



NID

NEVADA IRRIGATION DISTRICT

Waterways

A NEWSLETTER TO THE CUSTOMERS OF THE NEVADA IRRIGATION DISTRICT

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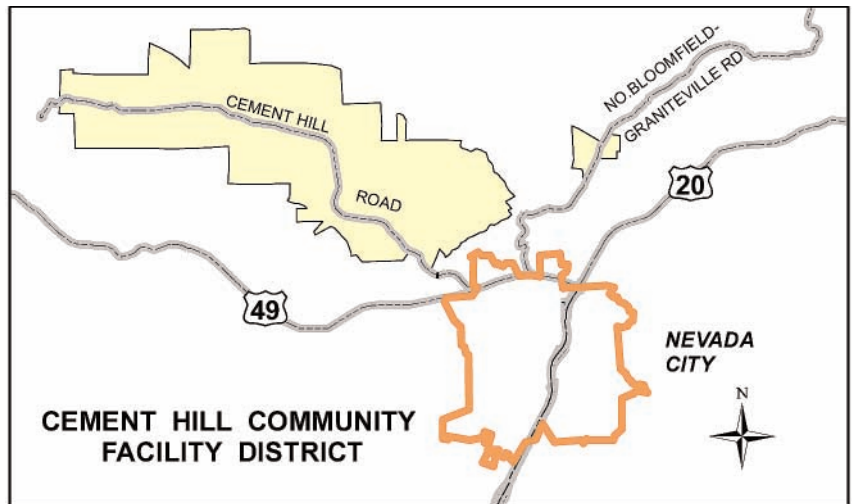
Investing in Community

NID Program Brings Water, Fire Hydrants

The three-year-old NID Community Investment Program is helping more people gain access to water supplies, assisting folks with some of the costs, and bringing new or upgraded fire hydrants to neighborhoods where they are needed.

The program is the result of a strategic planning process conducted by the NID Board of Directors in 2004-05. The board declared that expanding water service to areas of the district where it is not now available to be its top priority.

Over the years, NID has relied upon developers to install water systems, which are then dedicated to the district for operation. This has worked well in developing areas, but there are many existing neighborhoods within the district where new or
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Residents of Cement Hill near Nevada City voted to form a community facility district.

NID, Cement Hill Residents Team up to Bring Water to a Neighborhood

High quality NID drinking water will be available to the Cement Hill Road area near Nevada City through a pilot project involving NID and area residents.

Cement Hill property owners in December 2007 voted to form a community facility district (CFD) and approved special taxes on their properties to construct water improvements. The Cement Hill CFD includes 241 parcels.

NID obtained a \$9.8 million low-interest state loan to plan and construct a new booster station, 1-million-gallon storage tank, and cross-country pipelines to supply water to the new service area. About 15 fire hydrants will be added to the new system.

Annual assessments of \$1385 per parcel over a 20-year period will
(Please see Cement Hill, Page 3)



General Manager's Report

Experience, Technology in Good Water Planning

By Ron Nelson

Experience and knowledge of the watershed, combined with the newest technology in the tracking and measurement of hydrologic data, have allowed NID to plan water deliveries with more precision and reliability than ever before.

Gone are the ditchtenders who lived in remote mountain cabins and measured stream flows with wooden staffs. Today, real time electronic data is instantly available to highly trained specialists in our water and hydroelectric operation centers.

Water supplies are measured and managed through a network of more than 300 stream gauging stations, snow courses and precipitation gauges. At any given moment, we can be aware of water flows throughout our system.

Tracking Precipitation, Snowpack

With precipitation data dating to the 1800s, NID is a foremost source for local weather information. The district has been keeping weather records at Bowman Reservoir (elev. 5650 ft.) since 1929.

Stewardship of the watershed and the careful management of water resources are key responsibilities of the district. Good planning and management become even more critical during dry periods such as California has experienced over the past two years.

As many Californians are aware, Gov. Schwarzenegger on June 4, 2008 declared a statewide drought. Fortunately, conditions are not so bad here in the Nevada Irrigation District where we manage our own water supply developed with district held water rights.

Conservative Water Releases

Through recent months, we have operated the system in a conservative manner, resulting in January 1 water storage of 137,940 acre-feet of water, which is 89 percent of the new year average level.

