

STATE OF CALIFORNIA  
REGIONAL WATER QUALITY CONTROL BOARD  
CENTRAL COAST REGION

SUPPLEMENTAL SHEET FOR REGULAR MEETING OF JULY 6, 2007  
Prepared June 26, 2007

ITEM NUMBER: 26

SUBJECT: Executive Officer's Report: Correspondence Regarding Sunnyslope  
County Water District – Ridgemark Estates Wastewater Treatment  
Plant Status Report, San Benito County

**SUMMARY**

Water Board staff is providing correspondence received on May 29, 2007 from the Sunnyslope County Water District. The letter discusses the Sunnyslope County Water District's actions and challenges towards meeting compliance deadlines set in Waste Discharge Requirements Order No. R3-2004-0065.

**ATTACHMENT**

May 23, 2007 letter from Sunnyslope County Water District

EO REPORT ATTACHMENT A  
AUGUST 23, 2007 MEETING  
SUPPLEMENTAL SHEET FROM 7-6-07  
MEETING RE SUNNYSLOPE CWD

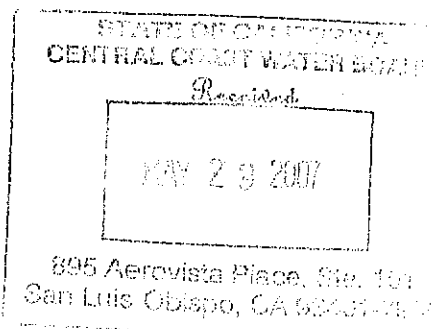
# Sunnyslope County Water District

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Hollister, California 95023-9702

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May 23, 2007

Ms. Cecile DeMartini  
Central Coast Regional Water Quality Control Board  
895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401-5411



SUBJECT: Sunnyslope County Water District –Update on Compliance Movement:  
Waste Discharge Requirements Order No. R3-2004-065

Dear Ms. DeMartini:

The Sunnyslope County Water District (SSCWD) is continuing efforts toward implementation of wastewater and water supply improvements to address the water quality requirements of the Waste Discharge Requirements (WDR) Order No. R3-2004-065. This letter will provide an update on activities and summarize the continuing challenges facing SSCWD related to the WDR compliance schedule and the difficulties of efforts in attempting to work with regional stakeholders.

Accomplishments and actions are:

- **Long-term Wastewater Management Plan (LTWMP) January 2006** - This Plan identified additional work necessary to make a final recommendation on facilities. The primary decision: whether to connect to the City of Hollister's {under construction} facilities or construct Recycled water improvements at the Ridgemark Plants. The decision will be subject to receipt of actual fiscal information – which has been requested repeatedly by the District – of 'buy-in rates' from the City of Hollister.
- **Ridgemark Recycled Water Pre-design Report** - This Report focused on defining the recommended treatment improvements at the existing Ridgemark Wastewater Treatment Plants (WWTP). This Pre-design Report would guide the recycled water project at the Ridgemark facility if SSCWD opts to implement a project at the Ridgemark WWTPs. The District is waiting for fiscal information from the City of Hollister.
- **Negotiation with City of Hollister on connection to the new Hollister WWTP** – SSCWD is continuing to work with the City to evaluate the costs of connecting to the Hollister WWTP. This effort started in August 2006. In a letter dated January 30, 2007, SSCWD requested that a Joint SSCWD and

Hollister Wastewater Committee be formed to negotiate and develop a final proposal for a Connection Project to the Hollister WWTP.

- **Potable Water Supply Improvement Pre-design Report** - This Report focused on defining the recommended treatment improvements to the potable water supply that necessitates addressing salinity requirements in the WDR. The recommended improvements include groundwater demineralization and implementation of a water softener ordinance {currently being created }.
- **Coordination with the HUAWWMP** - SSCWD has been working diligently with the regional Governance Committee, which includes the San Benito County Water District (SBCWD), City of Hollister, and San Benito County (SBC), in development of the Hollister Urban Area Water and Wastewater Master Plan (HUAWWMP). The HUAWWMP planning area encompasses both the City of Hollister service area, SSCWD service area, and envisioned future urban areas that are currently under County jurisdiction. The HUAWWMP addresses similar issues that SSCWD is facing and offers the potential for regional solutions to be implemented. SSCWD several months ago requested inclusion into this decision making body with full representation identical to the other entities, but the only response has been to add a member of the staff to the technical advisory committee – SSCWD feels full membership - with voting rights for decisions affecting the District is necessary – but has not received a formal response, to date. Joining the Governance Committee as an official voting member will develop the opportunities for regional solutions to be implemented.
- **Public and Stakeholder Outreach** – SSCWD held a public outreach workshop on August 15, 2006 with members of the Ridgemark Home Owners Associations. SSCWD also developed a newsletter (November 2006) to inform the community about the upcoming projects. SSCWD made multiple presentations to the regional Management and Governance Committees regarding project opportunities.
- **Finance Plans** – Finance plans for wastewater and water service have been developed and are being implemented in anticipation of the upcoming projects. SSCWD has requested to be placed on the State Water Resource Control Board State Revolving Fund list. SSCWD Projects are included in the Pajaro River Watershed Integrated Regional Water Management Plan (approval is being considered by the governing parties within the month) and that will provide the basis for applying for grant funding from Proposition 84.

