### PUBLIC WORKS DEPARTMENT

23 Russell Boulevard – Davis, California 95616 530/757-5686 FAX: 530/758-4738 TDD: 530/757-5666



May 19, 2016

Regina Espinosa Manager of County Service Areas and Special Districts County of Yolo Planning, Public Works and Environmental Services Department 292 W. Beamer Street Woodland, CA 95695

Subject: Will Serve Letter – North Davis Meadows Community Service Area

Dear Ms. Espinosa,

This letter is to advise you that the City of Davis is willing and able to provide domestic indoor water service to the North Davis Meadows Community Service Area in Yolo County, California.

The provision of water service is contingent upon the completion of the necessary improvements, payment of applicable fees and conditions approved by the Davis City Council on February 23, 2016 (staff report attached).

Highlights of the conditions include the following:

- City owns infrastructure up to water meter (part of City service area) with associated easements from County
- Water Service Agreement will provide for City enforcement authority for water conservation requirements
- NDM customers will be billed individually as City water system customers vs. billing county (El Macero)
  - NDM customers will pay the connection fee to buy-in to water system at the rate in effect at the time of connection
- NDM customers will pay the full cost of infrastructure improvements to tie into City water system, including, but not limited to any required engineering, studies, permit fees, inspection, administration and right of way acquisition costs
- NDM customers to pay appropriate water rate (either current City rate or modified rate for indoor use only). May need a new study to assess this, which would be a NDM cost.
- The remaining well system for irrigation and fire flows would continue to be owned, operated and maintained by NDM.

The City will no longer provide contractual maintenance of the non-potable well water system once potable water connections are installed to the residential properties.

Final details and conditions will be incorporated into a Water Service Agreement between the City and North Davis Meadows customers. This agreement will need to be executed prior to initiation of any design, or construction activity associated with the provision of service.

When NDM is prepared to initiate activity in pursuit of connecting to the City's water system, the City will ask for a cash deposit, or other financial commitment acceptable to the City Attorney sufficient to cover City expenses.

Please contact me when North Davis Meadows is prepared to proceed so we can determine the key tasks and deliverables and develop a schedule for project activity.

Sincerely,

Robert A. Clarke, PE

Public Works Director

City of Davis - Public Works

Clarge

23 Russell Boulevard

Davis, CA 95616

Attachment

# **STAFF REPORT**

DATE:

February 23, 2016

TO:

City Council

FROM:

Robert A. Clarke, Public Works Director

Stan Gryczko, Assistant Public Works Director

**SUBJECT:** North Davis Meadows Water Service

### Recommendation

1. Direct staff to provide water service "will serve" letter to Yolo County for North Davis Meadows (NDM) County Service Area. Letter would stipulate conditions for connecting to the City's potable water system.

2. Direct staff to discuss terms and conditions of service to NDM residents for final approval by Council.

# Fiscal Impact

It is anticipated there would be no direct cost impact to the City for providing the letter agreeing to consider adding NDM to the City's potable water system. City staff time would be minimal to provide the letter and discuss terms and conditions for connection to City water service.

#### Council Goal

This item does not address specific City goals but does reflect the City's desire to promote and ensure a safe and healthy community.

# Background

North Davis Meadows (NDM) has a number of water quality and water infrastructure concerns. Primarily these issues are related to levels of nitrate and hexavalent chromium that exceed primary drinking water standards, levels of iron and aluminum that exceed the secondary drinking water standards, and an aging water system in need of significant improvements. Since 2009 the residents of NDM have been advised not to use the existing potable water system for drinking due to high levels of nitrate. NDM and Yolo County have assessed a number of different options for providing a potable water supply that meets all drinking water standards. These options included improving existing water wells, constructing new water wells, and consolidating with the City of Davis' water system.

Since 2010 the City, County, and NDM have had numerous discussions regarding consolidation with the City's water system including preparation of a technical memo, in 2013, outlining planning level costs to construct service mains and water meters to NDM for indoor potable water service.

NDM and the County have determined that the preferred option would be to consolidate with the City of Davis to provide a sustainable potable water supply for indoor use. In November 2015, the County prepared and released a Notice of Adoption of Negative Declaration for a project to connect and consolidate with the City's water system. This Declaration included the previously prepared technical memo outlining a project to connect and deliver potable water to the NDM service area for indoor use only. The technical memo indicated an estimated daily water use of up to 100,000 gallons per day, which the City is able to supply. This ability to supply is based on projections of potable water use in the 2015 Water Supply Assessment, prepared as part of the Innovation Centers preliminary planning. The Water Supply Assessment took into account existing uses, planned build out of our General Plan and considered the ability to serve new customers in the surrounding unincorporated areas. The Assessment determined the capacity exists to support some modest additional demand. Irrigation water for the NDM service area would be supplied by the existing wells.

In December 2015 it was requested that City staff seek approval from Council to provide a "will serve" letter indicating support for consolidation. This letter would help facilitate NDM and the County to pursue funding for the necessary improvements.

With the conditions below, staff is amenable to the request by NDM for consideration of consolidation. Staff has discussed the conditions with County staff who did not express any concerns, or objections to them:

- 1. NDM pays all costs for consolidation including engineering, capital costs, and connection fees.
- 2. NDM would become part of the City's service area and be billed as individual customers.
- 3. The City would have the authority to enforce water conservation requirements directly with NDM water service customers.
- 4. The City would be responsible for the infrastructure up to and including the water meter and have all necessary easements to perform maintenance as needed.
- 5. NDM would pay the appropriate water rate for their class.
- 6. NDM would continue to own and operate the existing system, being modified to provide irrigation water only, and the City would no longer provide contractual maintenance.

With Council approval of the "will serve" letter, NDM and the County would move forward with planning for consolidation. The timeline for consolidation is not clear but the "will serve" letter is an important step for NDM and the County to move forward in the process. City staff will proceed with negotiating an agreement with NDM and the County to become part of the City's water system and contact the Division of Drinking Water as the City's existing drinking water permit would need to be amended to include NDM in the City's service area. Once an agreement is negotiated, staff will return to Council for approval of the agreement and a timeline for consolidation.

### Attachment

1. North Davis Meadows Map

