

To: Board of Directors

From: Kamie Loeser, Contract General Manager

Date: October 19, 2021

RE: **ITEM 8.2 General Manager's District Activities and Status Report. (All Items Informational/Possible Action/Direction)**

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- a. Update: Pressure Tank Replacement Terms & Conditions and Preliminary Cost Estimate. Action Requested: Authorize NorthStar, Contract Engineer, to evaluate the existing concrete supports and assess/calculate if they are adequate to meet requirements for newer lateral loading (seismic) and confirm how the tank is attached to the concrete. It is estimated that this task will be less than \$3,000.

The District has received a cost estimate from Durham Pump for replacing the pressure tank at the Alley Well site. Concerns regarding the terms and conditions have been discussed. Of particular concern are the following conditions:

- All quotes are made subject to Company approval and do not include shipping cots, crating, in-shop inspection structural calculations, P.E. signature, taxes, duties or related fees.
- Submittal drawings are done on receipt of purchase order or at our discretion. We reserve the right to charge an appropriate fee in some cases.

It should also be noted that purchase orders must include a firm required by date and shipping destination and if shipment is postponed beyond the identified date, a storage charge is applied.

On Friday, September 24, 2021, Mike Butler, Water Operator, discovered a pin-hole leak in the existing pressure tank. Water Operator Butler believes that it is imperative that the pressure tank be replaced as soon as possible. He is also considering taking this well offline for the winter since the Alley well does lift sand and the concern is that any sand or turbulence going through the tank will put additional stress on the already failing walls. If the tank is not replaced and the Alley well is kept offline for the reasons stated above, the Holland and Library well sites will not be able to meet demand in the summer months and the system could see pressures drop significantly during peak without the Alley pump to support demand.

- b. Update: Bid Package for the Brown/Faber Alley Main Line Replacement Project.

NorthStar is working to prepare a bid package for the Brown-Faber Main replacement. Mark Adams is the contact person at NorthStar for this project.

Water Operator Butler obtained two bids for the project, both estimating that the cost of construction/installation would be approximately \$65,000-\$70,000. The Board directed staff to work with NorthStar (Contract District Engineer) to prepare a bid package and obtain bid quotes for the project. Currently, NorthStar is preparing specifications for the project and working with Jeff Carter,

Legal Counsel, to obtain a contract form and general provisions for the package. Staff will work with NorthStar to obtain a timeline and determine any outstanding issues.

- c. Capital Improvement Plan - Projects and Cost Estimates. Review and possibly prioritize identified projects, timeline for implementation, and financial opportunities and constraints.

In 2018, NorthStar prepared an update to the Capital Improvement Program (CIP) for the District. The CIP identified 23 infrastructure improvement projects and two well improvement projects, totaling \$3.8 million and \$255,650, respectively. To date, the Lead Service Pipe Study project has been completed. Project No. 9, is the mainline replacement in the alley between Brown and Faber Streets, is the project for which NorthStar is currently preparing a bid package. Pipeline repairs have been conducted on many of the main lines identified in the CIP.

It should also be noted that a CIP was also prepared by West Yost Associates in 2008. The 2008 CIP also identified other analyses and improvements that should be conducted, including:

- Buildout Water System Improvements to meet distribution and fire flow capacity needs. The existing DID distribution system is made up of 1 to 8-inch diameter pipelines which limits the amount of water that can be conveyed in the system to meet the fire flow demands. According to the fire department, some of the industrial buildings are not equipped with automatic fire sprinkler systems and the calculated fire flow requirement could be as high as 10,000 gpm.
- System Storage Analysis. While groundwater can account for a portion of the recommended water storage, the District does not have adequate storage when taking into consideration operational, fire, and emergency storage needs.

- d. USBR Water System Infrastructure Efficiency Project. Review status of project activities and annual report.

In October 2020 the District submitted a no-cost, one-year time extension for the Water System Infrastructure Efficiency Project, Phase 1. At this time, given the District's existing financial obligations limited reserves for emergency repairs, and that the grant requires that the District match funds spent, no funds have been expended to date.

Current tasks:

- Complete annual report (given the nature of the project, the District is only required to report annually) - due October 31, 2021.
- Confirm with Board next steps for implementation.
- Apply for extension, if necessary.
- Complete environmental process.

- e. Lead Service Laterals Replacement Projects and Timeline. Review status of project activities.

On August 21, 2020, the District submitted a Lead Service Lateral Replacement Projects and Timelines summary to the California Water Boards, Division of Drinking Water. A total of six projects to be

completed between 2023 through 2027 with an estimated total cost of \$850,000 were identified. These projects should be incorporated into the CIP. No action has been taken to date.

**f. Policies and Procedures Manual. Review status of project activities.**

On January 19, 2021, the Board adopted “Appendix A - Rates, Fees, and Charges” which is to be an attachment to Chapter 7 of the Policies and Procedures Manual. Chapter 7 is currently in draft form. The District should prepare a comprehensive Policies and Procedures Manual (P&P Manual). The purpose of the P&P Manual would be to outline general procedures and requirements of the District in a user-friendly format.

The District did adopt a Will-Serve Letter Policy on October 20, 2020 to provide guidance to project proponents as to the procedures, fees, and processing timing for connecting to the District.

