

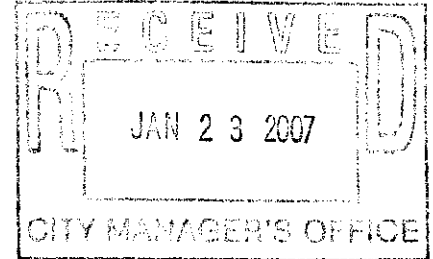


# San Juan Oaks

G O L F C L U B

January 22, 2008

Steve Wittry, Engineering Manager  
 City of Hollister  
 375 Fifth Street  
 Hollister, California 95023



Dear Mr. Wittry:

Thank you for providing the opportunity to review the City of Hollister's Draft Subsequent Environmental Impact Report (DSEIR) for the City's Reclaimed Water Irrigation Project. San Juan Oaks Golf Club's property is one of the sites considered in the DSEIR and we have the following comments:

1. In several instances, the DSEIR underestimates the irrigable acreage for the San Juan Oaks option (for example, Table 3-4 on page 2-3, Figure 3-2 on page 3-3, and on page 3-18), listing or depicting the irrigable acreage at 120 acres and the annual disposal capacity at 78 – 357 acre feet per year. In fact San Juan Oaks has committed 310 irrigable acres to accept the City's reclaimed water, and will accept 646 acre feet of reclaimed water per year. The DSEIR only lists the existing golf course at San Juan Oaks and does not include San Juan Oaks' property to the west. The property to the west is included in San Juan Oaks' fully approved residential and resort project and was thoroughly studied in a Draft Environmental Impact Report (DEIR) and a Final Environmental Impact Report (FEIR), certified by the San Benito County Board of Supervisors in 2004. These reports included the study of irrigation being applied to San Juan Oaks' property to the west in amounts greater than would be needed to accept 646 acre feet annually from the City. While the County's DEIR and FEIR for the San Juan Oaks project did not specifically analyze the effects of the use of reclaimed water on San Juan Oaks' property, it did include the prospect of reclaimed water being utilized for irrigation to the existing golf course and on San Juan Oaks' property to the west. The DEIR and FEIR included all of the usual environmental analysis for land use, agricultural resources, geology and soils, biological resources, hydrology, etc. The FEIR included a Water Supply Assessment conducted by the San Benito County Water District (SBCWD). In analyzing the supply options for the project the SBCWD Water Supply assessment (Appendix B) stated in part that the "...use of reclaimed water from the Hollister DWTP probably provides the greatest benefit to regional water resources management, followed by San Felipe water and then groundwater."

3-1

The City's Final Subsequent Environmental Impact Report should include the total 310 irrigable acres for the San Juan Oaks site, with a total demand of up to 646 acre feet of reclaimed water per year, with the same analysis of groundwater impacts for the increased acreage and irrigation demand as was done for the erroneous smaller acreage and irrigation demand.

2. The DSEIR's project description states that "the proposed project consists of developing reclaimed water uses to beneficially reuse tertiary treated wastewater from the City of Hollister Domestic Wastewater Treatment plant (DWTP). The stated objectives of the project in Section 2.3 include implementing recycling of treated DWTP "in order to manage water resources in a manner consistent with regional goals;" and "treat wastewater as a resource rather than a waste product ..." to "...assist in the attainment of regional groundwater management goals in a manner that is feasible;" and "identify project elements that are financially feasible."

The State of California's "Policy with Respect to Water Reclamation in California," contained in the State Water Resources Control Board's Resolution No. 77-1 states that "...the people of the State have a primary interest in the development of facilities to reclaim water containing waste to supplement existing surface and underground water supplies;" and that "...the water resources of the State (should) be put to beneficial use to the fullest extent of which they are capable, and that waste or unreasonable use or unreasonable method of use of water be prevented;" and that the Water Board "must concentrate its efforts to encourage and promote reclamation in water-short area of the State where reclaimed water can supplement or replace other water supplies ..." One of the main principles adopted as part of Resolution 77-1 is that "Reclaimed water will replace or supplement the use of fresh water or better quality water."

Similarly, the Basin Plan of the Central Coast Regional Water Quality Control Board states that "Water quality management systems throughout the basin shall provide for eventual wastewater reclamation, but may discharge wastes into the aquatic environment when wastewater reclamation is precluded by processing costs or lack of demand for reusable water."

In summary, policies of the State of California and the Regional Water Quality Control Board as well as the stated objectives of the DSEIR emphasize the beneficial use of reclaimed water to conserve water by supplementing or replacing other water supplies. The Basin Plan emphasizes that when there is a demand and financing available, wastewater reclamation shall be provided.

The DSEIR does not adequately assess the various potential sites as to their consistency with the project description and objectives, and state and regional policies as regards to reclamation and the beneficial use of reclaimed water.

To briefly take the easiest example, disposing of the reclaimed water at the Airport site does not supplement or replace any existing or otherwise planned use of water. The City of Hollister proposes to plant turf around the runway as a way of disposing of the wastewater. Absent the need to dispose of the wastewater, this turf would never be planted – this site does not meet the goals and objectives cited above, and in fact with other site(s) readily available, it could be said that it violates those policies.

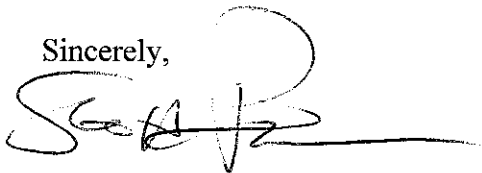
Contrast that with the San Juan Oaks site which has a 12 year history of approximately 400 acre feet per year of surface and ground water use on the golf course, and a planned use of another 500 + acre feet on its project to the west. Reclaimed water use here would supplement and replace the existing use of surface and groundwater and is consistent with the goals and objectives cited above. It is not sufficient to find that the Airport use is only temporary when other sites consistent with these goals and objectives are available now. While there is a stated plan to retire the disposal of the reclaimed water at the Airport in the future, there is no certainty as to when that will happen.

Finally, as to financial feasibility, the City's own preliminary analysis, done outside of the DSEIR process, shows that the combination of the San Juan Oaks and Riverside Park options will dispose of all the wastewater needed at a cost of Five Million Dollars (\$5,000,000) less than the Airport option.

The FSEIR should provide an analysis of the sites as to their consistency with the stated objectives of the project and the relevant State and Regional Water Board policies and requirements for the beneficial use of reclaimed water.

This concludes San Juan Oaks' comments. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Fuller", with a large, stylized flourish above the name.

Scott Fuller, General Manager  
San Juan Oaks Golf Club