TOWN OF APPLE VALLEY, CALIFORNIA

AGENDA MATTER

| Subject It | tem: |
|------------|------|
|------------|------|

APPLE VALLEY GOLF COURSE WELL

Summary Statement:

The water well that provides irrigation for the Apple Valley Country Club Golf Course experienced well casing failure immediately following the Town's commencement of operation of the Golf Course in December 2008. The well and pump began to bypass sand and gravel, which ruined the pump. The Town's efforts to make interim short term repairs to the casing and extend the life of the well have not proven successful. While the well still functions, it can no longer supply the required volume of water to adequately provide irrigation for the golf course.

On Monday, February 1st, Town staff met with the members of the Apple Valley Golf Course Advisory Committee (AVCCAC) to discuss management, operations and budgetary matters associated with the Town's ongoing operation of the golf course. Discussion included a review of the cost for the purchase of water for irrigation. Over the previous twelve (12) month period beginning in January 2009, the Town, through its golf course management company, has paid \$298,000 for purchased water to irrigate the golf course due to failure of the well. After review of the purchased water cost, it was the unanimous recommendation of the AVCCAC to recommend to Council that direction should be given to staff to immediately seek bids to drill a new well for irrigation of the golf course.

(Continued next page)

Recommended Action:

Confirm the recommendation of the AVCCAC, direct staff to prepare a bid package, advertise the work and receive bids for the construction of a new irrigation well for the Apple Valley Country Club Golf Course and return a contract for Town Council approval at a future Council meeting.

| oposed by: Dennis Cron, Assistant Town Manager | | Item Number | |
|--|----------------------|-------------|----------------------------|
| | | | |
| T. M. Approval: | Budgeted Item | ∐ Yes | \bowtie No \square N/A |

Summary Statement Page Two (Continued)

Informal quotes from several well drilling companies indicates probable construction cost of a new "turn-key" irrigation well with production capacity to serve the golf course will cost approximately \$350,000. In addition, construction of a new well will take approximately three months to complete. This would include advertising the work, receiving and evaluating the bids, awarding a contract, ordering materials, move-in of equipment, drilling and developing the well, and making required piping and electrical modifications to connect the new well and pump to the existing irrigation system.

The estimated cost of purchased power to pump water to irrigate the course (an ongoing cost if a new well is drilled) is approximately \$100,000 annually. If approved, and successfully drilled and developed, the Town would save approximately \$250,000 annually based on the previous twelve month billing history for purchased water from Apple Valley Ranchos Water Company.

It is the consensus of the AVCCAC, with the warm spring and hot summer weather fast approaching, that time is of the essence. If the Town is to avoid spending an additional \$300,000 for purchased water, construction of a new irrigation well must commence immediately.