Meanwhile, the 2008/09 precipitation season got off to a decent start with 22.14 inches of precipitation, 88 percent of average levels, measured at Bowman Reservoir as of Jan. 1. What the rest of winter will bring is anyone's guess.

As we do each year, we are depending on the winter snowpack to replenish storage in our reservoirs. A good snowpack is a reservoir unto itself, in good years providing runoff well into summer.

Our snow surveyors will conduct four snow surveys this year - Feb. 1 through May 1 - to measure snowpack depth and water content in the mountains, a key step in our water planning process.

These early measurements will help the district as well as state hydrologists prepare annual water supply forecasts. Let's hope that NID and all the members of the California Cooperative Snow Survey will measure lots of snow and water this year.

Raw Water Service Freeze Continues

Cascade, D-S Projects to Open Bottleneck

The freeze on all new and larger raw water sales in Nevada County areas supplied through the Cascade and D-S canals is entering its third year.

The NID board imposed the freeze in January 2007 because the canals were running at maximum safe levels.

Improvement projects on both the Lower Cascade Canal and the D-S Canal in the Banner Mountain area have been in planning for several years and have undergone extensive environmental review. NID expects that more water will be available and the freeze will be lifted when these projects are done.

New Banner Pipeline

Design work is now about 50 percent complete on the Banner Cascade Pipeline Project, which would take some of the water from the Lower Cascade Canal through a buried pipeline across Banner Mountain. Construction could begin this summer and be completed in two years. The overall project is estimated at \$40 million.

D-S Flume Replacement

The D-S Flume Replacement Project, estimated at \$6 million, will replace the last eight of 31 original wooden flumes on the D-S Canal, built in 1926-28. A draft environmental impact report is scheduled for public review early this year, with construction beginning as soon as this summer and taking three years.

Rate Increases Seen for '09 Letters Mailed, Public Hearing Set

The NID Board of Directors has scheduled a public hearing for 10 a.m. on Wednesday, Feb. 25, on a proposed package of water rate adjustments.

The district has mailed approximately 30,000 letters to property owners and tenants, advising them that the rate adjustments are under consideration. (*This quarterly newsletter will reach most but not all customers before the public hearing.*)

The letter advises customers to submit written protests to the district if they object to the proposed increases. Customers also are welcome to participate in the scheduled public hearing.

Rate adjustments of about 5 percent for most customers are proposed for 2009 as part of a five-year financial plan. Similar increases would be implemented in years to follow.

District officials said the adjustments are needed to fund a larger share of the district's operation and maintenance costs which have been subsidized by property taxes and reserve withdrawals.

Typical Customer Examples

Under the proposal, a typical residential treated water customer using a standard 5/8-inch meter and 10 HCF (hundred cubic feet) of water per month -- twice that included in the monthly base rate -- would see a 2009 increase of \$1.48 per month (5.24 percent) to a monthly total of \$29.73.

Raw water rates would increase between 4 and 5.25 percent for NID's smallest and largest irrigation water customers. A majority in the 1.5 to 10 miner's inch range would see no increases as the district continues to realign its raw water rates. Irrigation water service for a 1 miner's inch customer would increase by \$20.81 to \$483.29 for the six-month irrigation season.

If approved by the board, the new rates could take effect in March.

Fewer Herbicides Used For Weed Control

NID has significantly reduced the amount of herbicides it must use to control weeds in and around the district's canals and reservoirs.

In a recent report to the NID board, Bruce Early, the district's assistant superintendent for weed control, said his crew has maintained the effectiveness of the weed control program while reducing the number of herbicide products used from 12 to eight over the past eight years. He cited a 75 percent reduction in per-pound usage.



NID follows an integrated program of aquatic and dry land weed management which includes approved chemicals applied by licensed applicators under permits granted by the county agricultural commissioner.

Early also described other ongoing methods of weed control including goat and sheep grazing, placement of weed tarps and barley straw, hot steam application mowing and cleaning. This fall, a new product, Sonar, was tested for dry canal weed control on the Doty South Canal in Placer County (*pictured above*). Early said the new product is safer and applied just once per year, replacing stronger chemicals that must be applied monthly.

"We're trying to use all the tools that are available to us," Early said.

Cement Hill

Continued From Page 1

be used to repay the loan, with NID capacity reserve funds paying for a large share of the overall \$10.5 million water project.

