12. GOLD MOUNTAIN COMMUNITY SERVICES DISTRICT

Gold Mountain Community Services District (GMCSD) provides fire suppression, fire prevention, emergency medical, retail water delivery, and wastewater collection and disposal. Fire and EMS services are provided via a contract with the City of Portola. Road maintenance and snow removal are provided by the Gold Mountain Homeowner's Association. The last Municipal Service Review for GMCSD was conducted in 2006.

AGENCY OVERVIEW

Background

GMCSD was formed in 1996 as a dependent special district;[227] members from the Board of Supervisors were designated as the District's Board of Directors. In 2004, the residents of the District requested that responsibility for the District to be transferred to them, but the request was denied. In the same year, district residents voted to take over control of the District in a general election and requested that the Board of Supervisors appoint three interim directors until Directors could be voted upon. The request was satisfied, and in 2005, residents voted to expand the Board of Directors from three to five members. Thus, the first five Directors were elected and GMCSD became an independent special district.[228]

The principal act that governs the District is the State of California Community Services District Law.[229] CSDs may potentially provide a wide array 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, abate graffiti, flood protection, weed abatement, hydroelectric power, among various other services. CSDs 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).[230]

Initially, the District was given the power to provide all services common to a community services district, except for solid waste, because the Supervisor from that district made a point that it be excluded from the ability to provide solid waste service In

[227] LAFCo Resolution 96-5, 1-F-96.

[228] Plumas LAFCo, *Gold Mountain Community Services District Municipal Service Review and Sphere of Influence Amendment 2006-2011*, 2006, pp. 6-7.

[229] Government Code §61000-61226.5.

[230] Government Code §61106.

2006, however, LAFCo determined that the District's active powers were water, sewer, fire protection, weed abatement and snow removal.[231] LAFCo determined that all other powers were latent powers.

The District reported that it has had to overcome several challenges since formation. These challenges are outlined below. For a more detailed description of these challenges, refer to the District's MSR from 2006.

- The developer had only constructed a portion of the required water and wastewater infrastructure, yet subdivision maps were approved for lots which could not be served. This has required the District to develop plans and financing for significant infrastructure improvements.

- The infrastructure was failing (when the District's independent board came into place) and needed to be replaced on an emergency basis. These expenditures eliminated the District's reserves.

- The District was severely underfunded as a result of 1) subsidized rates that were not adjusted when the subsidy expired, 2) delinquent payments from the developer on 30 properties, and 3) a lack of funding for fire protection services.

- The transition agreement deeding the water and wastewater infrastructure and water rights to the District had not been fully implemented when the developer went into bankruptcy. Ultimately, the District sued the developer resulting in significant costs to the District, but has gained ownership of the infrastructure and water rights.

GMCSD is located in the eastern part of Plumas County, about three miles west of the City of Portola. The District borders the Feather River in the west, EPRFPD in the north, and the Plumas National Forest in the east and south.

Boundaries

GMCSD's boundary is entirely within Plumas County. The District's boundaries encompass approximately 1,294 acres or two square miles.[232] Since its formation, there have been no annexations to or detachments from GMCSD.

Sphere of Influence

Since GMCSD was formed to serve the Gold Mountain subdivision, its original SOI was coterminous with its boundary, which was consistent with the land within the subdivision.

[231] Plumas LAFCo, *Gold Mountain Community Services District Municipal Service Review and Sphere of Influence Amendment 2006-2011*, 2006, p. 6.

[232] Total agency area calculated in GIS software based on agency boundaries as of July 1, 2011. The data is not considered survey quality.

The District's SOI was most recently updated in 2006, and it was expanded to include wildland territory south of the boundaries, small suburban pieces of land to the north and east, and industrial property to the west.[233] According to the 2006 MSR, the Sphere of Influence was expanded "to accommodate those property owners outside the present District boundary who may seek services from the District in future annexations."[234] The current SOI is five square miles compared to two square miles of boundary area.

Extra-territorial Services

The District does not provide any extra-territorial services.

