

January 19 2024

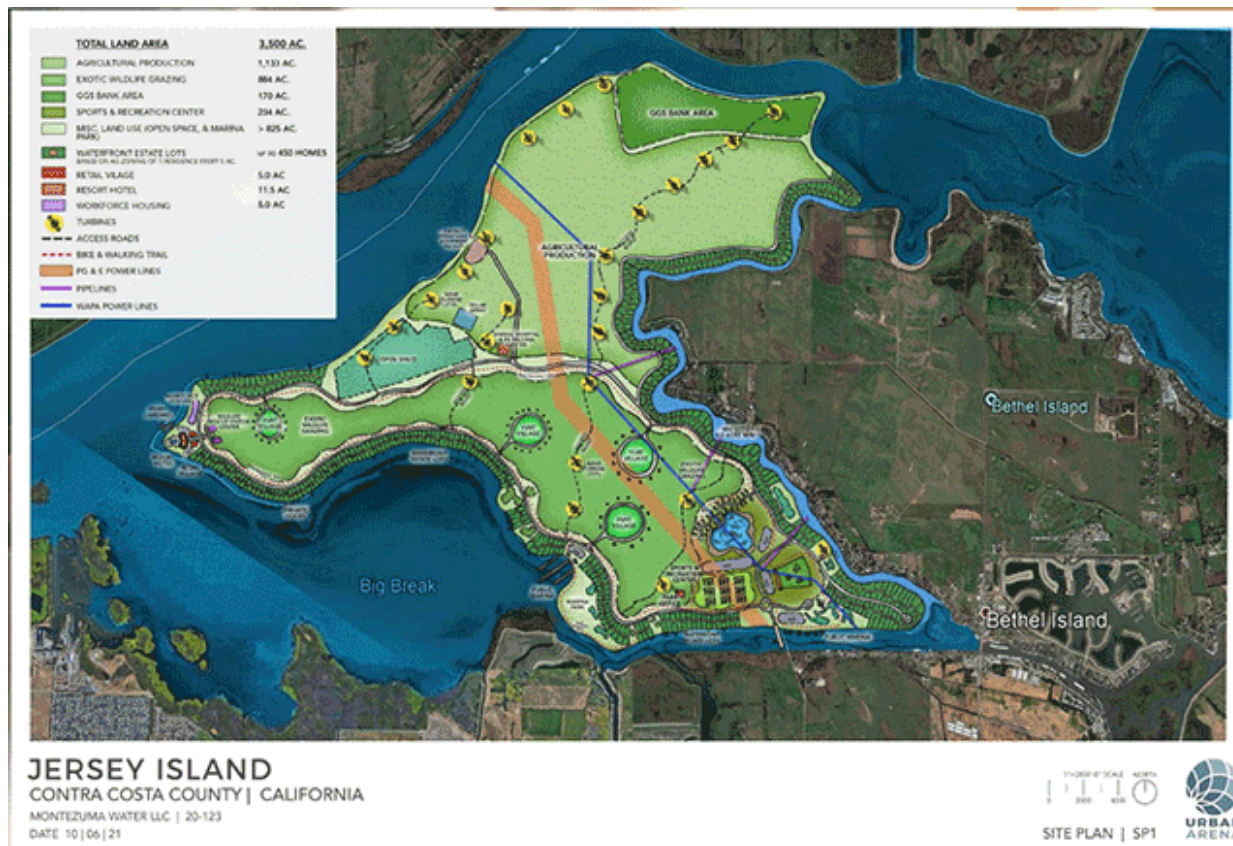


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IRONHOUSE SANITARY DISTRICT LOOKS TO EXTEND CONTRACT WITH JERSEY ISLAND PLAN DEVELOPER

written by [CC News](#) December 16, 2023



Graphic from the Oct. 10, 2021 meeting at the Ironhouse Sanitary District

On December 19, the **Ironhouse Sanitary District** will seek to extend a contract with Montezuma Water LLC which is being met with some resistance.

Montezuma Water seeks to develop Jersey Island and this contract extension has been met with resistance as it prompted a barrage of fake emails to the District by apparently, anti-growth individuals who want to preserve Jersey Island and keep development off of it. On Friday, Ironhouse Sanitary District General Manager **Chad Davisson** confirmed the emails stating they had received at least 25 emails related to Jersey Island that he was aware of while admitting they typically receive no emails on agenda items outside of rate increases.

According to Davisson, the District has some questions about the veracity of the emails noting some of the emails have been purported as members of the community which they have confirmed some of the emails the person did not send.

On Tuesday, the District is asking the Board to approve a second amendment as Montezuma Water apparently will not meet contract deadlines to get Memorandum of Understandings with the City of Oakley, Contra Costa County for its NUE-1 Plan and will not secure approval by deadline of the contract.

According to the agenda, Montezuma has not undertaken any due diligence activities related to the physical condition of Jersey Island and will not do so by the Site Condition Evaluation Deadline. Pursuant to Section 10.2 of the Agreement, the MOU Approval Deadline and Site Condition Evaluation Deadline may only be extended with the approval of the District Board, “which may be granted, denied or conditioned as determined by the District Board in its sole discretion”.

NUE-1 includes the following components:

1. wildlife and habitat refuge;
2. up to 450 single family homes;
3. a sports and recreation center;
4. a public marina and watersports center;
5. a 125-room hotel, workforce housing, ferry and shuttle terminal, and neighborhood retail center;
6. wind and solar energy production;
7. specialty agriculture;
8. a habitat enhancement and mitigation bank;
9. (i) carbon sequestration activities (“NUE-1 Plan”).
10. The NUE-1 Plan will involve all of Jersey Island except for 100 acres to be retained by the District for on-going disposal of biosolids in support of the District’s operations (“Biosolids Parcel”).
11. NUE-2 includes a habitat enhancement and mitigation bank (“NUE-2 Plan”) on an approximately 190 acre portion of the Property (“Mitigation Parcel”).