**g. Development Projects. Review status of development projects’ activities.**

Currently proposed projects that are being processed by Butte County Development Services Department and that are located within the District boundaries include:

- Parcel Split at San Rafael Court, APN 040-280-109, Project Proponent is Mr. Tony Symmes. A will-serve letter was sent August 12, 2021.
- Tentative Map at 2243 Durham Dayton Highway, APN 040-200-096, Project Proponent is Mr. Tony Symmes (formerly known as the “Birchard” project). There is a fully executed Service Agreement dated February 12, 2019.
- Tentative Subdivision Map for Creekside Estates, formerly “Durham Villas.” A Draft Environmental Impact Report (DEIR) was prepared and circulated locally between May 8, 2021 through June 21, 2021. Staff provided comments on the document. The DEIR was later submitted to the State Clearinghouse (SCH) for circulation to state agencies on August 13, 2021. According to the SCH CeqaNet database, the comment period closed on October 4, 2021. For more information and copies of the document, visit [TSM18-0001 - Creekside Estates \(ca.gov\)](https://www.sch.ca.gov/TSM18-0001-Creekside-Estates). It is not known when the project will be presented to the Butte County Planning Commission and Board of Supervisors for review and approval. However, the District should receive responses to our submitted comments as part of the Final EIR process.
- Other projects that the District should track:
  - Farm Bureau Rezone, 9412 Jones Avenue, APN 040-180-041. Project consists of a rezone from very low density residential to ag services. This project would result in the construction of various commercial related uses and will require connection to the District.
  - Midway Estates/Rabo-Dubose, APN No. 040-180-001, 040-190-001, and 040-190-003. This project requires signed Service Agreement.

**h. Annual Audits 2019 and 2020. Review status of audit activities.**

- Matthews, Hutton, and Warren CPAs (MHW) is currently completing the 2019 Audit. Staff will follow-up to determine the current status of the Audit.
  - Prepare and issue a Request for Proposal (RFP) for auditor for 2020-2024 Annual Audits.
- i. Ongoing Tracking of Operational and Administrative Projects. Review status of project activities.
- Finalize Jeannie’s employment letter pertaining to paid time off and benefits.
  - Meter Installation Log (including new meters resulting from changes in title and replacement meters).
  - Improvements and Leak Repair Log (system improvements should be tracked as assets in Audit Reports).
  - Annual Backflow Testing/Tracking. Backflow devices are required to be tested annually. A letter should be mailed to customers with backflow devices describing the District’s policy for backflow testing and reporting. Staff will review and implement direction given at April 20, 2021 Regular Board Meeting, Item 6.2 Backflow Testing and Installation Requirements Policy.
  - Hydrant Flow Testing. Water Operator to monitor ongoing testing by Butte County/Cal-Fire.
- j. Other Existing and Potential Operational and Administrative Projects. Review status of other existing projects and activities not listed under Agenda Items 8.2 a-j and consider other potential operational and administrative projects for 2022.
- The NorthStar contract for Engineering Services has expired. Depending on the options discussed for General Management services, the engineering contract should either be renewed, included as part of General Management services discussion, and/or a Request for Proposals for Engineering Services issued, or other combination thereof.

There are numerous projects that staff and/or the Board has discussed over the course of the last several years, the projects are included below so that the Board can provide direction as deemed necessary and appropriate. Projects include:

- Customer Accounts Receivable Tracking for Nonpayment. Staff to provide a monthly customer A/R report for Board review and prepare notification letter of District process and potential property lien in the event of continued non-payment.
- Community Outreach and Engagement Newsletter. Prepare quarterly newsletter summarizing various District projects, repairs, and other activities in order to better inform District customers and solicit input and participation in Board meetings and informational workshops.
- Water lid risers for paving activities. Coordinate with County regarding notification of paving activities within the District’s boundaries to ensure adequate notice for installing risers. On September 21, 2021, Butte County Public Works, Nolan Merrifield notified the District that the County will be paving roadways within the District boundaries and that water lid risers need to be installed. However, the County did not give a specific timeline.

To: Board of Directors

From: Kamie Loeser, Contract General Manager

Date: October 19, 2021

RE: **Vina GSA Groundwater Sustainability Plan Adoption**

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**10. VINA GSA** *(All Items Informational/Possible Action/Direction)*

Discuss options for staff participation on the Vina GSA Management Committee as per the Joint Powers Agreement (JPA) between Butte County, City of Chico, and Durham Irrigation District. Currently the District participates in the following meetings: monthly management committee prep meetings for Stakeholder Advisory Committee and Vina GSA Board meetings, monthly SHAC meeting and monthly Vina GSA Board meetings. Duties that have been assigned to Durham Irrigation District as part of our match of in-kind services include: ethics training/legal counsel, website maintenance, Vina GSA Board remote meeting/Zoom management, other projects as assigned. In addition, staff has been involved in the review and comment of the GSP.

10.1 Vina GSA Report (Manager Loeser, Director Cooper)

- a. Vina GSA Draft Groundwater Sustainability Plan (GSP) released for public review and comment, September 10 through October 19, 2021.
- b. Vina GSA SHAC Meetings:
  - October 19, 2021 (9:00 a.m.-12:00 p.m.): The Vina GSA Stakeholder Advisory Committee (SHAC) held a regular meeting on October 19, 2021 to receive and discuss public comments on the GSP.
  - November 4, 2021 (at 1:30 p.m.): This meeting will be to review and discuss revisions made to the GSP per the comments received and make recommendations to the Vina GSA Board.
- c. Vina GSA Board Meetings:
  - Vina GSA/RCRD GSA Board Meetings:
    - November 15, 2021 (meeting changed from 11/10/21): This meeting is to provide comments to the consultant team and staff per SHAC comments and Board review.
    - December 15, 2021 (meeting changed from 12/8/21): Purpose is to adopt GSP for submittal to the Department of Water Resources by January 31, 2022.