

675 Wildwood Avenue  
Rio Dell, CA 95562  
(707) 764-3532



August 2, 2011

Sharon L. Wolff  
3 Painter Street  
Rio Dell, CA 95562

Dear Sharon,

Thank you for your letter of July 31, 2011, regarding the 2005 main line water replacement project. Please understand that I have only been with the City for a little over one year. It is very difficult, if not impossible, to determine exactly what transpired so many years ago.

Having said that, here is my understanding of the situation based on conversations with several staff. The 2005 project was funded by a State of California, Department of Water Resources, 5 million dollar grant for replacement of about six miles of main water lines around town, including the line in Riverside Drive and a 2.72 million dollar loan coupled with a 1 million dollar grant for installation of the Eel River water intake. Apparently, there was insufficient project funding remaining, however, to install laterals. Please reference notation on the Record Drawing that states no service connections (laterals) were included with the construction of the main water line in Riverside Drive. For your information, laterals are water lines that run from the main to individual property lines (the water meter) typically within the street right of way.

Presently a two inch water main exists in Riverside Drive which provides services to 24 properties, reference Record Drawing attached. The new main installed in 2005 was an eight inch line about halfway coupled with a six inch line to the end of the street. This new line is much better able to provide sustained water pressure during high usage periods.

The laterals will be funded by the water fund, which until recently did not have sufficient funds available for the project, reference attached Water Operating Cash Balance summary.

I trust this provides the information you are seeking. If you have additional questions please give me a call.

With respect to the removal and disposal of associated water values, I have no information.

Sincerely,



Ron Henrickson, City Manager

Cc: City Council

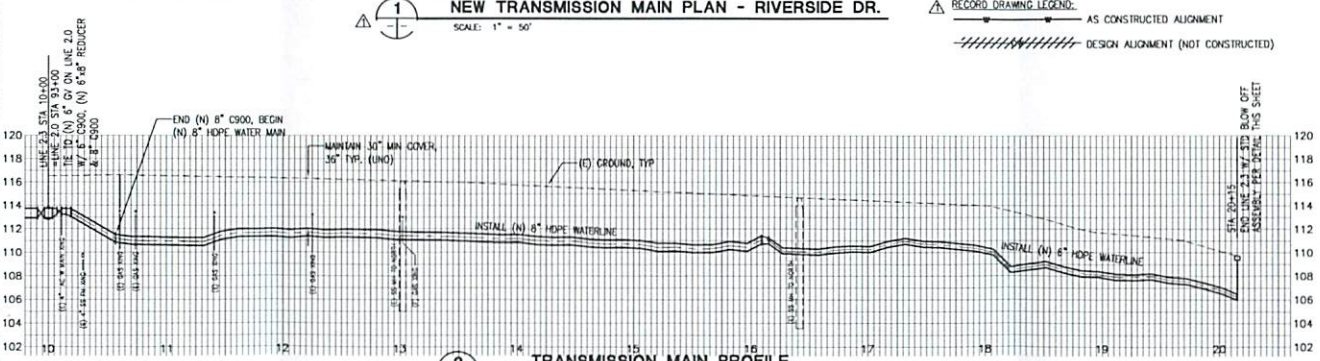




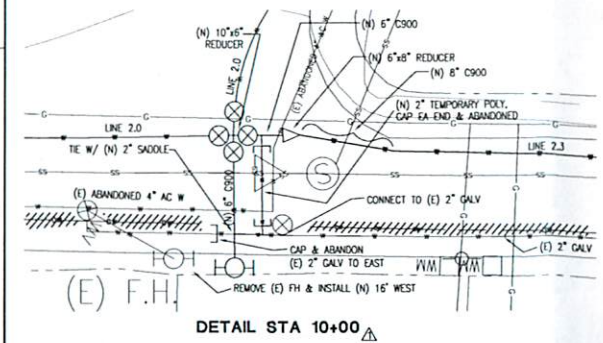
**1** NEW TRANSMISSION MAIN PLAN - RIVERSIDE DR.  
SCALE: 1" = 50'