Areas of Interest

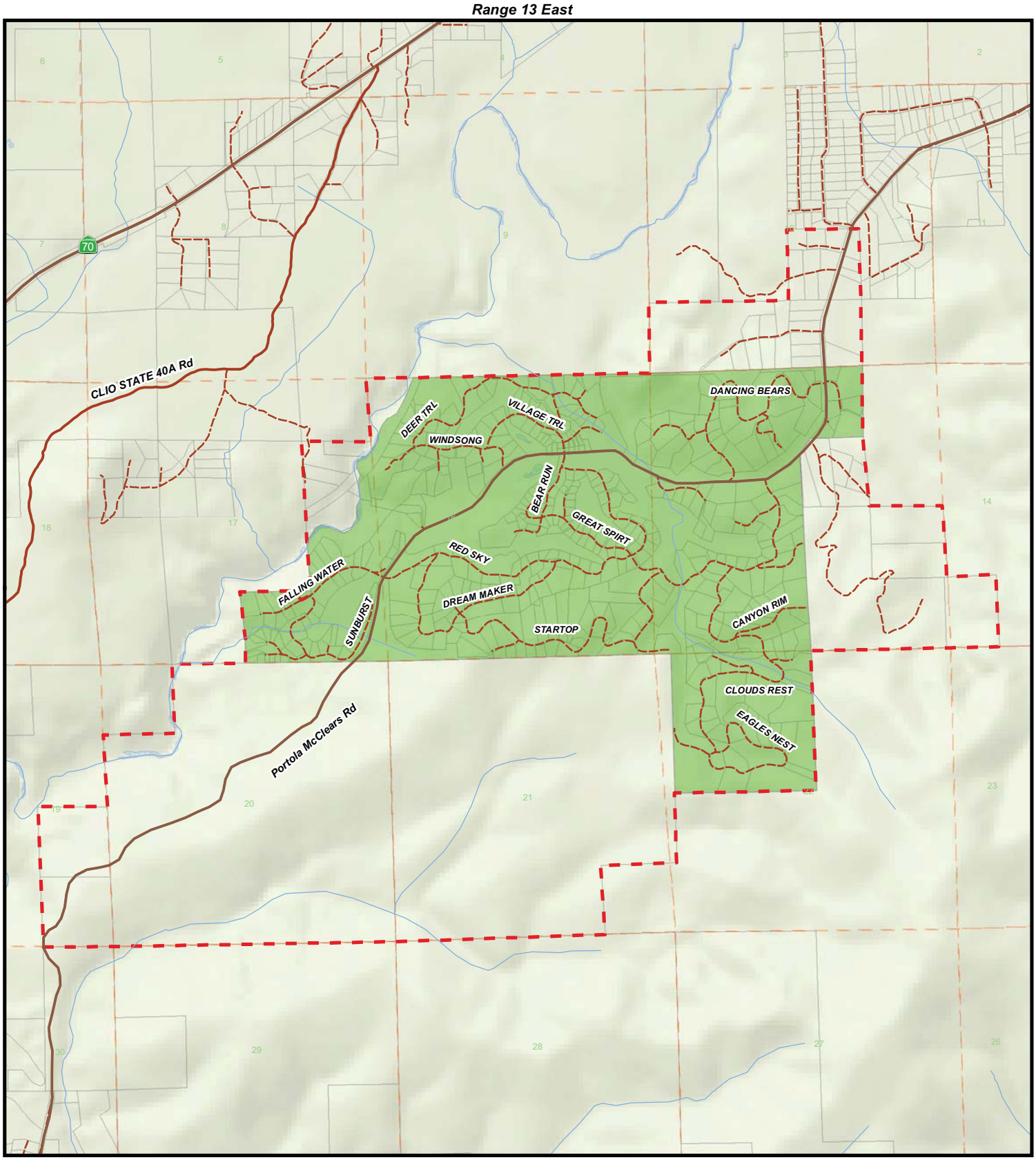
The entire territory of GMCSD is an area of interest with regards to the provision of fire services. Currently, the City of Portola provides fire services to GMCSD under contract. However, GMCSD is located within the SOI of Eastern Plumas Rural FPD, which desires to provide fire services to the Gold Mountain community. GMSCD is considering being annexed by EPRFPD or GFPD or setting up a joint powers agreement with the City of Portola. As Gold Mountain is not contiguous to the City, it cannot be annexed into Portola.[235]

[233] GMCSD SOI Zoning Map, 2006.

