

## 2.3 BIGGS-WEST GRIDLEY WATER DISTRICT

### *District Characteristics*

A survey/questionnaire was mailed to this District on June 22, 2006, and later e-mailed at the District's request on July 12, 2006. The consultant team made follow-up telephone calls requesting the District's response to the questionnaire on July 12th and 24th. A response from the District was received February 20, 2007, and follow-up information was received in March 2007. Information included in this section has been assembled from research of various documents identified in the Bibliography. A map has been prepared by LAFCO based on the most current information available in their files.

The Biggs-West Gridley Water District is located east of the cities of Biggs and Gridley (Figure 2-6). Formed in 1942, the District has grown to occupy approximately 32,000 acres. Approximately 85 percent of the District's acreage is irrigated for agriculture and managed wetland uses. Additionally, the District serves approximately 8,500 acres of the Gray Lodge Wildlife Area, of which 2,600 acres are within their service area. Three other areas outside the District recapture irrigation drainage water for irrigation purposes that totals approximately 800 acre-feet of water (Water and Inventory Analysis, 2001).

**District Size:** 32,000 acres

**Parcels within District:** 909

**Estimated Population within District:** 1,749

**Office Location:** 1713 West Biggs-Gridley Road, Gridley

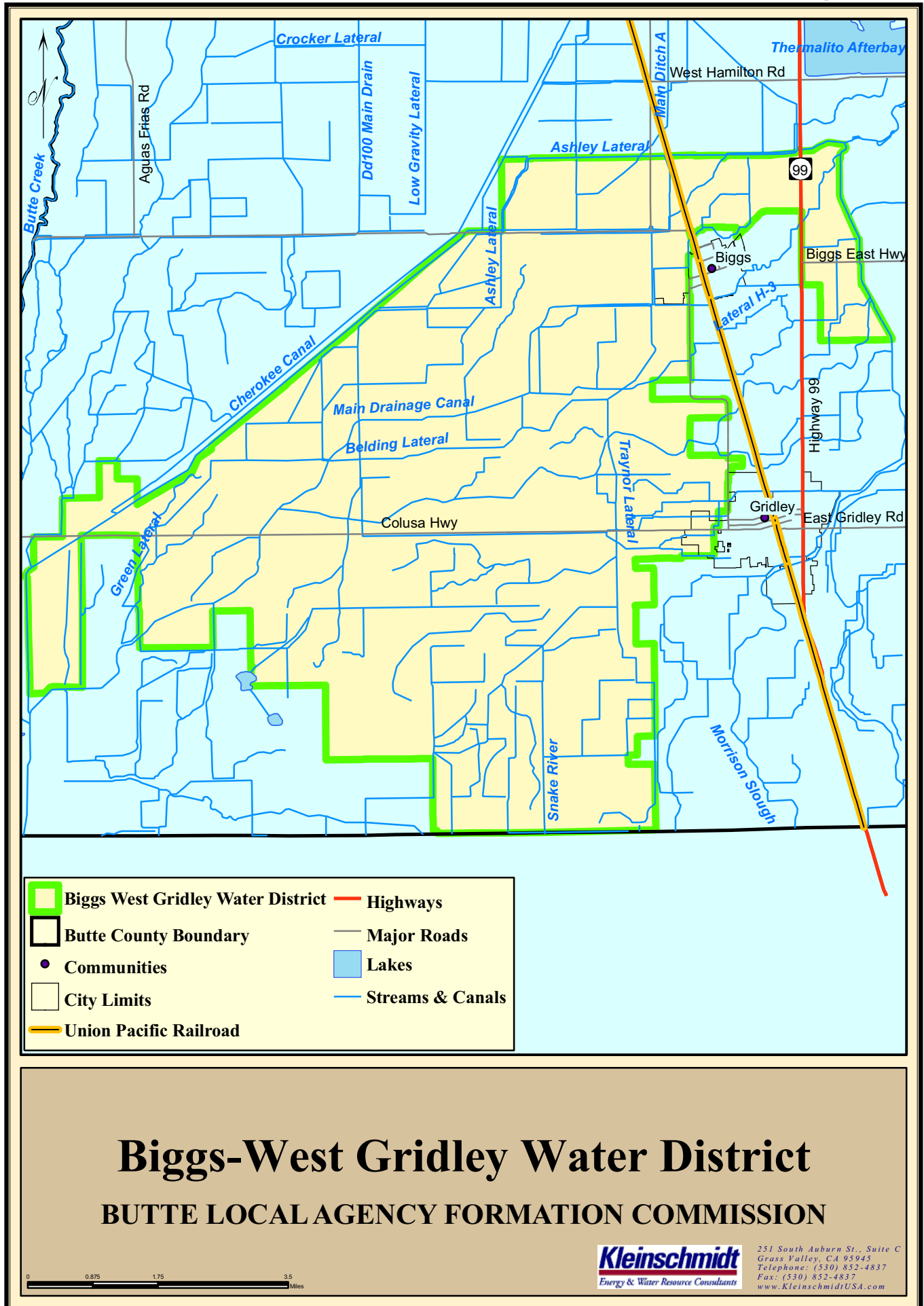
