

## North Davis Meadows Water

### Potential New North Davis Meadows Irrigation Water System Project Survey

Dear North Davis Meadows (NDM) Residents:

You are receiving this survey at the recommendation of the CSA Advisory Committee. As you may know, over the last few years, the County has worked towards construction of the Water Consolidation Project (more information below), which would provide potable water to NDM from the City of Davis. In fall 2023, the CSA Advisory Committee recommended an irrigation feasibility study to examine whether the existing NDM1 and NDM2 wells may continue to be used for irrigation demands (the "Irrigation Project"). The County contracted with Luhdorff and Scalmanini Consulting Engineers (LSCE) to conduct the irrigation feasibility study.

The study is at its final stages and LSCE's conclusion is pointing to the Irrigation Project being feasible, though costly. At this time, the County would like to gauge the interest of the community in moving forward with pursuing the Irrigation Project. Since the Irrigation Project would entail ongoing Proposition 218 processes for construction and operation and maintenance of a separate irrigation system, the County would like to see if there is enough interest in the Irrigation Project to justify such additional costs.

#### Background on the North Davis Meadows Water System Consolidation Project

In 2009, the Yolo County Health Department Environmental Health Division issued a noncompliance order to NDM with regard to nitrates in groundwater over regulatory limits. In 2016, the Yolo County Health Department Environmental Health Division issued a noncompliance order for violations of Nitrate, Aluminum, and Iron maximum contaminant levels. The community has worked to remedy the situation.

In June of 2015, a survey of residents showed strong support for a water system consolidation project with the City of Davis, which would connect indoor uses to the City's system while maintaining irrigation and fire flow uses on the community's well system. In 2017 the City of Davis Fire Chief had a strong recommendation that water for fire protection come from the City of Davis water system to assure adequate fire protection. The water consolidation project thus expanded to include indoor and fire flow uses.

In late 2017, a survey of residents showed the majority of respondents favored connecting to the City of Davis for all water uses. In 2018, the Proposition 218 process resulted in a new assessment of \$4,157 per parcel per year to fund the Water System Consolidation Project. In 2024, the County was able to secure a \$7.6 million grant from the State of California to fund the Water System Consolidation Project.

#### Current Status

Bids were solicited earlier this year to construct the Water System Consolidation Project, and a winning bid of \$3.6 million was accepted. The Yolo County Board of Supervisors approved a construction

contract with Soracco, Inc. (the winning bidder) at its August 27, 2024 Board Meeting. The State grant is anticipated to cover most of the costs associated with the Water System Consolidation Project.

Construction of the Water System Consolidation Project has begun in October 2024, with completion estimated to occur in Summer 2025 (please note delays are common in construction projects and the work may extend past this date). All homes will have meters, and all homes will be connected to the City of Davis water system for indoor, outdoor, and fire protection water uses. The City of Davis will bill each home for water use, as determined by meter readings. Until the Water System Consolidation project is completed and any debt owed for the construction of the project is paid down, homeowners will continue to be assessed the \$4,157 per year.

### **Possible Irrigation Water System Project**

#### Background

Some North Davis Meadows homeowners have raised continuing concerns regarding 1) the costs of City of Davis water, especially given the large lots and potentially high water use and 2) using expensive potable water for irrigation use.

A “dual system” concept, using City of Davis water for fire protection and indoor use, and using the existing NDM wells for outside irrigation use, has been revisited. In June 2023, the NDM CSA Advisory Committee voted to proceed with an irrigation engineering feasibility study. That study, completed by Luhdorff Scalmanini Consulting Engineers is available at:

<https://www.yolocounty.gov/government/general-government-departments/county-administrator/county-service-areas-csa/north-davis-meadows-csa>

#### Irrigation Feasibility Study Summary

The Technical Memo from October 2024 estimates the Capital Costs for construction of a new irrigation distribution system will be approximately \$3.8 million<sup>1</sup>. Please note that this is an estimate and ultimately costs will depend on the bids received for the project. Construction bids typically have wide spreads, and costs may come in higher than the \$3.8 million figure quoted in the Technical Memo. A 30-year loan at 6% interest was assumed. For a total construction cost of \$3,786,740, the annual loan payment is therefore estimated to be approximately \$275,102 or \$2,866 per homeowner.<sup>2</sup>

The Technical Memo recommends replacing the existing well infrastructure (given its advanced age) over a 10-year period. These capital costs total approximately \$2.3 million<sup>3</sup> over a 10-year period.

The anticipated operations and maintenance costs are estimated to be approximately \$164,450 in Year 1 and increasing to \$247,527 by Year 10.<sup>4</sup> Please note these costs can fluctuate and may be higher.

---

<sup>1</sup> See page 14 of the Luhdorff and Scalmanini Technical Memo dated October 15, 2024.