[234] Plumas LAFCo, *Gold Mountain Community Services District Municipal Service Review and Sphere of Influence Amendment 2006-2011*, 2006, p. 28.

[235] Gold Mountain Community Services District, *Selection of a Long Term Fire Service Provider*, Draft, 2009, p. 12.

12-1 Gold Mountain Community Services District



Legend

- Major Roads
- CA State Highway
- Streets
- Stream / River
- Waterbodies
- Parcels
- Sectional Grid (MDB&M)
- Gold Mountain CSD
- Gold Mountain CSD (SOI)

0 0.25 0.5 1 Miles

Gold Mountain CSD
Resolution: 1-F-96
Adopted: 5/23/1996

Gold Mountain CSD (SOI)
Resolution: 2006-007
Adopted:

Source: Plumas LAFCo Map Created 5/2/2011

Accountability and Governance

GMCSD is governed by a five-member Board of Directors who are to be elected by the residents of the District to staggered four-year terms. As of 2008, the District had 55 registered voters.[236] There are currently five board members, all of whom were elected. There has never been a contested election in the history of the District. Current board member names, positions, and term expiration dates are shown in Figure 12-2.

The Board meets on the second Friday of each month at two in the afternoon at the Nakoma Resort. Board meeting agendas are posted at the post offices in Portola and Clio. Minutes are posted on the website and are available upon request.

Figure 12-2: GMCSD Governing Body

Gold Mountain Community Services District				
District Contact Information				
Contact:	Janean Lohn			
Address:	150 Pacific Street #8, Portola, CA 96122			
Telephone:	(530)832-5945			
Fax:	(530)832-4591			
Email/website:	goldmtncsd@sbcglobal.net			
Board of Directors				
Member Name	**Position**	**Term Expiration**	**Manner of Selection**	**Length of Term**
George Sipel	President	December 2011	Elected	4 years
Mike Callaghan	Vice President	December 2013	Elected	4 years
Rene St. Piere	Treasurer	December 2013	Elected	4 years
Butch Niford	Member	December 2013	Elected	4 years
Steve Fuqua	Member	December 2011	Elected	4 years
Meetings				
Date:	Second Friday of every month at 2pm.			
Location:	Nakoma Resort.			
Agenda Distribution:	Posted at Clio and Portola post offices.			
Minutes Distribution:	Posted on the website and are available upon request.			

In addition to the required agendas and minutes, the District tries to reach its constituents through its website, occasional emails, newsletters and participating in HOA meetings.

If a customer is dissatisfied with the District's services, complaints may be submitted by calling the office or filling out a complaint form. In 2009, the District had nine complaints regarding water services and 14 regarding sewer services. A majority of the complaints were about water outages, water pressure and septic tank alarms. The office administrator is in charge of taking and recording complaints. The water operator is responsible for

[236] Out-of-Agency Service Agreement, *Plan for Providing Services*, 2008, p. 1.

handling complaints about water services, and the sewer operator deals with complaints regarding sewer operations or facilities.

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

Planning and Management Practices

Daily operations of the District are managed by the general manager and office administrator. There are five part time staff that together constitute 2.5 FTEs. There are also seasonal workers for periods of peak demand.

The general manager reports to the Board of Directors and is supported by the office administrator and system operator. Contractors, general counsel and the chief financial officer also report to the general manager.

The employees of the District are evaluated annually by the general manager. To track staff workload, district employees fill out and submit timesheets. Contract providers, including the City of Portola and the accountant, were evaluated only initially, when they first began providing services to the District. GMCSD reported that it performs an informal evaluation of overall district performance at an annual meeting.