**Services:** Irrigation water

**Employees:** unknown

**Date of Formation:** 1942

**Enabling Legislation:** unknown

Figure 2-6



Source: Butte LAFCO

Service area boundaries and sphere of influence boundaries are based on best available data, are provided for general representational purpose only, and should not be considered final LAFCO approved boundaries

***Review and Analysis of Service Provision***

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**GROWTH AND INFRASTRUCTURE**

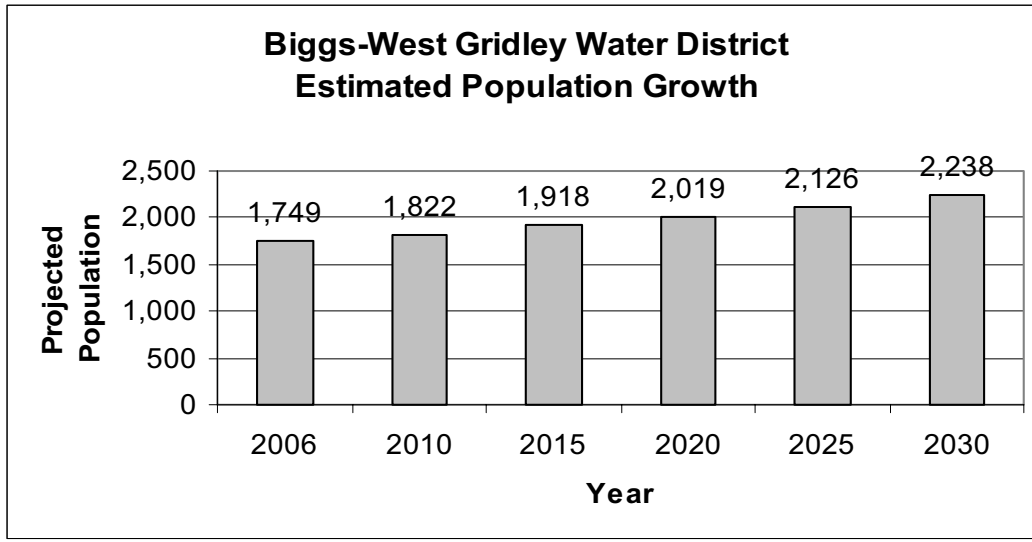
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***Growth and Population***

A. Population: Existing and Projected (5, 10, 15, 20 Year Time Frame)

Biggs-West Gridley Water District (BWGWD) provides irrigation services to the residential, agricultural, and open space property owners of approximately 909 parcels. BWGWD's service area encompasses an area located to the west of Highway 99 and the Cities of Biggs and Gridley; to the southeast of Cherokee Canal; and north of the Sutter County line as shown in Figure 2-6. The BWGWD District boundaries and the Sphere of Influence boundaries are congruent (i.e., the same, no sphere beyond current boundaries). The District has an estimated population of 1,749 within its boundaries (*utilizing the methodology described in the Introduction*). The majority of parcels are primarily agricultural with associated rural residences. The BWGWD has no plans for expansion and does not anticipate future population growth. The District does not prepare any service demand projections for upcoming years.

