

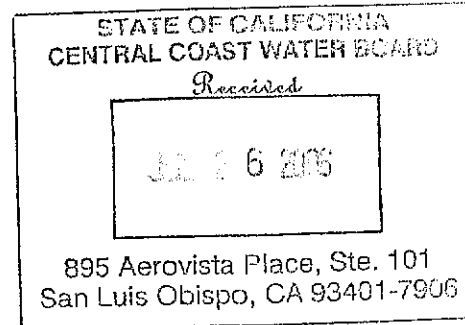


# CITY OF HOLLISTER

375 Fifth Street • Hollister, CA 95023-3876

July 25, 2006

Roger Briggs  
California Regional Water Quality Control Board  
Central Coast Region  
895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401



RE: UPDATE HOLLISTER WASTEWATER PROGRAM

Dear Mr. Briggs:

I am providing an update of the status of the City of Hollister wastewater program in preparation for the September Regional Water Quality Control Board meeting. Primary updates are to cost estimates and to schedule. Tables are attached in the format identified in the Long-term Wastewater Management Plan showing original cost and schedule and revised cost and schedule.

The first table identifies changes in cost for Phase I Improvements. These improvements include Domestic Wastewater Treatment Plant, Seasonal Storage, and Phase I effluent. Total cost estimate for these items has increased from approximately \$101 million to \$120 million. This is as a result primarily of construction cost escalation. I have also forwarded the analysis for funding to support these construction costs. Revenue Bonds will be sold to pay for construction. We are currently in the 45-day protest period required by Proposition 218 prior to adoption of the new rates. This protest period ends September 5, 2006 at which time the City Council can adopt the necessary rates. The City will be able to report on the outcome of this at the September Board meeting.

The second table identifies changes to schedule. There is a small change of 2 months delay in completion of CEQA and subsequent award of contract for the Domestic Wastewater Treatment Plant. The 45-day CEQA review period ends September 11, 2006 and the award of contract is now scheduled for October 2006. The City will begin soliciting bids in mid-August. Again, the City will be able to report on the status of the bidding process at the September meeting. There is also a change in the anticipated final completion date of the project. Additional research into similar projects and consultation with experts in the field have identified a construction time frame of 20 to 24 months. Based upon an award date of October 2006, this would put completion between June 2008 and October 2008.

I will provide additional information as it becomes available prior to the September Board meeting and provide an update of the latest information available at the meeting.

Sincerely,  
CITY OF HOLLISTER

Clint G. Quilter  
City Manager

Item No. 17 Attachment No. 5  
Sept. 7-8, 2006 Meeting  
City of Hollister  
Compliance Deadline Update

<b>ESTIMATED LTWMP PHASE I PROJECT COSTS – Updated July, 2006</b>		
Description	Previous Estimate (\$ millions)	Current Estimate (\$ millions)
Domestic Wastewater Treatment Plant	\$63.16	\$73
Phase I Seasonal Storage	\$16.2	\$22
Phase I Effluent Management	\$18.1 to 21.92	\$25
<b>Phase I Total</b>	<b>\$98.26 to \$101.28</b>	<b>\$120</b>

Updates to Phase II costs will be completed in conjunction with the Hollister Urban Area Water and Wastewater Master Plan

### LTWWMP IMPLEMENTATION SCHEDULE

Activity	Original Date	Revised Date	Constraints/Comments
LTWMP	12/05	12/05	Submitted
CEQA	8/06	10/06	Completion of an EIR. Additional time was necessary complete needed technical work. 45 day comment period commences 7/26/06
Finalize Design of Treatment/Storage	6/06	8/06	Treatment Design essentially complete. Request for bids in mid-August. Storage (Separated Contract) out. Design underway, Award Contract 3/07
Award Treatment/Storage Construction Contract	8/06	10/06	Needed to push back award to be consistent with CEQA schedule
Hollister Urban Area Water and Wastewater Master Plan(HUAWWMP)	12/06	2/07	Completion of Master Plan which integrates water and wastewater resource management with City and County General Plans and policy guidelines adopted by City, County and San Benito County Water District. Draft work should be completed in December for inclusion in amended LTWMP
Amend LTWMP	3/07	3/07	The LTWMP will be amended upon adoption of HUAWWMP. Specific updates as noted on Page ES-16 of LTWMP.
Acquisition of Forage Pasture/Land	4/07	4/07	Currently two sites have are analyzed at a project level for CEQA. Two additional areas have been analyzed at a program level. Final determination must be made in February/March 2007
Finalize Design Phase I Interim Effluent Management Project	4/07	7/07	This fits with other activities. Primarily the completion date of the DWTP
Award Phase I Interim Effluent Management Project Construction Contract	5/07	9/07	This fits with other activities. Primarily the completion date of the DWTP
Complete Construction of Phase I Seasonal Storage Reservoir	9/07	9/07	The Phase I seasonal storage reservoir must be constructed prior to the 2007/2008 wet weather season because the capacity of the City's percolation ponds will be reduced during the

			construction of the DWTP project
Complete Construction of the DWTP	12/07	6/08 to 10/08	Change based on two factors. First completion of CEQA document is about two months behind original schedule. Second, additional research and consultation has identified the reasonable construction time for a plant such as this is 20 to 24 months.
Complete Construction of Phase I Interim Effluent Management Project	3/08	6/08 to 10/08 (do we want to show a delay here?)	Construction of Phase I Interim Effluent Management Project Facilities should be completed in conjunction with the DWTP facilities.
Salinity Control Program Complete	2015 <sup>a</sup>	2015 <sup>a</sup>	Completion date set by MOU
Complete Design of Phase II Recycled Water Project	8/2013 <sup>a</sup>	8/2013 <sup>a</sup>	Design of the Phase II Recycled Water Facilities should be scheduled to facilitate construction of these facilities by March 2015 or earlier if recycled water salinity is sufficiently reduced.
Award Phase II Recycled Water Project Construction Project	3/2014 <sup>a</sup>	3/2014 <sup>a</sup>	Construction of the Phase II Recycled Water Project should be complete by March 2015
Complete Construction of Phase II Recycled Water Project	3/2015 <sup>a</sup>	3/2015 <sup>a</sup>	Completion coincident with achievement of salinity goals by 2015(ref: MOU)

<sup>a</sup>Dates may be amended in March 2007 after completion of the HUAWWMP.