6. FEATHER RIVER CANYON COMMUNITY SERVICES DISTRICT

Feather River Canyon Community Services District (FRCCSD) provides domestic water services to small communities along SR 70 and the North Fork of the Feather River. This is the first MSR for the District.

AGENCY OVERVIEW

Background

FRCCSD was formed on April 8, 1983,²³ as an independent special district to provide domestic water services.

The principal act that governs the District is the State of California Community Services District Law.²⁴ CSDs may potentially provide a wide range of services, including water supply, wastewater, solid waste, police and fire protection, street lighting and landscaping, airport, recreation and parks, mosquito abatement, library services, street maintenance and drainage services, ambulance service, utility undergrounding, transportation, graffiti abatement, flood protection, weed abatement, and hydroelectric power, among various other services. Districts are required to gain LAFCo approval to provide those services permitted by the principal act but not performed by the end of 2005 (i.e., latent powers).²⁵

FRCCSD is located in western Plumas County and encompasses the communities of Grey's Flat, Maple Leaf/Little Indian Creek, Old Mill Ranch, Paxton, Tobin, and Twain. The District does not neighbor any other water purveyors.

Boundaries

The FRCCSD boundary is entirely within Plumas County. The present boundaries include eight non-contiguous areas along SR 70 that encompass 0.44 square miles. Since its formation, the District has undergone one annexation occurring in 1986. The annexation added the Oak Mill Ranch area to the District. The District's boundaries are shown in Figure 6-1.

Sphere of Influence

There is no known sphere of influence (SOI) for FRCCSD.

Extra-territorial Services

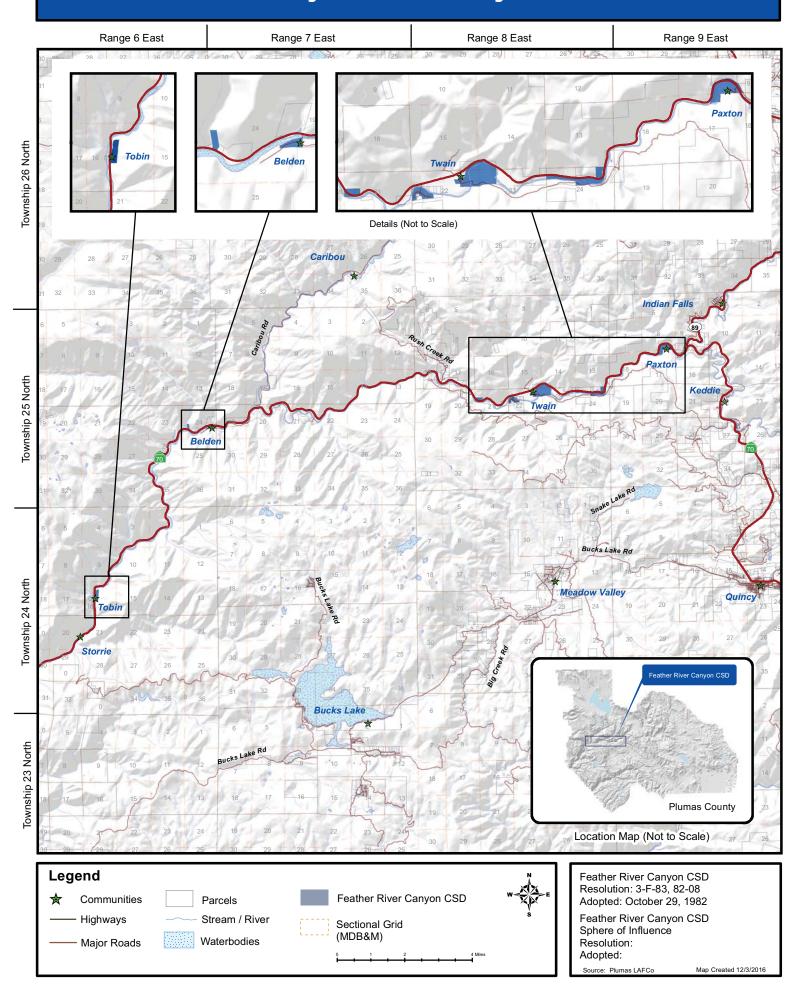
FRCCSD is serving five connections, which are outside of the District's LAFCo-approved boundaries. These connections should be included in the District's SOI once updated to indicate LAFCo's anticipation that these connections will be annexed.

