled Water Project. – March 2007

-to include fate of Hollister Industrial Wastewater Treatment Plant

This will identify actions and timelines for implementation of the Regional Recycled Water Project. This cannot be included initially because additional effort related to market assurance is still necessary to identify actions and timelines.

-Amend Long-term Wastewater Management Plan to include implementation of water and wastewater improvement. – March 2007

This will identify implementation actions and timelines for water quality improvement to both potable water and wastewater to allow for full reuse of treated wastewater without the need for blending with a higher quality water. This cannot be included initially because of the need to complete the Hollister Urban Area Water and Wastewater Master Plan.

-Development of additional forage/pasture Reuse, if necessary.

If the timelines for implementation of the Regional Recycled Water Project are found, in spring of 2007, to be longer than currently anticipated, additional forage/pasture reuse would begin development immediately..