In order to increase efficiency and reduce costs, the District cooperates with the homeowner's association by sharing various costs and staff. The District sees further possibilities to share costs and jobs with nearby entities. GMCSD would like to have an open dialogue with other similar districts in the area regarding mutual aid and cross training of staff positions.[237]

The District's financial planning efforts include an annually adopted budget and audited financial statements. The financial statements were last audited for FY 09-10. They are audited annually. The District provided the adopted budget for FY 10-11 and audited financial statements for FY 09-10. GMCSD adopts a master plan for all services, which is used to forecast service needs and plan for capital improvement projects. The master plan was most recently adopted in 2007. The District plans for capital improvement projects over a 30-year period; capital needs are updated every five years. GMCSD has also adopted a Fire Suppression Plan.

[237] Gold Mountain CSD, *Master Plan Report*, 2007, p. 18.

Existing Demand and Growth Projections

Designated land uses within the District are primarily suburban.[238] The total boundary area of GMCSD is two square miles.

The community of Gold Mountain is primarily residential with 427 lots designated for 401 single family homes and 26 villas that could accommodate 70 time share units. Two parcels are designated for stables and eight acres for commercial purposes.[239] The community contains a commercial facility called Nakoma that has a restaurant, pro shop and spa. There is also a golf course, undeveloped commercial area and 37 acres reserved for a nine hole executive golf course.[240]

Population

The District currently has 88 residential structures.[241] Based on average household size throughout the County of 1.9 people, the estimated population of GMCSD is 167. Over one third of these residences are occupied on a full-time basis.[242]

Existing Demand

The District reported that it has observed growth in demand in the last few years. Since 2006, 18 additional residential structures have been constructed and connected to the Districts' utility systems, which equates to 26 percent growth during that period.

Peak periods of water and wastewater demand for the District are during holidays and summer periods.[243]

Projected Growth and Development

The District anticipates growth in population and similarly in service demand within the District in the next few years. District planning documents assume build-out of the subdivision by 2039 with a growth rate of 5.7 percent annually.[244] GMCSD projects its service needs related to growth through build-out of the subdivision in its master plan.

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[238] Plumas County Online Parcel Application.

[239] John Gullixson, *Gold Mountain Community Services District Municipal Service Review and Sphere of Influence Amendment 2006-2011*, 2006, p. 9.

[240] Out-of-Agency Service Agreement, *Plan for Providing Services*, 2008, p. 1.

[241] RFI II.

[242] Out-of-Agency Service Agreement, *Plan for Providing Services*, 2008, p. 1.

[243] Gold Mountain CSD, *Master Plan Report*, 2007, p. 4.

[244] GMCSD, *Water and Wastewater System Development Charges*, November 2009, p. 4-3.

The State Department of Finance (DOF) projects that the population of Plumas County will grow by five percent in the next 10 years. Thus, the average annual population growth in the County is anticipated to be approximately 0.5 percent. Based on these projections, the District's population would increase from 167 in 2010 to approximately 176 in 2020.

The District reported that there was no specific area where it anticipates future growth to be concentrated. There are empty lots scattered throughout the community where development could potentially occur. GMCSD appears to have the capacity to serve short-term projected development. Any significant increase in population would require capacity enhancements as outlined in the Water and Wastewater sections of this chapter. The District did not identify any specific areas within the agency's future growth area to which it would be difficult to provide an adequate level of service.

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.

With regard to possible governance structure alternatives, the District reported that it may be interested in annexing into one of the fire districts, such as Graeagle FPD or EPRFPD.

Financing

The District reported that the current financing level is adequate to deliver services to existing customers. The District anticipated that future capital improvements would require additional funding sources such as loans and/or assessments.

The District operates out of a governmental fund for fire services and separate enterprise funds for water and wastewater services.

The District's total revenues for FY 09-10 were $533,159. Primary revenue sources included standby charges (45 percent), water sales (17 percent), sewer service charges (17 percent) and a special tax for fire services (16 percent).

GMCSD charges its residents fees for water and wastewater services it provides. The first rate schedule since the District's formation was implemented in 2006 based on a master plan engineering report and a rate study. The rates were increased in 2008 by 28 percent, and were established to increase annually by three percent through FY 10-11. For water and wastewater services customers are charged a flat annual cost of $1,888, of which 47 percent is allocated for water services and 53 percent is attributed to wastewater services. The District charges an additional water consumption fee of .55 per 1,000 gallons for first 10,000 gallons, and increased rates for each additional 10,000 gallons. Based on these charges, the average residential connection is charged $78.05 a month for water services and $83.69 for wastewater services.

Figure 12-3: GMCSD Revenues and Expenses

Income/Expenses	*FY 09-10 Actual*	
Income		
Property taxes	$171	0%
Special Tax	$83,440	16%
Water Sales	$88,319	17%
Sewer Services	$93,076	17%
Standby Charges	$237,389	45%
Connection fees	$3,000	1%
Interest	$8,879	2%
Other	$18,885	4%
Total Income	***$533,159***	100%
Expenses		
Administration	$179,644	45%
Water Services	$82,004	21%
Wastewater Services	$24,493	6%
Public Protection	$37,448	9%
Depreciation	$68,798	17%
Loss on Disposal of Assets	$3,046	1%
Interest on Debt	$808	0%
Total Expenses	$396,241	100%
Net Income	***$136,918***	

A special tax for fire protection was adopted by district voters in 2006. It is billed in conjunction with the property tax for each parcel. In FY 09-10, the single family homes paid $222.84 and undeveloped lots paid $138.57. In 2007, after having negotiated with the County, the District was granted a tax sharing agreement that took effect in FY 07-08. It directed about six percent of the annual assessed tax valuation increase within the District boundaries to the fire fund.[245]

The District's expenditures in FY 09-10 were $396,241. The District's primary expenditures consist of administration (45 percent), water operations (21 percent), depreciation (17 percent) and the contract for fire services (nine percent).

GMCSD completed a master plan in 2007 with a 30-year planning horizon, which is updated on a five-year basis. It identifies needed capital improvements to service additional customers. The latest update took place in February 2008. In order to finance the majority of the planned capital improvements, the Board of Directors adopted a system development charge (SDC) or a connection fee to finance any necessary improvements to the system. A fee study was conducted in 2009 to determine the SDC fee schedule. The SDC fee is charged when a newly constructed home starts receiving water and sewer service. A single-family home with a one-inch water service is charged $6,450 for a water connection and $3,260 for a sewer connection. The SDC charge is adjusted annually based on the construction cost index. Additionally, the District is applying for a loan from the USDA for an additional well, transmission pipes and pumping facilities. The 2007 Master Plan estimated the cost of necessary capital improvement projects to be over $10 million dollars through 2027.

The District has a formal reserve policy. System development charge revenue goes into the capital reserve every year. At the end of that year any remaining operational revenue also rolls over to capital reserve. At the end of FY 09-10, the District maintained a combined unrestricted undesignated fund balance of $352,370—$280,508 in the enterprise fund and $71,862 in the governmental fund. In each of the funds these amounts

[245] Gold Mountain Community Services District, *Financial Statements and Independent Auditor's Report*, 2010, p. 5.

could finance about seven months of operations for water and wastewater services, and over five months of operations for fire services (based on annual operational expenditures in FY 09-10).

The District's long-term debt is represented by a loan for a vehicle purchase. The District makes payments of $365 per month at 8.69 percent interest. The remaining balance at the end of FY 09-10 was $7,345. The loan will be paid off in April 2012.[246]

The District does not participate in any joint power authorities (JPAs) or joint financing mechanisms.

[246] Gold Mountain Community Services District, *Financial Statements and Independent Auditor's Report*, 2010, p. 21.

WATER SERVICES

Service Overview

The District provides retail water services, in the form of groundwater extraction and distribution to developed lots in the Gold Mountain subdivision. Additionally, the District is in the midst of developing a groundwater management plan and installing monitoring devices at the wells to begin groundwater monitoring services.