For purposes of this analysis, the expected population growth in the District has been projected to the year 2030 (Figure 2-7), corresponding to Butte County Association of Governments (BCAG) projections for 2006–2030 of 1.1 percent per year for the unincorporated areas. Based on these trends, we project population growth to the year 2030 within the District to be as shown in the graph below:

**Figure 2-7. Biggs-West Gridley Water District Estimated Population Growth**

#### B. Land Use/Significant Growth Areas

The boundaries of the BWGWD encompass a total of 32,000 acres located in the southwestern portion of Butte County. There are approximately 909 customers within the District boundaries who purchase water for crop irrigation. The primary agricultural crops grown within the District are alfalfa, rice, and miscellaneous annual crops and orchards. It should be noted that less “permanent” crop acreages fluctuate annually in response to a number of factors, including changes in the commodity market, individual landowners, etc. Rural residences, rural roads, and open space are other land uses found within the District boundaries. The Gray Lodge State Wildlife Area, also located within the District, provides wildlife habitat and recreational opportunities, including bird watching, hunting, and fishing. Land use in this area is regulated by the Butte County General Plan and Zoning Ordinance.

BWGWD lies within the Cherokee watershed and the Cherokee Canal forms the District’s northwest boundary. Other canals located within the District include the Belding Canal, Snake River Canal, and the Ashley Lateral. Eventually, water within this district flows downstream to RD 833 canals and then into the Sacramento River. Water quality in this watershed is regulated by the Central Valley Regional Water Quality Control Board.

The Federal Emergency Management Agency (FEMA) Flood Insurance Map classifies the western portion of BWGWD as “A”—No base flood elevations determined.

***Determination BWGWD-1 (Growth):***

*1-1 The population within the District may grow at an average rate of approximately 1.1 percent annually, which is consistent with the BCAG’s projected rate of growth for the unincorporated area of Butte County.*

**Infrastructure**

A. Conveyors/Detention

The Biggs-West Gridley Water District holds senior water rights to approximately 160,000 acre feet of Feather River water, which is diverted through the Thermalito Afterbay. Water then enters the BWGWD canal network through the Sutter Butte Canal. Exit flows from the District enter the reclamation drains of RD833, and then eventually make their way to the Sacramento River. (Note: The boundaries of BWGWD and RD833 overlay spatially, but each District provides a different service.)

BWGWD supports operation and maintenance (O&M) of the Sutter Butte Canal through its participation in the Joint Water Districts Board, which includes representatives of each of the four districts that receive water from the Sutter Butte Canal. The September 16, 1970, Joint Operating Agreement forms the basis of the relationships among the four participating districts, which include Biggs-West Gridley Water District, Richvale Irrigation District, Butte Water District, and the Sutter Extension Water District as shown in Figure 2-11. The Joint Water Districts Board is working to reduce seepage from the Sutter Butte Canal and improve efficiency of water use.

The BWGWD was formed in the 1940s to provide irrigation water and it now delivers this water to customers through an extensive system of canals and laterals. The majority of the laterals within the district are maintained by private landowners. Most of the primary laterals and canals

are privately owned with maintenance easements held by the District. A diagram of the District's canals, laterals, and drains is available in LAFCO's files.