The following paragraphs summarize the ongoing challenges on both the Wastewater and Water Projects for the SSCWD.

**Negotiation with City Of Hollister for Connection to the new Wastewater Treatment Plant**

Regarding the potential Wastewater Connection to the City of Hollister Project, SSCWD continues to attempt to garner information from the City to obtain **final** buy-in costs. On August 3, 2006, SSCWD requested, through a letter to the City, that the City provide buy-in cost to connect the Ridgemark wastewater system to the new Hollister plant. On December 21, 2006, Steve Wittry from the City made a presentation to the SSCWD Board, and said the estimated cost for this connection was approximately \$15,000 per dwelling unit. At this connection fee, the overall project cost to go to Hollister would be approximately **double the cost** of improving the existing Ridgemark Wastewater Treatment Plants for Recycled Water facilities. The City has been evaluating alternative financing scenarios since December 2006 to determine if the connection fees can be lowered to be closer to the Ridgemark Recycled Water Treatment Plant Improvements.

To date, final buy-in costs have not been provided by the City, in spite of repeated petitioning. However, at a Governance Committee Workshop – limited to two SSCWD Board members and the General Manager, with the Consultant, Hollister City Manager and the County CAO, the City Manager said the City was working to ensure cost neutral to the District. SSCWD's final decision on conveying wastewater flow to the City of Hollister or implementing a Ridgemark Recycled Water Project is on hold pending buy-in cost information from the City. The WDR permit requires consideration of a connection project with the City of Hollister. At this point, a project cannot be implemented in time to meet the January 2008 effluent water quality requirements. However, SSCWD continues to work diligently toward meeting the ultimate January 2010 requirements. Of special importance is the fact that a connection project to the City of Hollister wastewater treatment plant can not be implemented by the January 2008 because the City's treatment plant upgrades are not scheduled for completion until late 2008.

**Potable Water Improvement Project Cost and Schedule Constraints and Integration with HUAWWMP**

SSCWD's Potable Water Supply Improvement Project, which is part of the recommended salinity management plan to reduce wastewater salinity, faces similar schedule and institutional challenges. SSCWD is motivated to meet the schedule; however, the cost implications and brine concentrate disposal challenges require consideration of regional opportunities and collaboration with regional stakeholders on the HUAWWMP. This step is necessary to build regional support for the project and justify capital expenditures to rate payers. The HUAWWMP process is expected

Cecile DeMartini  
May 24, 2007  
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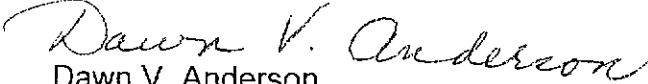
to be completed shortly; however, implementation of water supply improvements are planned to occur over an extended period of time due to high cost of groundwater demineralization projects and the challenges of brine concentrate management.

In the coming months, the SSCWD will develop a presentation for updating the status and ongoing activities to the RWQCB together with a formal request for time extension for the January 2008 wastewater effluent water quality requirements to facilitate further consideration of the regional opportunities. SSCWD would also like to schedule a meeting with you at your earliest convenience, to discuss the compliance schedule, collaborative regional efforts, and anticipated costs of these projects. SSCWD would appreciate input from the RWQCB on the following:

- The existing WDR compliance schedule and full consideration of regional opportunities seem to be in conflict. Stakeholder information has not been readily available; subsequently, project decisions have been delayed. This impacts the ability to meet the WDR compliance schedule. SSCWD sincerely requests direction from the RWQCB on how best to balance these two interests.

If you should have any questions, please feel free to contact me or Bryan Yamaoka at (831) 637-4670 or Marc Nakamoto (RMC Water and Environment) at (408) 240-8160.

Yours truly,

  
Dawn V. Anderson  
President, SSCWD

CC:  
Marc Nakamoto, RMC Water and Environment  
SSCWD Board of Directors  
Clint Quilter, City of Hollister  
Susan Thompson, County of San Benito  
John Gregg, San Benito County Water District