Developed lots are scattered throughout the subdivision. Private wells within the District's bounds consist of seven irrigation wells at the golf course, which are operated independent of GMCSD.

Water services are provided by 1.5 FTE employees dedicated to water operations and maintenance. The chief operator has a treatment certification of T3 and a distribution certification of D2, which exceeds the requirements of the GMCSD system.

Facilities and Capacity

District infrastructure dedicated to water services consists of two wells, two storage tanks, 12 miles of distribution pipelines, seven booster pump stations, and 13 fire hydrants.

Water Supplies

Water Source

The District relies entirely on groundwater pumped from two wells as its water source.

The District pumps water from the Humbug Valley Groundwater Basin. The Department of Water Resources estimates storage capacity of the basin to be 76,000 acre-feet to a depth of 100 feet.[247] Groundwater extraction for municipal and industrial uses is estimated to be 200 acre-feet. Deep percolation of applied water is estimated to be 200 acre-feet, meaning that the amount pumped by users is replaced by groundwater recharge. The City of Portola and Grizzly Lake Resort Improvement District also pump from the Humbug Valley Basin. While there is a considerable amount of ground water development in this general area, aquifer performance appears good, and no indications of over-pumping have been observed to date.[248]

[247] Department of Water Resources, California's Groundwater Bulletin 118 – Humbug Valley Groundwater Basin, 2004, p. 1.

[248] GMCSD, *Hydrology and Groundwater Development*, August 11, 2006, p. 9.

Quality

The Humbug Valley Groundwater Basin is considered to have high quality water that does not require treatment.

Existing and Projected Water Use

Groundwater is pumped from two wells with a combined capacity of 75 gpm. Well 17 was constructed in 1997 and was identified as being in good condition by the District. The pumping capacity of Well 17 is 35 gpm. Well 29A was reconstructed in 2007 and is also considered to be in good condition. The pumping capacity of Well 29A is 40 gpm. The yield of the wells has diminished since the original pump tests were complete; however, the flows have stabilized at the pumping capacities reported here.

Presently, average daily use is 0.02 mgd or 15 percent of the wells' pumping capacity. Peak day demand is 0.05 mgd, which is approximately 46 percent of the wells' pumping capacity.

The District projects build-out by 2039, which equates to an average annual growth rate of 5.7 percent. Based on these projections, peak day demand will exceed source capacity in 2024. At build-out, the District anticipates needing resource capabilities of no less than 140 gpm.[249]

Treatment and Distribution Facilities

The District does not treat the groundwater. Water is pumped from the two wells to the storage tanks and is then pumped (with the seven booster pumps) to the to the various pressure zones within the District. The distribution system is composed of 12 miles of pipeline ranging in size from two to six inches in diameter. The distribution system was identified as being generally in fair condition with several infrastructure needs and deficiencies, particularly poor fire flow.

The water supply system was not designed to provide for fire protection; however, some fire hydrants were constructed in the commercial areas of the development and have the potential to provide some fire flow. The District is in the process of installing additional hydrants with the goal of 30 total hydrants in the system. The District is working to improve fire flows to the extent possible given the limitations of the system. The water system currently does not lend itself readily to simple or efficient modifications that would enhance fire flow delivery capabilities. It has limited capability to move water required for potable uses as it is, let alone provide additional hydraulic capacity for the conveyance of significant fire flows. The District has identified several strategies to improve fire flows to the extent possible as outlined in the Infrastructure Needs section of this Chapter.

[249] GMCSD, *Water and Sewer Master Plan*, 2007, p. 12.

Storage Facilities and Emergency Supply

The District's two water storage tanks have a combined storage capacity of 280,000 gallons. The storage tanks have sufficient capacity to provide fire flow for two hours (240,000 gallons) and one day of water service at peak day demands. The District anticipates that additional storage will be necessary once it is serving 140 connections.

No redundancy is available in the system and a water shortage could exist on peak demand days if any existing sources were out of service.