***Determination BWGWD-2 (Conveyors/Detention Facilities):***

*2-1 BWGWD maintains the primary drain lateral and canals through maintenance easements.*

B. Capacity

BWGWD is a member of a Joint Powers Agreement known as the Joint Water District and is allocated 29 percent of the 555,000 acre-feet of water annually acquired by the Joint Water District pursuant to pre-1914 water rights. The District's allocation amounts to approximately 160,000 acre feet. Additionally, the 1969 agreement with the State acknowledges BWGWD's ability to pump groundwater, and the District has a groundwater management plan.

Over the past 10 years, annual demand for water has averaged approximately 160,000 acre-feet during the summer irrigation season and 45,000 acre-feet during the winter. Peak summer flows are approximately 750 cfs and peak winter flows are approximately 300 cfs. The District currently utilizes about all of its water allocation. Excess water can be transferred between districts within the Joint Water District, but cannot be transferred out of the district. Out-of-District transfers are only allowed by idling in-district crops to free up water and must be approved by the Board of Directors and Department of Water Resources (DWR). The design capacity of the existing water system is approximately 750 cfs. Planned improvements to the system capacity may increase the design capacity to 850 cfs at some time in the future.

The U.S. Bureau of Reclamation is conducting a study to determine the feasibility of providing additional water resources for protection of wildlife in the Gray Lodge Wildlife Area (see web site at: [www.usbr.gov/mp/watershare/documents/2004RefugeCriteria.pdf](http://www.usbr.gov/mp/watershare/documents/2004RefugeCriteria.pdf)). Aside from this study, there are no proposed or planned changes in system capacity, and water supplies are determined to be adequate to serve projected demand within the District boundaries. Primary constraint to water delivery will be the limitations of District facilities and availability of water in drought years.

***Determination BWGWD-3 (Capacity):***

*3-1 Due to the stable trend in agricultural land uses, the District does not anticipate the need for any potential increases in capacity.*

C. Facilities

BWGWD owns real property, an office building, and equipment. The District's real property consists of its shop building and office, located at 1713 West Biggs Gridley Road, and several pump sites. The District also owns its water delivery system, which includes canals, weirs, flumes, and gates, but does not appear to own the property underlying its water delivery system. Equipment includes vehicles, pumps, and maintenance equipment. Vehicles include several Ford pick-up trucks, an excavator, a tractor, and a backhoe. These fixed assets, net of accumulated depreciation, are reflected in the District's financial statements.

***Determination BWGWD-4 (Facilities):***

*4-1 The District owns real property, office and storage buildings, and maintenance equipment. These fixed assets are reflected in the District's financial statements.*

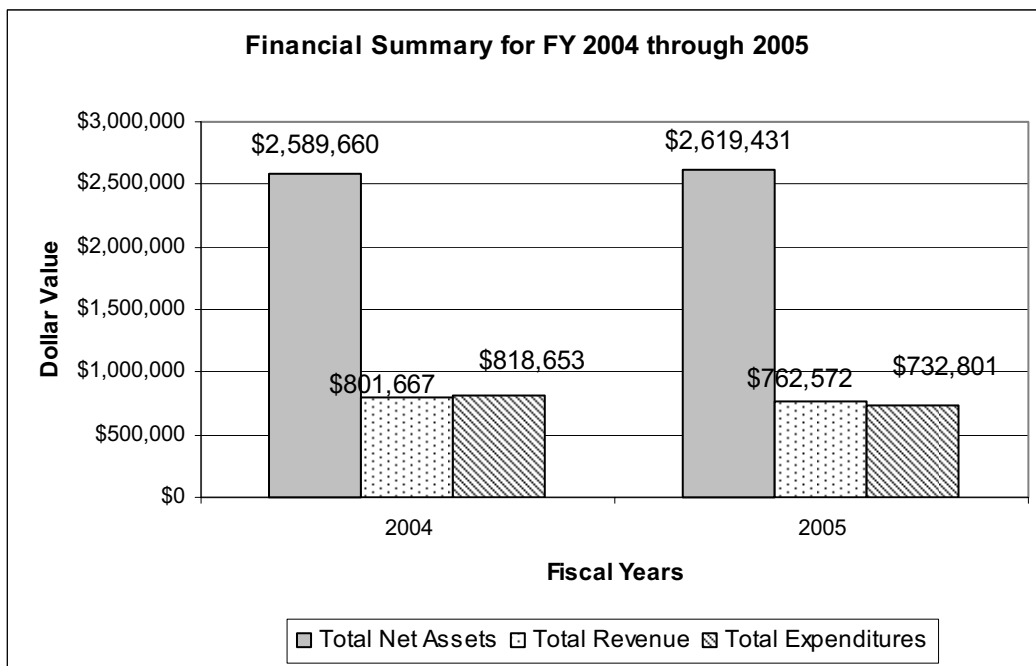
**FINANCING AND RATE RESTRUCTURING**

The District follows the General Accounting Standard Board Statement No. 34 (GASB 34) accounting standards. Financial statements with independent auditor's reports were provided for fiscal years ending December 31, 2004, and December 31, 2005.

Proposition 218 restricts local government's ability to impose assessment and property-related fees and requires elections to approve many local governmental revenue-raising methods. Any change in the amount of the assessment must be approved by a majority of voters in the District at a duly-called election pursuant to Proposition 218 and legislation implementing its terms. It is assumed that since the implementation of Proposition 218 any impacts have been adjusted for in the District's finances. A statewide diversion fee currently being proposed by the SWRCB could have a significant impact to District customers if passed into legislation.

In the Fiscal Year ending December 31, 2005, the District maintained \$2,619,431 in total net assets. Major sources of funding included irrigation water sales and standby fees. Operating revenues totaled \$674,059 and other revenues totaled an additional \$88,513 in 2005. Major expenditures included employer wages and fringe benefits; maintenance costs; legal, accounting, and bookkeeping costs; dues and Water Board expenses; insurance costs, depreciation of capital assets; and other miscellaneous expenses. Operating expenses totaled \$732,801. The total operating income for FY ending December 31, 2005, showed a net income of \$29,771. Factoring in other sources of operating and non-operating income, the District witnessed a total change in net assets (FY 2004–2005) of \$29,771.

**Figure 2-8. Financial Summary for Biggs-West Gridley Water District**



\*Note: Data for FY 2006 was not available.

The District maintained a substantial cash and reserve fund in 2005 totaling \$928,013. This reserve should be sufficient to cover unanticipated expenses during the upcoming fiscal years. The District does not have an adopted Capital Improvement Plan, does not provide an annual contribution to the State Education Revenue Augmentation Funds (ERAF), and has no outstanding public debt. Emergency funds are held in the Local Agency Investment Fund



(LAIF), as described on the following web site: [www.treasurer.ca.gov/pmia-laif/laif-program.asp](http://www.treasurer.ca.gov/pmia-laif/laif-program.asp). Information regarding FY 2006 was not yet available and it is anticipated that their financial audit for FY 2006 will be completed in October 2007.

The District's irrigation water rate varies according to the type of crop. Different crops utilize different amounts of water. A water rate sheet is available in LAFCO's files. While the District has approximately 425 customers, it is willing to sell water to customers outside District boundaries. However, data was not provided in an appropriate format to determine the proportion of out-of-District customers.

<b><i>Determination BWGWD-5 (Financing and Rate Restructuring):</i></b>
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<i>5-1 Typically, the BWGWD operates in a fiscally sound manner.</i>
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**COST AVOIDANCE AND FACILITIES SHARING**

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The District is not exposed to excessive liabilities or risks; however, typical risks of losses could include the following: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District transfers risks that may arise from these and other events through the purchase of medical insurance, dental insurance, and a pooled insurance program (ACWA/JPIA Insurance).

The District is a member of a Joint Powers Agreement known as the Joint Water District and is made up of Richvale Irrigation District, Butte Water District, Biggs-West Gridley Water District, and Sutter Extension Water District (Figure 2-11). As a member of the Joint Water District, BWGWD shares common maintenance, facilities, and equipment. The purpose of the Joint Water District Board is for protection of water rights, and maintenance and improvements of joint conveyance system and facilities. There are no other mutual or automatic aid agreements in place.