In recent years, many Cement Hill residents have relied on well water while others have used irrigation water from the NID canal system. At least 24 properties that had used canal water for domestic purposes will be eligible for piped, treated water.

By early this year, engineering and design work were nearly complete and right-of-way acquisitions were in progress. A two-year construction project is planned to begin this summer, bringing water to the area by late 2010.

All About NID

NID is a unique public service agency with a rich history and wide variety of roles and activities in the community.

You can learn more about NID's mission and operations by browsing our website at:

www.nidwater.com

Changes on the NID Board

NID recognizes the many accomplishments of the late **George Leipzig**, who served for 15 years as the Division V representative on the NID board. The longtime Lake Wildwood community leader died Oct. 25 in Oregon, where he moved after resigning from the board in July.

The district also salutes the service of **John V. Norton** of Lake Wildwood, who served as the interim Division V director following Mr. Leipzig's resignation. Mr. Norton completed his service in December.

Nick Wilcox of Penn Valley was elected in November as the new Division V representative while **Scott Miller, MD** of south Nevada County won reelection as the Division III director.

Also serving on the five-member board are Division I Director **Nancy Weber** of Nevada City, Division II Director and 2009 Board President **John H. Drew** of Chicago Park and Division IV Director and 2009 vice president **R. Paul Williams** of Lincoln.



The late
George Leipzig:
1925-2008

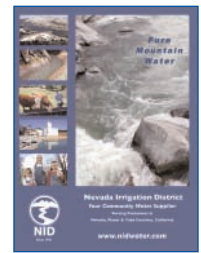


John Norton
served as
interim director

NID NEWS BRIEFS

NEW BROCHURE

An overview of NID and its many activities and services is offered in a new revised and updated brochure. The 8-page illustrated piece includes maps, photos, statistics, district history and development and much more. It is available at the NID Business Center. Information is also available at nidwater.com.



WATER SYSTEMS AT JACKSON MEADOWS

In a three-year project, 10 new water systems are being installed at NID's Jackson Meadows campgrounds. The project is slated for completion this fall.

POWERHOUSE UPGRADE

The NID board on Dec. 10 awarded a \$1.7 million contract for an upgrade of the Combie North Powerhouse below Combie Reservoir. T&S Construction Co., Inc. of Sacramento is replacing an old 300-kilowatt unit with a new 500-kilowatt unit that will generate enough clean hydroelectric energy to power about 700 homes.

Just for Kids...

Hey, kids! There's a new section on the NID website designed especially for the younger set.

"Just for Kids" is designed to help youngsters learn about water. There's lots of information about our local reservoirs and water supplies.

You'll find activities including puzzles, a water crossword, coloring and counting exercises.

To get started, go to nidwater.com, and click on the *Just for Kids* headline.

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improved water service is needed.

Many of these neighborhoods are far from existing pipelines and canals. Some have seen dry or marginal wells. The expense of adding public water facilities can be prohibitive for many rural neighborhoods.

NID's Community Investment Program uses district property tax revenues to help property owners plan and design water systems, sometimes providing up to \$250,000 per project.

This is seen as an equitable use of tax revenues since all properties in the district pay county property taxes and NID receives a small portion of these taxes. The property owners receiving water still pay most of the costs while NID ratepayers do not subsidize growth of the water system.

"We're changing our business model," said NID Asst. General Manager Tim Crough, who oversees the Community Investment Program. "It will limit the random single purpose projects and as the system grows it will lead to a better planned and developed water system."

The Community Investment Program is budgeted at \$955,000 for 2009, which includes \$300,000 worth of fire hydrant improvements.

Several neighborhoods are working with the district to obtain water service. The first pilot project, the Cement Hill Community Facility District near Nevada City, is now in progress (*see Page 1 story*).

Other neighborhoods working with the district include Rodeo Flat with 36 parcels, Ranchero Way with about 100 parcels, South Nevada County Water Association with about 150 parcels, Table Meadows with about 100 parcels, and Brewer Road with about 30 parcels.

NID assists property owners with planning, design and elections in which the participants must vote to assess themselves for water system improvements. The program can also benefit smaller groups, such as a few property owners who may wish to extend a mainline to their homes.

"Each project is different; some are feasible, some may not be," said Crough. "A water project can be more affordable when there are more property owners to share in the costs. It can be very expensive to bring water to a 5-acre, 10-acre or 20-acre parcel."