²³ LAFCO Resolution 82-08.

²⁴ Government Code §61000-61226.5.

²⁵ Government Code §61106.

Feather River Canyon Community Services District



Accountability and Governance

FRCCSD is governed by a five-member Board of Directors who are elected at-large to staggered four-year terms. Current board member names, positions, and term dates are shown in Figure 6-2.

The Board meets on the second Tuesday of the month at 4 pm at the Twain Store Park. Board meeting agendas are posted on the community notice boards at the Twain Store in Twain, CA and at Old Mill Ranch. Minutes are available upon request and through an email list.

Figure 6-2: Feather River Canyon CSD Governing Body

Figure 6-2: Feather River Canyon CSD Governing Body					
Feather River Canyon Community Services District					
Governing Body and Board Meetings					
Manner of Selection	Elected at large				
Length of Term	Four years				
Meetings	On the second Tuesday of the month at 4 pm at the Twain Store Park				
Agenda Distribution	Agendas are posted on the community notice boards at the Twain Store in Twain, CA and at Old Mill Ranch.				
Minutes Distribution	Minutes are available upon request and through an email list.				
Board of Directors					
Board Member		Position	Term Expiration		
Jeffery Wilson		Chair	12/1/19		
John Toboni		Director	12/1/19		
Rockel Ericksen		Director	12/1/19		
Jerry Sanchez		Vice Chair	12/6/17		
Kathleen Daniels		Director	12/6/17		
Contact					
Contact	Jeffery Tobini, Director				
Mailing Address	P.O. Box 141 Twain, CA 95984				
Email/Website	tobinriverotter@aol.com				

The District's Board members are not compensated, but they are entitled to be reimbursed for their expenses. Government Code §53235 requires that if a district provides compensation or reimbursement of expenses to its board members, the board members must receive two hours of training in ethics at least once every two years and the district must establish a written policy on reimbursements. It was reported that the District's Board members have not received ethics training, and the District has not established a written policy on Board member expense reimbursement. It is recommended that the District either preclude its board members from receiving reimbursements or conduct ethics training as required.

In addition to the required agendas and minutes, the District sends out letters to residents to keep them informed about projects and issues. The District also sends out the

annually required Consumer Confidence Reports for each system. The District does not maintain a website where information can be made readily available to the public.

Water Code §64453 requires that each water supplier maintain records on all water quality and system outage complaints, both verbal and written, received and corrective action taken. These records are to be retained for five years. FRCCSD maintains records of all complaints, including date, time, location, nature of the complaint, and what was done to resolve the complaint. There were no complaints received by the District regarding water quality in 2016.

Government Code §87203 requires persons who hold office to disclose their investments, interests in real property and incomes by filing appropriate forms each year. Unlike other counties in the State, the Plumas County Clerk-Recorder does not act as the filing officer for the special districts. Each district holds responsibility for collecting the Form 700s and maintaining copies in their records. All the District's Board members filed Form 700 for 2016.

FRCCSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. The District responded to the questionnaires and cooperated with interview and document requests.

Planning and Management Practices

The District employs one part-time administrative secretary and a distribution operator.

.....

In addition, the FRCCSD is a member of Plumas Community Connections which is a Time Bank through Plumas Rural Services. Members exchange services with each other and earn time. One hour of service earns one time credit—all services are equal. When a member requests a service, they receive a list of members who are available. The member providing the service earns and the member receiving the service pays in time credits. FRCCSD has made use of Community Connections to get people from the community to help on various aspects of the District's administration.

The administrative secretary and distribution operator report to the Board of Directors that is also responsible for employee evaluations. Although no formal evaluations are performed, continued employment is considered a sign of satisfactory work performance. Employee work load is tracked through reports at monthly board meetings.

Similarly, the District does not perform any formal evaluations of its own performance, but its systems are regularly evaluated by the County Environmental Health Agency. In its regular system inspections, the County assesses the safety of the water system and identifies any necessary system improvements.

The District's financial planning efforts include annually adopted budgets and financial statements audited every five years. The District's most recent audit was through FY 15-16. FRCCSD does not adopt a formal Capital Improvement Plan (CIP).

Government Code §53901 states that within 60 days after the beginning of the fiscal year each local agency must submit its budget to the county auditor. These budgets are to be filed and made available on request by the public at the county auditor's office. All special districts are required to submit annual audits to the County within 12 months of the completion of

the fiscal year, unless the Board of Supervisors has approved a biennial or five-year schedule.²⁶ FRCCSD is on a five-year audit schedule and is up-to-date on its audit schedule.

Special districts must submit a report to the State Controller of all financial transactions of the district during the preceding fiscal year within 90 days after the close of each fiscal year, in the form required by the State Controller, pursuant to Government Code §53891. If filed in electronic format, the report must be submitted within 110 days after the end of the fiscal year. The District has complied with this requirement.

Existing Demand and Growth Projections

Land uses within the District are recreational commercial, mining, secondary suburban, recreation open space, 20-acre rural residential, and heavy industrial. The District's bounds encompass 0.44 square miles.

Population

There are 49 paying parcels within the District, upon which there are 53 residences. Many of the residences are seasonally occupied. If half of the residences are occupied full time, then the District has an estimated population of 60 based on the average household size in Plumas County of 2.29 individuals.

Existing Demand

The connections are not metered, so the level of demand in the District's various systems is unknown. It is assumed that typical of other providers in the State, water consumption has been on the decline due to conservation efforts.

Projected Growth and Development

The District does not make any formal or informal population projections. The District does not anticipate any growth in the near term attributable to new development.

The State Department of Finance (DOF) projects that the population of Plumas County will decrease by four percent in the next 10 years. Thus, the average annual population growth in the County is anticipated to be approximately negative 0.33 percent. Based on these projections, the District's population would remain 60 residents through 2020. The lack of change in population is not anticipated to greatly impact demand for services.

Growth Strategies

The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies. The land use authority for unincorporated areas is the County.

²⁶ Government Code §26909.

Financing

The District updated its water rates in 2016 to ensure sufficient revenue. Additionally, the District has been reducing expenditures and maintaining a reserve for contingency purposes. The District's financing level appears to be adequate to meet the needs of the community. However, FRCCSD is in need of funds for capital projects that exceed the savings of the District. Similar to other small water systems, the District will have to rely on grant funds (likely from the State) to finance significant infrastructure needs.

District revenues have been erratic in recent years due to influxes of grant funds in certain years. In FY 10-11, the District had total revenues of \$43,730, in FY 13-14 district revenues reached a low of \$37,227. Most recently, in FY 14-15, revenues increased to \$83,657. A breakdown of the District's revenue sources was not available from the State Controller's transaction report.

The District's primary revenue source is charges for services. Each connection is rated for the number and type of connection on the lot. The connection is given a point for each commercial, residential, vacation, hose, and RV use up to four points. Each point is assessed \$559 annually. The District's rates were most recently updated in 2016.

The District's expenditures have declined over the last five years. In FY 10-11, expenses totaled \$43,730, and in FY 14-15 expenses had declined to \$30,878.

At the end of FY 15-16, the District did not have any long-term debt according the State Controller's Office report.

The District has a policy of maintaining at least \$15,000 in its reserve fund. At the end of FY 15-16, FRCCSD had a balance of \$60,582—\$15,000 for reserve and \$45,592 for the working budget. The District also had \$55,103 in a separate account for special projects.

FRCCSD does not adopt a formal CIP; all projects are planned for at the District's Board meetings. The District uses a combination of savings and grant funds to finance capital projects.

The District is a member of California Rural Water Association as a means to get lower legal counsel fees, discounts for lab testing, and cheaper insurance.

WATER SERVICES

Service Overview

FRCCSD operates and maintains nine small water systems in eight non-contiguous areas—Paxton, Hot Springs, Gray's Flat, Twain, Old Mill Ranch, Jack's Place, Belden, Little Indian Creek, and Tobin. All of the systems are small with under 35 connections. Two of the systems are not active as all connections are in standby—Gray's Flat and Jack's Place. The District's water systems consist of the following nine distinct and separate systems:

- ❖ Paxton The system has two connections, one of which is in standby. There is a former lodge that is now used as a residence and cabins. The water distribution system is supplied by an untreated surface water impoundment supplied by a spring. This water source is not considered potable and as such the water system is under a continuous Boil Water Order. The District is looking into chlorination or UV treatment. The water quantity appears adequate as there have been no known water shortages. There have been no known flow tests performed to determine maximum capacity. There is one 15,000-gallon bolted steel storage tank.
- ❖ Hot Springs The system services nine connections, one of which is in standby. Water is provided through a single well drilled in 1985 with a capacity of eight gallons per minute (gpm). The well water is not continuously treated, but there is a chlorine injection port when treatment is necessary. The well has undergone maintenance to improve the pump flow and a source totalizing meter has been installed. Little is known about the type and location of the piping and delivery pressures throughout the water system. The system includes two storage tanks totaling 15,000 gallons. The County inspection notes that overall the water system appears to be in reasonably good condition.
- ❖ Gray's Flat The system serves one connection which is not active. The system is inactive at present.
- ❖ Twain The system serves four connections, two of which are in standby. Little is known about this system as it has not been inspected by the County Environmental Health Agency.
- ❖ Old Mill Ranch The system serves 35 connections, six of which are in standby. The water system is supplied by a single groundwater well that was installed in 2008 with a capacity of 39 gpm. Precautionary chlorination for control of iron bacteria, taste and odors is provided downstream of the well and prior to distribution. Surface water is used only for emergency fire water. As part of the system, the District also has a 60,000-gallon bolted steel storage tank. The 2013 water production was approximately 3.9 million gallons with July 2013 the maximum month at 516,000 gallons produced. The well produces water that exceeds the maximum contaminant level (MCLs) for both iron and manganese and appears to have a considerable iron bacteria contamination. The distribution system is also aging and has a severe iron bacteria contamination issue. Despite aggressive mechanical and chemical cleaning of the well and chemical cleaning of

the distribution system, the presence of the iron bacteria persists. The District is in the process of addressing these issues through a significant capital project.

- ❖ Jack's Place The system serves two connections both of which are in standby. The system is inactive.
- ❖ Belden –The system serves three connections, two of which are in standby. Little is known about this system as it has not been inspected by the County Environmental Health Agency.
- ❖ Little Indian Creek This system serves two connections. Little is known about this system as it has not been inspected by the County Environmental Health Agency.
- ❖ Tobin The system serves six connections, including a resort lodge and a post office. The system is served by a single well that was drilled in 2009 with a capacity of 30 gpm. The District abandoned the surface water system at that time as the pipeline from the surface water was destroyed in fires in 2008. The District is in the midst of aiding in the rebuilding the pipeline to reinstitute surface water for fire fighting purposes. The system has one 10,000 gallon welded steel tank.

.....

Staffing

FRCCSD's systems require an operator with at least a T1 certification, while the distribution system requires at least a D1 certification. FRCCSD appears to exceed these requirements.

Facilities and Capacity

All of the connections are unmetered, and as such there is no information regarding level of demand within each of the systems. In addition, it appears that only two of the systems have a well meter to measure source output. As such, it is challenging to determine the portion of each system's capacity that is in use at present. It is unknown if the systems meet Waterworks Standards as the make up of the distribution systems are largely unknown. It is apparent that as the District makes improvements to the various systems the composition and location of the improvements as well as existing infrastructure need to be documented.

In its most recent inspection report, the County Environmental Health Agency noted that the Hot Springs water system does not appear to be constructed to meet peak water demands.

Infrastructure Needs

Consistent across all the systems within the District is a need for a back up water source should a source fail or require lengthy outages. The District hopes to address this need in the near future, and plans to address it as time and funds become available.

While all of the systems have capital needs to some degree, FRCCSD noted significant infrastructure needs in two of its systems—Old Mill Ranch and Paxton —that it is working to address.

In the Old Mill Ranch system the CSD struggles with the lack of resources to address the iron and manganese issues; repair or replace the aged distribution system piping that may be harboring iron bacteria; and add a second well to provide a back-up water source should Well #1 fail or require emergency maintenance. There is a need for an entirely new well system in Old Mill Ranch to resolve taste, odor, and color problems resulting from water that exceeds maximum contaminant levels for both iron and manganese. FRCCSD has been successful in receiving \$500,000 from Proposition 1 grant funds to drill test wells and perform water quality/quantity tests. An analysis of all feasible alternatives will be completed. The planning project includes the following tasks: Drill test wells, collect and analyze water samples, and perform pumping tests to locate groundwater source(s) which can provide the community with sufficient potable water; an evaluation of local springs and creeks to determine the availability of surface water as a source of supply; and the feasibility of consolidation with nearby water systems. Engineering and environmental work associated with the selected construction project will also be completed. This project is a three-year project that is anticipated to be completed in 2019.