<sup>2</sup> See *id.* at pages 14-15.

<sup>3</sup> See *id.* at page 15.

<sup>4</sup> See *id.* at page 16.

The study estimates that if all households are sharing costs equally, the estimated annual cost per household will be \$4,073 in Year 1, \$7,017 in Year 2, increasing to \$7,804 in Year 10.<sup>5</sup> If a future water rate study is conducted, this cost may be broken into a base rate (\$) and a usage rate (\$/CCF). For homeowners, an important consideration is the point where the costs of the Irrigation Project would equal the costs of City of Davis water rates – the “breakeven” point. The Study compared the proposed NDM irrigation system costs to City of Davis current water rates, a 3% annual rate increase, a 7% annual rate increase, and hybrid rate increase option that assumes a 3% annual increase for Years 1-4 and 6-9, with a 5% increase on Years 5 and 10. (Since 2019, the water rate has remained stable, and discussions with City of Davis personnel indicate no imminent plans for a water rate study.<sup>6</sup>) These comparisons estimate that for:

- Minimum irrigation water usage - With a 7% increase in City of Davis rates, the breakeven point for the irrigation system is anticipated to occur in 2029 or Year 5, a 3% annual rate increase and a 3% annual rate increase with a 5% rate increase every 5 years both have a breakeven point beyond the 10-year timeframe.<sup>7</sup>
- Average irrigation water usage - With a 7% increase in City of Davis rates, the breakeven point for the irrigation system is anticipated to occur in 2027 or Year 3, with a 3% increase, the breakeven point occurs in 2034 or Year 10, and the hybrid rate increase the breakeven point occurs in 2033 or Year 9.<sup>8</sup>
- Maximum irrigation water usage - With a 7% increase in City of Davis rates, the NDM irrigation is anticipated to cost less than City of Davis water over the full planning horizon, and with a 3% increase and the hybrid rate increase scenario, the breakeven point occurs in 2026 or Year 2.<sup>9</sup>

### Next Steps

If the responses to this survey reveal that a majority of the NDM community is interested in pursuing the Irrigation Project, the next step would be to initiate a Rate Study to determine the specific costs per homeowner. The estimated cost for the Rate Study would be approximately \$50,000 (costs can vary). Following the Rate Study, the community would participate in a Proposition 218 process to determine whether the Board of Supervisors may adopt the proposed rates necessary to pay for the project.

Changes to water fees require the CSA to hold a Proposition 218 public protest hearing before adopting the proposed fee increases. If more than 50% of the affected property owners submit written protests against the proposed fee increases, the increase cannot be adopted.

If there is no majority protest for the new fee to fund the new Irrigation Project, then the Board of Supervisors may move forward with all homeowners sharing the cost. If a majority of the households in North Davis Meadows submit protests against the proposed rates necessary to pay for the Irrigation

---

<sup>5</sup> See *id.* at page 17.

<sup>6</sup> See *id.* at page 18.

<sup>7</sup> See *id.* at pages 19-20 and Figure 1 on page 20.

<sup>8</sup> See *id.* at pages 20-21 and Figure 2 on page 21.

<sup>9</sup> See *id.* at pages 20-21 and Figure 3 on page 21.

Project, then the County will abandon the Irrigation Project and the NDM1 and NDM2 wells will be decommissioned.

The estimated timing from starting a Rate Study to completion of a Proposition 218 proceeding would be approximately a year and a half to two years. If the Proposition 218 for the Irrigation Project is approved, the timeline from bid to construction completion is estimated to be 18 months (please note that delays are common in construction and this timeline may be extended). During the time between completion of the Water System Consolidation Project with the City of Davis, and completion of the proposed Irrigation Project, homeowners will pay City of Davis water rates for all water uses.

## **SURVEY**

The Office of Supervisor Lucas Frerichs and the Yolo County CSA Management Team would like to assess the NDM neighborhood's interest in pursuing the Irrigation Project.

Please provide one response per household **by Sunday, November 17, 2024**.

You can mail your survey response to:

Yana Pavlova, CSA Manager  
625 Court Street, Suite 202  
Woodland, CA 95695

Or you can submit your survey response online here: <https://forms.gle/qrYosK5USGjpAnKX9>

If you have additional questions about the proposed Irrigation Project, please contact Yana.Pavlova@yolocounty.gov or Tara.Thronson@yolocounty.gov.

Please complete the following:

1. Name:
2. Email Address:
3. North Davis Meadows Address:
4. Do you support moving forward with pursuing a new Irrigation Project?
  - a. YES – I support further exploration of the Irrigation Project and investing in a Rate Study.
  - b. NO – I do not support further exploration of a new Irrigation Project.
  - c. UNSURE – I'm unsure or need additional information. (Please state what additional information you would like in the comments box below.)
5. Comments: