

CITY OF YUBA CITY
STAFF REPORT

Date: September 20, 2016

To: Honorable Mayor & Members of the City Council

From: Public Works Department

Presentation by: Diana Langley, Public Works Director

Summary

Subject: Wildewood East Connection to City Water

Recommendation: A. Approve providing water to the Wildewood East Subdivision contingent upon the approval of a State Revolving Fund (SRF) Loan to finance a water line extension project and connection fees, annexation to the City, and Assessment District formation [Subdivision located north of Franklin Road and west of George Washington Boulevard]

B. Authorize the Public Works Director to prepare and submit an application for a State Revolving Fund (SRF) Loan to fund the construction of water lines and connection fees in the Wildewood East Subdivision.

Fiscal Impact: The estimated project cost including connection fees is \$2,551,000. Staff time associated with preparing the SRF Loan application is approximately \$5,000.

Purpose:

To assist the Wildewood East Subdivision in meeting the State requirement to address hexavalent chromium in their drinking water.

Background:

The Wildewood East Subdivision is located on the north side of Franklin Road, west of George Washington Boulevard (Exhibit A). The community includes 48 lots, each approximately 1 acre in size. The Wildewood East Mutual Water Company (WEMWC) serves water to the subdivision through a private groundwater system, which is subject to regulation by the State Water Resources Control Board Division of Drinking Water (State Water Board). The State Water Board regulates the quality of drinking water in part by setting minimum standards for specific constituents of compounds found in water. In 2014, the State Water Board implemented a regulation that required drinking water to have less than 10 ug/L of Hexavalent Chromium (CR6).

WEMWC tests the water it provides as potable drinking water and has consistently tested above the maximum permitted level for CR6. The State Water Board is requiring that WEMWC become compliant with the CR6 requirements by 2020.

Analysis:

WEMWC hired an engineering consultant to prepare a study to analyze options to gain compliance with the State Water Board's CR6 requirement by 2020. The study evaluated 5 options:

1. Abandon the WEMWC well and have Yuba City provide all domestic and irrigation water.
2. Maintain the WEMWC well for irrigation purposes only and have Yuba City provide domestic water.
3. Maintain the WEMWC well and blend water from Yuba City to reduce CR6 levels.
4. Maintain the existing WEMWC system and treat water with a central water treatment plant.
5. Maintain the existing WEMWC system and treat domestic water at each receiving home.

With Options 1 – 3, annexation to the City of Yuba City would be a requirement of receiving City water.

The WEMWC shareholders, comprised of the majority of the property owners within the subdivision, held a meeting on August 23rd. The shareholders voted and selected to proceed with Option 2, which provides for a new City-maintained water distribution system throughout the subdivision, with domestic water service provided to every home. WEMWC will continue to maintain their well and on-site piping to serve each property for irrigation purposes.

Fiscal Impact:

The estimated cost as determined by WEMWC's consultant for Option 2 is \$2,551,000, which equates to \$53,100 per connection. The estimate includes connection fees, capital costs to construct the new water distribution system, contingency, engineering costs, annexation costs, and City costs associated with formation of an Assessment District and staff time. With Option 2 providing for connection to City water, the State Water Board requires that the City take the lead on applying for funding for the project as it is considered a consolidation of water systems. Staff has worked with the WEMWC Board of Directors to determine that the best option is for the City to submit a State Revolving Fund (SRF) Loan application to the State to fund the total project cost, including connection fees, and form an Assessment District to receive reimbursement for the SRF Loan.

With Council's approval to provide water to the Wildewood East Subdivision and submit the SRF Loan application for the total project cost, staff will work with the WEMWC Board of Directors on the annexation process, formation of an Assessment District, and preparation of the plans and specifications to construct the project. The estimated timeframe to complete the project and provide water to the subdivision is 18-24 months.

Alternatives:

Do not approve providing water to the Wildewood East Subdivision.

Recommendation:

A. Approve providing water to the Wildewood East Subdivision contingent upon the approval of a State Revolving Fund (SRF) Loan to finance a water line extension project and connection fees, annexation to the City, and Assessment District formation.

B. Authorize the Public Works Director to prepare and submit an application for a State Revolving Fund (SRF) Loan to fund the construction of water lines and connection fees in the Wildewood East Subdivision.

Attachment:

Map – Wildewood East Compliance Plan

Prepared by:

[/s/ Diana Langley](#)

Diana Langley
Public Works Director

Submitted by:

[/s/ Steven C. Kroeger](#)

Steven C. Kroeger
City Manager

Reviewed by:

Finance

[RB](#)

City Attorney

[TH by email](#)

Exhibit A

ALTERNATIVE 2 - YUBA CITY DOMESTIC WATER SERVICE SCHEMATIC



KEY

- 8" DOMESTIC SERVICE LINE
- YUBA CITY WATER MAIN
- FIRE HYDRANT
- SERVICE LINE AND CONNECTION METER