In the Paxton water system, FRCCSD continues in the search to find a new source of water or to install multi-barrier water filtration and disinfection. At present the water is considered non-potable, as tests continue to test positive for coliform, and the community is under a continuous boil water order. The District has considered chlorination or UV treatment. As of the drafting of this report, the District had not yet made a decision regarding a solution.

Challenges

Due to the small size of the community, the District has a challenge financing any significant infrastructure improvements, which would have to be financed amongst the few connections. Instead the District has in the past relied on grant funding to implement necessary capital improvements.

Additionally, while the District enjoys active public participation and interest in the District activities, there is a lack of interest in serving on the Board of Directors. The District has been in search of replacement Directors for the last two years.

Service Adequacy

This section reviews indicators of service adequacy, including the County Environmental Health Agency system evaluation, drinking water quality, and distribution system integrity.

The County Environmental Health Agency is responsible for the enforcement of the federal and California Safe Drinking Water Acts, and the operational permitting and regulatory oversight of public water systems of 199 connections or less. These systems are subject to inspections by the County Environmental Health Agency. The County has inspected four of the District's seven operating systems—two in 2014 and two in 2010. The Agency identified necessary improvements to infrastructure and practices for each of the systems. Common amongst all of the systems was the need to create and maintain an operations plan for the chlorination of the water system.

- ❖ Hot Springs The last inspection was in 2014. An amendment is required to replace the letter permit and to incorporate the groundwater well as the only water source. Certain nitrate and nitrite tests were due.
- ❖ Old Mill Ranch The last inspection was in 2014. The report noted that the CSD had not adequately addressed the iron and manganese contamination issue, and within 90 days, was required to 1) complete and submit to Environmental Health a Technical, Managerial, and Financial (TMF) statement with a five-year proposed operating budget; 2) apply for an operating permit amendment to incorporate the new well source, the abandonment of the surface water source, and the addition of precautionary chlorination, and 3) using the services of a qualified engineer, outline a proposed plan to eliminate the iron and manganese MCL exceedances. Within 30 days after the issuance of the report, the CSD was required to repair or replace the fine mesh metal screen at the storage tank roof apex vent to effectively exclude animals and insects. Tests for nitrates, gross alpha, and radium 228 were due. The District was required to create and submit a Disinfectant Byproducts Compliance Monitoring Plan within the next 30 days. And, finally, the District was required to resolve the iron and manganese exceedances pursuant to CA Code of Regulations beginning with Section 64449 "Secondary Maximum Contaminant Levels and Compliance." The District continues to address this item.
- ❖ Tobin The last inspection of this system was conducted in 2010. The abandoned surface water treatment filter, associated piping, and disinfection equipment remains in place and is not properly disconnected from the potable water system. In order to address this and other concerns the County outlined the following requirements.
 - 1) Install a "double-block-and-bleed" valve assembly that drains to daylight; or disconnect the surface water system from the potable water system by removing a section of pipe and capping off each water line.
 - 2) Install a downward opening well source sampling tap that is isolated from the distribution system with a check valve inside the treatment building.
 - 3) Submit an updated Emergency Notification Plan (ENP) to reflect changes in the managing board and operator staff.
 - 4) Submit a Biological Sampling Site Plan (BSSP) with a detailed site map.
 - 5) If not already completed, sample the well water for: Barium, Perchlorate, Nitrate (due annually), Nitrite and Nitrate+Nitrite (Both due every three years).
 - 6) The water system tested over the MCL for Iron and Aluminum. The water system should re sample the well to determine if these results accurately reflect the quality of the source water.
- ❖ Paxton The last inspection took place in 2010. This system's water source is not considered potable and as such the water system is under a continuous Boil Water Order. The County required the following at that time:
 - 1) Maintain the Boil Water Order (BWO) in plain view by all water users until released by Plumas County Environmental Health.

- 2) Apply to Plumas County Environmental Health for a water system operating permit based upon the water source, anticipated population, number of days of operation, and number water service connections.
- 3) Complete and submit an Emergency Notification Plan (ENP) to Environmental Health.
- 4) Complete and submit a Biological Sampling Site Plan (BSSP) with a detailed site map that shows the spring, spring water line, storage tank, and water distribution system to Environmental Health.

Drinking water quality is determined by a combination of historical violations reported by the EPA and the percent of time that the District was in compliance with Primary Drinking Water Regulations in 2016. FRCCSD has struggled with health and monitoring violations in recent years. The EPA only has records of two of the District's water systems—Hot Springs and Old Mill Ranch. Violations for 2007 through 2017 are shown in Figure 6-3. Positive coliform tests have resulted in non-compliance with drinking water regulations in 2016 in a few of the District's systems, including Hot Springs, Little Indian Creek, Paxton, and Old Mill Ranch.

