

TOWN OF WINDSOR AGENDA REPORT

Joint Windsor Town Council, Windsor Redevelopment Successor Agency and Windsor Water District Meeting Date: April 1, 2026

To: Windsor Water District Board of Directors
From: Garrett Broughton, Senior Civil Engineer
Subject: Stonegate Mobile Home Park Water Service Connection

Recommendation to Council:

1. Authorize the Windsor Water District General Manager to sign a letter of intent to pursue an agreement between the Windsor Water District and the California State Water Resources Control Board to provide water service to Stonegate Mobile Home Park under the Safe and Affordable Drinking Water Fund.
2. Authorize District Staff to begin negotiations with Stonegate Mobile Home Park for a temporary water service agreement including impact fee deferrals.

Strategic Plan Element:

The recommended action supports the goals of Infrastructure and Livability. Goal Statement: Through a lens of sustainability and innovation, invest in the Town's infrastructure and public facilities to meet the needs of future generations. Goal Statement: Preserve community character by maximizing the use of existing amenities and creating future opportunities that enhance quality of life for all.

Background:

Stonegate Mobile Home Park (Stonegate) is located in the Airport Area at 5250 Whispering Creek Drive. Stonegate owns and operates an independent small public drinking water system which is sourced by a single well installed in 1966. The water system operates under domestic water supply permit 02-18-22P-4900795, most recently issued by the State Water Board on August 31, 2022.

The Stonegate water system has approximately 70 connections with 68 mobile homes, an RV site, and a clubhouse. The pipeline system is primarily comprised of 2-inch galvanized steel pipes which run mainly through backyards and between and among the units.

The State Water Board Division of Drinking Water has notified Stonegate of various system deficiencies; mainly that there is not adequate storage capacity for emergency conditions and there is no backup water source. There are also noted water quality issues, mainly the presence of manganese at concentrations above the secondary maximum contamination level (MCL) and the presence of per and polyfluoroalkyl substances (PFAS) above the notification level for drinking water. The State Water Board has determined that the Stonegate water system qualifies as a failing drinking water system.

In August of 2024, Public Works Staff was approached by a team comprised of Stonegate management and a State Water Board-appointed engineer to engage in a study to determine the feasibility of bringing Stonegate into the Town's water supply system under the Safe and Affordable Drinking Water Fund.

Discussion:

Under the Safe and Affordable Drinking Water Fund, Stonegate may be eligible to receive funding from the State Water Board to construct a connection to the Town's water system. The funding would include costs of engineering design, construction, construction engineering/inspection, and impact fees.

To enable funding to continue for the feasibility study, design, and construction, the Windsor Water District must a) provide a letter of intent showing that it is agreeable to the connection, and b) agree to manage the project should a final funding agreement between the State and the Windsor Water District be reached. Under the program, the WWD would pay for the engineering and construction elements of the Stonegate connection and the State would reimburse the WWD for these costs and pay connection fees.

Stonegate could be connected to the WWD with a single master meter for the mobile home park. However, Stonegate, the State Water Board, and WWD staff agree that the most sustainable and long-term alternative would be to provide individually metered connections to each of the mobile home park units. This would enable State funding to be used to replace the aged on-site water network with new mains within the mobile home park. While the Stonegate water system is not known to have excessive water loss from leaks, staff has concerns about a connection to the aged system which could lead to excessive water loss in the future, with potential for leaks, in locations that are difficult access and could be costly to repair. In addition, individual metering would help water conservation efforts by allowing residents to monitor their own water demand and enable staff to determine and isolate leaks. Under this approach individual mobile homes would become direct customers of the WWD.

The anticipated total capacity/connection fee for the 68 small single family residential meters (and two 1-inch non-residential meters) is currently \$243,890. The annual water demand is estimated at 8.63 AFY. Although water supply shortages have been projected during future dry year scenarios, in normal water years, there is sufficient water supply available to meet this demand under current conditions. The projected dry year scenario shortages are an indicator that water demand is approaching available supply. To help offset the new water demand of Stonegate, the State has indicated a willingness to fund a proportional cost to increase Windsor's water supply in addition to the capacity/connection fee. This amount will need to be negotiated if the project proceeds.

To further pursue this project, the State needs assurance from the WWD Board, in the form of a letter of intent, that the WWD is amenable to proceeding with the proposed plan. The letter of intent (Attachment 1), to be signed by the WWD General Manager, would provide the State enough clarity to continue the process of negotiating an agreement between the WWD and the State. A draft letter of intent is attached. Any agreement would be presented to the WWD Board in a future meeting for consideration. The letter of intent does not obligate WWD financially or to provide water service to Stonegate.

While the aforementioned agreement and final construction of the larger project are on a lengthy timeline, Stonegate presently desires to connect to the Town's water system through a single temporary meter. This is administratively possible given that Stonegate is already within WWD's Airport Outside Service Area.

Until an agreement is reached, the State cannot fund Stonegate's water connection/impact fees. Stonegate has requested that WWD temporarily postpone the connection fee pending a potential future agreement between WWD and the State. Staff requests permission from the WWD Board to begin negotiations with Stonegate for a temporary water service agreement. Once drafted, the terms of a temporary water service agreement would then be presented to the WWD Board. The main element of

said agreement will be the terms of connection/impact fee deferment.

To understand whether or not a temporary connection would expose the WWD to a leaking private system, WWD staff met with Stonegate and monitored water use over four weeks in November and December of 2025. Staff determined that the resulting use of approximately 7,700 gallons per day is within reason for a mobile home park of Stonegate's size, alluding to no major leaks at this time.

Fiscal Impact:

The total fiscal impact of the proposed amendment will be minor costs to the Water Capital Enterprise Funds in terms of staff time. The engineering, construction, and construction engineering costs of a potential future project would be spent by the Water Capital Fund, as they occur, but would ultimately be paid for by the State Water Board.

Environmental Review:

This project is exempt from the California Environmental Quality Act (CEQA) in accordance with section 15302 because the project involves replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.

Attachment(s):

- 1. Site Location Map
- 2. Draft LOI Stonegate
- 14.3 PowerPoint (Distributed 2026.03.31)

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