Infrastructure Needs

The primary infrastructure needs identified by the District for the water system are improved fire suppression flows, increased storage, and an additional well for back up purposes. The District is pursuing each of these capital improvements, although the exact timing and funding sources are yet to be identified.

Based on an engineer's report, options to enhance fire flows would cost an estimated $1.8 million and include:

- Provide for fire water storage at highest possible elevation in the system. Tank(s) should be sized to provide water for a specific fire scenario as well as to act as backup to the existing potable storage tanks.

- Provide a transmission system between the new tanks and the distribution system such that each pressure zone is connected to the fire suppression infrastructure in at least one location.

- Provide a separate transmission system between the sources (wells) and the tanks and reinforce the existing distribution system.

The District is in the process of identifying the ideal location for the additional storage tanks. The District is also in the process of applying for funding from the USDA for a back-up well. Given the District's limited current financial resources, it is considering a phase improvement program for the water storage tanks.

Needs identified in the master plan but not yet completed include: 1) a new supply well, 2) a dedicated transmission line for source water, 3) constructing parallel lines or replacement of existing lines with larger diameter lines, 4) reinforcement of existing lines, 5) construct one million gallons of storage, and 6) upgrade booster stations. The estimated cost of these projects is $4.5 million in 2007 dollars.

The District is also pursuing a plan for an additional well and upgrades to the booster stations. Three potential sites for Well 32 have been identified. The District estimates that construction of the well could cost up to $218,540, so in order to limit costs, the District may drill the well and then cap it for future use.

During the District's most recent inspection by the Plumas County Public Health Agency in 2007, several other needs were identified for the two wells. However, the District reported that all of the needs identified by the County had been addressed.

Challenges

As discussed, the District's primary challenge with regard to water services is the provision of adequate fire suppression flows. The District is implementing several strategies to maximize the potential of the existing distribution system.

Service Adequacy

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

Figure 12-4: GMCSD Water Service Adequacy Indicators

Water Service Adequacy and Efficiency Indicators			
Service Adequacy Indicators			
Connections/FTE	59	O&M Cost Ratio[1]	5,196,434
MGD Delivered/FTE	0.01	Distribution Loss Rate	3%
Distribution Breaks & Leaks (2010)	1	Distribution Break Rate[2]	8.3
Water Pressure	20+ psi	Total Employees (FTEs)	1.5
Customer Complaints CY 2010:	Odor/taste (0), leaks (0), pressure (4), other (0)		
Drinking Water Quality Regulatory Information [3]			
	#	**Description**	
Health Violations	1	Exceedance of Coliform MCL (2010)	
Monitoring Violations	1	Monitorng for Coliform (2002)	
DW Compliance Rate[4]	99.7%		

Notes:
(1) Operations and maintenance costs (exc. purchased water, debt, depreciation) per volume (mgd) delivered.
(2) Distribution break rate is the number of leaks and pipeline breaks per 100 miles of distribution piping.
(3) Violations since 2000, as reported by the U.S. EPA Safe Drinking Water Information System.
(4) Drinking water compliance is percent of time in compliance with National Primary Drinking Water Regulations in 2010.

The County Public 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 Public Health Agency. During the Agency's most recent inspection in 2007, the Agency noted several deficiencies with the District's wells, which have subsequently been addressed.[250] The inspection report also noted that the annual

[250] Plumas County Public Health Agency, *Letter to the District re: Routine Inspection*, June 24, 2008, p. 1.

report to the Agency was overdue. The District reported that subsequent reports have been filed in a timely manner.

Drinking water quality is determined by a combination of historical violations reported by the EPA since 2000 and the percent of time that the District was in compliance with Primary Drinking Water Regulations in 2010. Since 2000, the District has had one health violation due to a positive coliform test in 2010, and one monitoring violation due to inadequate monitoring for coliform in 2002. This equates to approximately 22 violations per 1,000 connections served. By comparison, the other water providers in the eastern region of the County had a median of 21 violations per 1,000 connections served during that same time frame. The median water service provider in the region was in compliance 96 percent of the time in 2010. The District was in compliance with drinking water regulations 99.7 percent of the time, which was above the regional median.