Figure 6-3: FRCCSD Violations

System	Health Violations	Monitoring Violations
Hot Springs	10 Coliform Violations (8/09, 8/13, 6/15, 7/15, 8/15, 9/15, 11/15, 5/16, 6/16, 8/16)	
Old Mill Ranch	None	1 Coliform Monitoring (11/10)

Indicators of distribution system integrity are the number of breaks and leaks in 2016 and the rate of unaccounted for distribution loss. The District had two known leaks in the Hot Springs system in 2016. Because all of the connections are unmetered, it is unknown what percentage is lost between the supply and the connections served.

FEATHER RIVER CANYON COMMUNITY SERVICES DISTRICT DETERMINATIONS

Growth and Population Projections

- ❖ Feather River Canyon Community Services District (FRCCSD) has an estimated population of 60 based on the average household size in Plumas County of 2.29 individuals.
- ❖ No population growth is anticipated within the District in the near term. Other factors affect the District's demand for water services, including water conservation efforts due the drought and the influx of seasonal tourists.

Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies

- ❖ FRCCSD connections are not metered, so the level of demand in the District's various systems is unknown. It is assumed that typical of other providers in the State, water consumption has been on the decline due to conservation efforts.
- ❖ Only two of the systems have a well meter to measure source output. As such, it is challenging to determine the portion of each system's capacity that is in use at present.
- ❖ It is unknown if the systems meet Waterworks Standards as the make up of the distribution systems are largely unknown. It is apparent that as the District makes improvements to the various systems the composition and location of the improvements as well as existing infrastructure need to be documented.
- ❖ Based on the County's inspection reports, there are certain improvements that could be made to the District's services. FRCCSD struggles with meeting water quality requirements at its Old Mill Ranch, Hot Springs, and Paxton water systems. While the District has addressed many of the County's concerns, it continues to work to make repairs and improvements to bring these systems into compliance. Financing to fund the necessary improvements is the primary constraint.
- Consistent across all the systems within the District is a need for a back up water source should a source fail or require lengthy outages. The District hopes to address this need in the near future, and plans to address it as time and funds become available.
- ❖ In the Old Mill Ranch system the CSD struggles with the lack of resources to address the iron and manganese issues; repair or replace the aged distribution system piping that may be harboring iron bacteria; and add a second well to provide a back-up water source. FRCCSD has been successful in receiving \$500,000 from Proposition 1 grant funds to drill test wells and perform water quality/quantity tests to conduct an analysis of all feasible alternatives.

❖ In the Paxton water system, FRCCSD continues in the search to find a new source of water or to install multi-barrier water filtration and disinfection. The District has considered chlorination or UV treatment. As of the drafting of this report, the District had not yet made a decision regarding a solution.

Financial Ability of Agencies to Provide Services

- ❖ The District's financing level appears to be adequate to meet the needs of the community.
- ❖ FRCCSD recently adjusted rates to ensure sufficient funding. However, the District does not have a formal capital improvement plan that outlines future capital needs, so it is unclear if the rate increase will be sufficient to cover any future large scale capital needs. It is recommended that the District create a capital improvement plan and then assess the rates to ensure that they are adequate.
- ❖ The District will require grant funding to address its infrastructure needs, which is common among small water systems such as FRCCSD's.
- ❖ The District has a sufficiently healthy reserve that is equivalent to 3.75 years of district expenditures.

Status of, and Opportunities for, Shared Facilities

- ❖ FRCCSD is a member of Plumas Community Connections which is a Time Bank through Plumas Rural Services. Members exchange services with each other and earn time.
- ❖ It is recommended that FRCCSD work with other small water systems in Plumas County to capitalize on shared resources and bulk purchasing for chemicals such as chlorine.

Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

- ❖ FRCCSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. The District responded to the questionnaires and cooperated with the document and interview requests.
- FRCCSD is a well-managed district that meets Brown Act, FPPC and other regulatory requirements, overcoming the challenges posed by a small rural district with constrained resources. The District makes extensive efforts to keep the public informed. A website would expand even further upon those efforts.
- ❖ Extra-territorial connections that FRCCSD is serving outside its bounds should be annexed.