***Determination BWGWD-6 (Cost Avoidance and Facilities Sharing):***

*6-1 The District appears to be well-staffed and organized, and participates in appropriate joint agreements.*

**GOVERNMENT STRUCTURE AND LOCAL ACCOUNTABILITY**

The BWGWD is run by a five-member Board of Directors that serves as the decision-making authority. Each director is elected to a four-year term by the landowners in the District and must have landholdings within the District boundaries.

The current five members are as follows:

<b>Member</b>	<b>Office</b>	<b>Term Expires</b>
Ralph “Dick” Cassady	President	2007
Dick Storm	Vice President	2009
Gary Justeson	Member	2009
Phillip Haynes	Member	2009
Thomas Coleman	Member	2007

Members of the Board receive a \$50 stipend per meeting and participate in the District’s health insurance program. Meetings are held on the third Wednesday of the month. Meetings are posted, and anyone interested is welcome to attend. The District’s legal counsel is responsible for ensuring compliance with the Brown Act. The District Manager serves as Secretary to the Board and is responsible for managing the District’s seven employees. The Board of Directors is responsible for appointing a Treasurer.

***Determination BWGWD-7 (Government Structure and Local Accountability):***

*7-1 The District maintains accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements.*

*7-2 There are sufficient opportunities for local involvement in District activities, and information regarding the District is readily available to members of the public.*

**MANAGEMENT EFFICIENCIES**

The District is governed by a five-member Board of Directors that appoints a District Manager to oversee a total staff of seven employees. The ratio of managers to workers is appropriate; the District is not top-heavy in managers.

The management structure of the District is relatively simple and is well-suited to the type of operations undertaken by the District; the linear management structure ensures reportability and accountability. Alternative structures or reorganizations of the staff would not necessarily result in more efficient operations. The existing structure is considered appropriate for the District.

***Determination BWGWD-8 (Management Efficiencies):***

*8-1 The overall management structure of the District is sufficient to account for necessary services and to maintain operations in an efficient and effective manner.*

**Summary of Determinations for Biggs-West Gridley Water District**

<b>BWGWD-1 (Growth)</b>	1-1	<i>The population within the District may grow at an average rate of approximately 1.1 percent annually which is consistent with the BCAG's projected rate of growth for the unincorporated area of Butte County</i>
<b>BWGWD-2 (Conveyors/Detention Facilities)</b>	2-1	<i>BWGWD maintains the primary drain lateral and canals through maintenance easements.</i>
<b>BWGWD-3 (Capacity)</b>	3-1	<i>Due to the stable trend in agricultural land uses the District does not anticipate the need for any potential increases in capacity.</i>
<b>BWGWD-4 (Facilities)</b>	4-1	<i>District owns real property, office and storage buildings, and maintenance equipment. These fixed assets are reflected in the District's financial statements.</i>
<b>BWGWD-5 (Financing and Rate Structuring)</b>	5-1	<i>Typically, the BWGWD operates in a fiscally sound manner.</i>

## 2.0 REVIEW OF SERVICES BY IRRIGATION SERVICE PROVIDER

<b>BWGWD-6 (Cost Avoidance and Facilities Sharing)</b>	6-1	<i>The District appears to be well-staffed and organized, and participates in appropriate joint agreements.</i>
<b>BWGWD-7 (Government Structure and Local Accountability)</b>	7-1	<i>The District maintains accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements.</i>
	7-2	<i>There are sufficient opportunities for local involvement in District activities and information regarding the District is readily available to members of the public.</i>
<b>BWGWD-8 (Management Efficiencies)</b>	8-1	<i>The overall management structure of the District is sufficient to account for necessary services and to maintain operations in an efficient and effective manner.</i>