The Agreement includes several deadlines by which certain agreements or land use approvals must be secured by Montezuma to continue to move forward with NUE-1 Plan. The Second Amendment recommended by District staff proposes to extend the MOU Approval Deadline and Site Condition Evaluation Deadline by 12 months from December 31, 2023 to December 31, 2024. Further, the SOI Approval Deadline, which is tied to and lags the MOU Approval Deadline, is also extended by 12 months from July 1, 2024 to July 1, 2025

Note – the ISD board first received a presentation on NUE-1 at its October 27, 2021 meeting.

ALTERNATIVES/CONSIDERATIONS:

1. Authorize the General Manager to execute the Second Amendment in a form substantially similar to the attached draft that extends the MOU Approval Deadline, Site Condition Evaluation Deadline, and SOI Approval Deadline by 12 months;
2. Authorize the General Manager to execute the Second Amendment in a form substantially similar to the attached draft that extends the MOU Approval Deadline, Site Condition Evaluation Deadline, and SOI Approval Deadline by 6 months;
3. Do not authorize the General Manager to execute the Second Amendment. Note, in such event, as of the expiration of the MOU Approval Deadline (i.e. December 31, 2023), the Agreement, as it relates to the NUE-1 Plan, and the District's authorization for Montezuma to pursue the NUE-1 Plan, are terminated. Nevertheless, the Agreement will remain in effect as to the NUE-2 Plan on the Mitigation Parcel, and the Partner Agreement will remain in effect as to the balance of the Property

Editors Note – It is unclear how much staff time and the cost has been utilized for this pipe-dream of a project from Contra Costa County, City of Oakley or other stakeholders.



March 25, 2023 UPDATE: Jersey Island Operational Changes and Planning

The following was provided during an Oakley City Council Meeting ([original posting](#))

The District owns the 3,600 acre island on the Delta adjacent to Bethel Island—purchased for \$3 million in 1993 to assist them with water treatment issues. In 2010, the District built a plant to assist with wastewater treatment to that of almost drinking water while creating a recycled water fill station which limited the need for Jersey Island.

Jersey Island has 16 miles of levees around it at a cost of \$1 million per year for maintenance with 75% of the funds coming from the state. Davisson said the Island was purchased for \$3 million 30-years ago and they have spent \$30 million in maintenance which is why if they don't need it, they began looking at other options and less impact on ratepayers.

The District has since been looking at land use opportunities as they recently divested its cattle operation which had 10 employees with equipment with 400 acres of alfalfa and hay—that brought in \$3 million in one-time reserves. Since then, they agreed to a 5-year lease for private farming to run own cattle which is an \$800k revenue vs. expense before. “Now there are no ongoing operational cost,” stated Davisson. “For Ironhouse, we are now break even for the first time since purchasing the island.”

In 2019, they entered into a public private partnership with **Montezuma Water** in an effort to look at potential land use options for the island—including an aggressive new use evaluation which was introduced in 2021. The proposal included a range of education, business, employment and entertainment opportunities for the surrounding community according to Davisson. Other elements are both recreational and residential which he stated would require a “pretty significant lift to make this a reality”.

Davisson explained for this to even happen it would take significant CEQA, environmental reviews, regulatory hurdles which Montezuma Water is evaluating if they could even pass any of these reviews—including annexation into City of Oakley or dealing with Contra Costa County.

“There is a lot of moving pieces to this,” explained Davisson which in the first phase the board will determine if they move forward or going into a different direction.

Davisson then provided details of the Montezuma plan for the Jersey Island Development which included 90% open space, including grazing space for exotic animals, recreational areas, ballfields, water amenities, retail and residential around the edges... portions for conservation for mitigation, wind/renewable energy.

“Its really a mixed bag of a lot of different design elements,” stated Davisson. “Again, this is a very initial concept and its really this private partner Montezuma that has the authority and the obligation to see if they can explore this and make this happen and its on their dime to do that.”

Documents:

- [Jersey Island Partnership Agreement \(pdf\)](#)
- [First Amendment to the Jersey Island Partnership Agreement \(pdf\)](#)

Ironhouse Sanitary District Meeting

BOARD OF DIRECTORS / REGULAR MEETING / AGENDA – [click here](#)

December 19, 2023, 6:30 PM

Editors Note:

Dear Ironhouse Sanitary District and Board of Directors,

On December 19th you all have an important decision and you will vote NO and this is why.....

You might have heard of me. I am Mike Burkholder. Founder of East County Today and of Contra Costa News. I have MANY followers on social media 59.4k on instagram alone. As well as facebook, Twitter and youtube. I have exposed you before and printed your staff salaries online and the wreckless spending of Iron House Sanitary District and I'm not afraid to do it again.

Leave Jersey Island alone forever

There will be NO Developing on my watch. Do you understand me?! The public can turn against Iron House Sanitary District. I have exposed YOU and the City of Oakley before. And I'm not afraid to do it again. Do you catch my drift. I know of all the internal happenings of Iron house Sanitary District and the City of Oakley as well as [REDACTED] personal escapades and excursions. Maybe it's time they come to light

Go on and collect your shit water and do your jobs. No houses on Jersey Island EVER. Do you understand me?!

Burk

Mike Burkholder

Fake Email

One of the emails sent to the Ironhouse Sanitary District was sent under the name Mike Burkholder — which I did not send. Its actually quite comical. Personally, you have an opinion, go to a meeting and share it. Get off the computer and simply own it.