

PUBLIC WORKS DEPARTMENT

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November 8, 2017

Beth Gabor Yolo County Manager of Operations & Strategy (Public Information Officer) County of Yolo 625 Court Street, Room 202 Woodland, CA 95695

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

Dear Ms. Gabor,

This letter is to advise you that the City of Davis is willing and able to provide domestic water service (indoor, irrigation, and fire flow) to the North Davis Meadows Community Service Area (NDM) 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 November 7, 2017 (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
- · 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 established water rate as adopted in Chapter 39 of the Davis Municipal Code.
- 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 construction activity associated with the provision of service. NDM will also reimburse the City for all expenses associated with planning, design review, and construction activity.

Sincerely,

Stan Gryczko

Assistant Public Works Director City of Davis - Public Works 23 Russell Boulevard Davis, CA 95616

Attachment:

Davis City Council Staff Report 11-7-17

STAFF REPORT

DATE:

November 7, 2017

TO:

City Council

FROM:

Robert A. Clarke, Public Works Director

Stan Gryczko, Assistant Public Works Director

SUBJECT:

North Davis Meadows Water Service Update

Recommendation

1. Direct staff to provide an updated water service "Will Serve" letter to Yolo County for North Davis Meadows (NDM) County Service Area.

2. Direct Staff to negotiate conditions of service to NDM residents for final approval by Council.

Fiscal Impact

No direct cost impact to the City. The County has provided assurance, as part of the current "Will Serve" letter, that all City costs associated with design and construction of this project will be reimbursed by the County on behalf of NDM. The City has tracked all labor costs to-date associated with this effort.

Council Goal

This item does not address any specific Council goals, but does reflect the City's desire to Promote and Ensure a Safe and Healthy Community.

Background

On February 23, 2016, Council approved the staff recommendation to provide a "Will Serve" letter for potable water supply to NDM (Attachment 1) for indoor use only. At that time, NDM had been considering options to provide potable water that would meet all drinking water standards. These options included the improvement of existing wells, construction of new drinking water wells, and consolidation with the City of Davis' water system. Based on information provided at that time, the residents of NDM and the County planned to move forward with a project to use City of Davis water for indoor use, and the existing NDM wells for irrigation and fire protection (hydrant use).

Once City staff provided the "Will Serve" letter, County staff proceeded with design of new infrastructure (water mains and service connections) for construction. City staff began working with the County staff and their design consultant, West Yost & Associates (West Yost), to initiate preliminary design of the extension of the City's water system last fiscal year. As part of the design review process, the City's Fire Chief expressed serious concern regarding the use of existing NDM wells to provide fire protection services for the NDM area. Based on this concern, the County determined it was prudent to re-assess other options of providing potable water service to NDM.

The following three detailed scenarios were prepared to a planning detail:

- 1. Current plan of City of Davis potable water for indoor use only and utilize the existing non-potable wells for irrigation and fire flow,
- 2. Indoor and fire flow supplied by City of Davis with use of existing wells for irrigation, and
- 3. All water service needs supplied with City of Davis potable water.

On September 13, 2017, the City and County held a NDM community meeting to provide the updated water service scenarios and estimates of capital and ongoing operation and maintenance costs. The City's Assistant Public Works Director and Fire Chief participated in the discussion and assisted in presenting each scenario.

Subsequent to the community meeting, the County prepared a survey outlining each scenario, and distributed the survey to all NDM residents. Fifty of the 59 residents responded with support for scenario #3 (all water services supplied by the City of Davis). Based on this information, the County directed West Yost to modify the design documents to reflect changes necessary for the City to provide all potable water services for the NDM area.

The initial estimated average water use for all domestic water needs for NDM is approximately 220,000 gallons per day. This water use is expected to be lower once water meters are installed at each property (currently services are only metered at each well). The City is able to supply water to meet this demand based on projections of potable water use in the 2015 Water Supply Assessment, prepared as part of the Innovation Centers preliminary planning.

With the conditions below, Staff is amenable to the request by NDM for consideration of consolidation to supply all residential water needs. Staff has discussed these conditions with County staff, who did not express concerns, nor objections to them:

- 1. NDM pays all costs for consolidation including City staff costs for all oversight and permitting, engineering, capital costs, and connection fees,
- 2. NDM will become part of the City's service area, and residents will receive bills as individual customers, subject to City of Davis Municipal Code (Chapter 39),
- 3. The City will have the authority to enforce water conservation requirements directly with NDM water service customers.
- 4. The City will be responsible for the infrastructure maintenance up to, and including, the water meter and will have all necessary easements to perform maintenance as needed, and
- 5. NDM water service customers will pay the same water rates adopted by the City as other City customers in the same user class currently do.

With Council approval to provide the updated "Will Serve" letter, the County can proceed with required Proposition 218 noticing of NDM residents, and with an application for a State Revolving Fund loan to construct the improvements. City staff will continue negotiating an agreement with NDM and the County to become part of the City's water system. City staff will also contact the Division of Drinking Water, as the City's existing drinking water permit will need to be amended to include NDM in the City's service area. Once the negotiation of an agreement is finalized, Staff will return to Council for approval of the agreement and a timeline for consolidation.

Attachment

1. Staff Report, February 23, 2016

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:

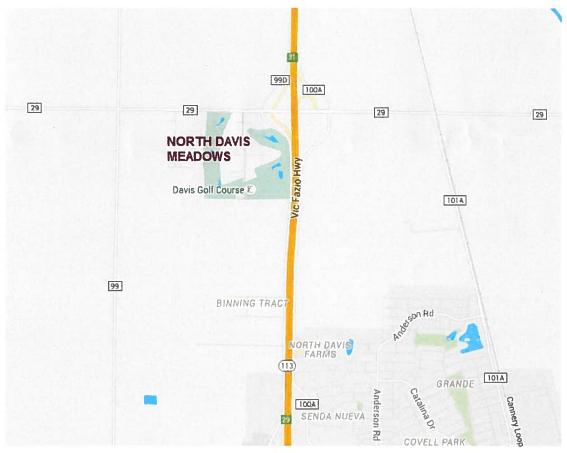
- 1. NDM pays all costs for consolidation including engineering, capital costs, and connection fees.
- 2. NDM would become part of the City's service area and be billed as individual customers.
- 3. The City would have the authority to enforce water conservation requirements directly with NDM water service 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

Figure 1 Vicinity Map



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