**RECORD DRAWING LEGEND:**  
 — AS CONSTRUCTED ALIGNMENT  
 - - - - - DESIGN ALIGNMENT (NOT CONSTRUCTED)

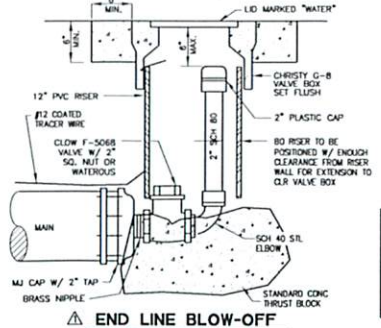
SEE SHT C-39 FOR LINE 2.0 CONTINUATION



**2** TRANSMISSION MAIN PROFILE  
HORIZ SCALE: 1" = 50'  
VERT: 1" = 5'



**DETAIL STA 10+00**

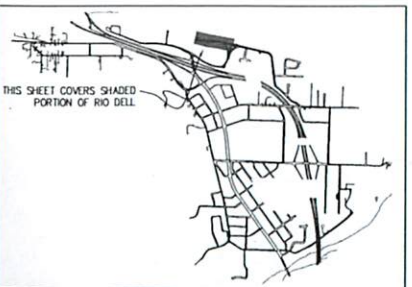


**END LINE BLOW-OFF**

**RECORD DRAWING**

THESE RECORD DRAWINGS HAVE BEEN PREPARED, IN PART, ON THE BASIS OF INFORMATION COMPILED AND FURNISHED BY THE PROJECT CONTRACTOR AND OTHERS. THE ENGINEER WILL NOT BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS WHICH HAVE BEEN INCORPORATED INTO THIS DOCUMENT AS A RESULT. FIELD VERIFICATION OF CRITICAL FACTS AND DATA SHOULD BE MADE IF THESE DOCUMENTS ARE TO BE A BASIS FOR FUTURE WORK.

**NOTE:**  
LOCATION OF EXISTING UTILITIES & STRUCTURES ARE FROM THE BEST INFORMATION AVAILABLE. EXACT LOCATION AND COMPLETENESS ARE NOT GUARANTEED. CONTRACTOR SHALL NOTIFY UNDERGROUND SERVICES ALERT (800) 227-2600 A MIN. OF 48 HOURS PRIOR TO ANY EXCAVATION AND POTHOLE FOR EXACT LOCATION.



THIS SHEET COVERS SHADED PORTION OF RIO DELL

WINZLER & KELLY 833 THIRD STREET EUREKA, CA 95501-3417 PHONE (707) 444-8338 FAX (707) 444-8330	RECORD DRAWING E-22-06 MK
RIO DELL WATER/INFRASTRUCTURE REHAB TRANSMISSION MAIN AND TANK REPLACEMENT CIVIL RIVERSIDE DR. LINE 2.3 PLAN & PROFILE	REVISIONS NO. DESCRIPTION DATE APPROVED
AN NUMBER: 04106107 SHEET: 47 OF 55	C-39a

**Water Operating Fund Cash Balance  
For the Period Ending June 30th**

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<b>2006</b>	301,709.76
<b>2007</b>	385,337.68
<b>2008</b>	(231,869.05)
<b>2009</b>	(418,505.29)
<b>2010</b>	759.12
<b>2011</b>	199,187.41

The City began the Water Infrastructure and Infiltration Gallery Projects in 2005. To assist with cash flow management, the City obtained bridge financing which assisted the City in maintaining a positive cash balance through the duration of the project. At the completion of the mainline replacement project the City was informed that due to the States fiscal crisis, the State was unable to release the City's 10% retention on the \$5 million grant, leaving the City with an IOU of \$500,000. The short-term bridge financing was paid in full, and the combination of both circumstances caused the City Water Fund to carry a deficit balance through the years of 2008, and 2009. The City began receiving partial payments from the State during the year ending 2010 which over time was paid in full and restored the Water Fund Balance.