Staff Report

for the Board of Directors' Meeting of February 22, 2017

TO: Board of Directors

FROM: Chip Close, Water Operations Manager

DATE: February 14, 2017

SUBJECT: Newtown Canal Freeze Removal

OPERATIONS

RECOMMENDATION:

Remove the water sales freeze on the Newtown Canal as recommended by the Water and Hydroelectric Operations Committee.

BACKGROUND:

The Newtown Canal has been under a water sales freeze since 2007 due to flow constrictions at the "Rock House" near Champion Mine and Newtown Roads. The recently completed project to pipe and relocate the canal beneath Newtown Road has eliminated the flow obstruction and freed up additional capacity.

Operations staff has tracked the potential demand increase upon removal of the freeze. Based on the 44 parcel owners that have expressed an interest, an additional 10 miners inches in sales is expected. Staff is confident that the newly installed pipeline and nearby infrastructure will support the necessary flows.

The freeze was enacted at the Board level and must be brought back to the Board for removal. Once lifted, staff will send a notification of water availability to all persons on the interest list as well as the property owners located within the project vicinity. Water will be made available on a first come first serve basis for those who don't already have a commitment for service from the District.

BUDGETARY IMPACT:

It is anticipated that an additional 10 miners inches of sales will be realized.

Attachments (2):

- Water Availability Letter For New Customers
- Water Availability Letter For Existing Customers

February 22, 2017

«Name» «Mailing_Address» «City_State_Zip»

Service Address: «Service_address»

Dear Interested Party,

You're receiving this letter because our records indicate that you expressed an interest in purchasing irrigation water.

Nevada Irrigation District (District) placed a temporary freeze on irrigation water sales due to capacity constraints on the Newtown canal. Over the past several years the District has been working on a new pipeline project in an effort to increase canal capacity. The project was completed in 2017, and has created a limited amount of water availability to locations on the Newtown and Lester Canals.

Expanded water sales will begin in the 2017 irrigation season, and will be dependent upon locational availability and timeliness of request. If you are interested in determining availability please follow these steps:

- Contact the Operations Department at (530) 273-6185 for information on water availability. If available, you will receive a Raw Water Service-Information Route Sheet.
- Complete the Raw Water Service-Information Route Sheet and return to the District. A Water Distribution Operator will contact you to arrange a site visit to determine the service location and answer any questions. NOTE: The property owner is responsible for acquiring access to the service location.
- Once the service location is determined, the District will send you an application for the service outlet and your 2017 water purchase.
- The application and payment must be returned by March 10, 2017 in order to ensure that the service outlet can be installed prior to the beginning of the 2017 Irrigation season in mid-April. Installation after April 15th may not be possible due to the high canal flows during irrigation season.

Thank you for your patience while these improvements were being made.

Sincerely,

Nevada Irrigation District

February 22, 2017

«Name» «Mailing_Address» «City_State_Zip»

Service Address: «Service_Address»

Dear Customer,

You're receiving this letter because our records indicate that you expressed an interest in purchasing additional irrigation water.

Nevada Irrigation District had placed a temporary freeze on irrigation water sales due to capacity constraints on the Newtown canal. Over the past several years the District has been working on a new pipeline project in an effort to increase canal capacity. The project was completed in 2017, and has created a limited amount of water availability to many locations on the Newtown and Lester Canals.

Expanded water sales will begin in the 2017 irrigation season, and will be dependent upon locational availability and timeliness of request. In February you will receive a Change Letter asking if you would like to change your 2017 water purchase amount along with a Crop Acreage Report. If you are interested in purchasing additional water, the Change Letter and Crop Acreage Report must be returned to the District by **March 8, 2017**.

Available water will continue to be sold on a first come first serve basis and will not be reserved for customers without payment.

Thank you for your patience while these improvements were being made. If you have any questions about the availability of water please contact the Operations Department at (530) 273-6185.

Sincerely,

Nevada Irrigation District