Indicators of distribution system integrity are the number of breaks and leaks in 2010 and the rate of unaccounted for distribution loss. The District reported approximately eight breaks and leaks per 100 miles of pipe lines in 2010, while other providers in the region had a median rate of 12 breaks per 100 pipe miles. The District loses approximately three percent of water between the water source and the connections served, which was relatively low compared to other providers in the area that averaged seven percent distribution losses.

Figure 12-5: GMCSD Water Service Tables

Water Service Configuration & Infrastructure					
Water Service	***Provider(s)***		***Water Service***	***Provider(s)***	
Retail Water	GMCSD		Groundwater Recharge	None	
Wholesale Water	None		Groundwater Extraction	GMCSD	
Water Treatment	GMCSD		Recycled Water	None	
Service Area Description					
Retail Water	Scattered developed lots throughout the Gold Mountain subdivision, excluding irrigation at the golf course.				
Wholesale Water	NA				
Recycled Water	NA				
Water Sources		***Supply (Acre-Feet/Year)***			
Source	**Type**	**Average**		**Maximum**	**Safe/Firm**
Humbug Valley Basin	Groundwater	19.85		80.5	200 [2]
System Overview					
Average Daily Demand	0.02 mgd		Peak Day Demand	0.05 mg	
Major Facilities					
Facility Name	**Type**	**Capacity**		**Condition**	**Yr Built**
Well 29A	Well	40 gpm		Good	2007
Well 17	Well	35 gpm		Good	1997
Storage Tank 1	Storage	140,000 gallons		Good	1999
Storage Tank 2	Storage	140,000 gallons		Good	1999
Other Infrastructure					
Reservoirs	2		Storage Capacity (mg)	0.28 mg	
Pump Stations	7		Pressure Zones	8	
Production Wells	2		Pipe Miles	12.0	
Facility-Sharing and Regional Collaboration					
Current Practices: The District has developed a master cost sharing agreement with the GMHOA, and currently, shares the costs of personnel, equipment, facilities, supplies, and other office related activities.					
Opportunities: There is the potential to share a multi-purpose facility with the HOA, as well as water source facilities with the Ridges subdivision.					
Notes: (1) NA means Not Applicable, NP means Not Provided, mg means millions of gallons, af means acre-feet. (2) Based on the groundwater recharge rate reported by the Department of Water Resources.					

Water Demand and Supply

Service Connections	Total	Inside Bounds	Outside Bounds
Total	89	89	0
Irrigation/Landscape	0	0	0
Domestic	88	88	0
Commercial/Industrial/Institutional	1	1	0
Recycled	0	0	0
Other	0	0	0

Average Annual Demand Information (Acre-Feet per Year) [1]

	2000[2]	2005	2010	2015	2020	2025	2030
Total	Unknown	21	17	58	71	87	106
Residential	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Commercial/Industrial[3]	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Irrigation/Landscape	0	0	0	39	45	52	60
Other	0	0	0	0	0	0	0

Supply Information (Acre-feet per Year) [4]

	2000[2]	2005	2010	2015	2020	2025	2030
Total	0	22	18	63	76	93	114
Imported	0	0	0	0	0	0	0
Groundwater	Unknown	22	18	23	31	41	54
Surface	0	0	0	0	0	0	0
Recycled[5]	0	0	0	39	45	52	60

Drought Supply and Plans

Drought Supply (af)[6]	Year 1: NA	Year 2: NA	Year 3: NA
Storage Practices	Storage is for short-term emergency supply only.		
Drought Plan	None.		

Water Conservation Practices

CUWCC Signatory	No
Metering	Yes
Conservation Pricing	Yes
Other Practices	The District plans to develop additional conservation practices.

Notes:

(1) Annual projected production less 3 percent system loss.

(2) The District did not operate the system in 2000 and does not have records of these flows.

(3) The District does not have records of the the commercial use in the system as the single connection was originally not metered, and then the resort went into bankruptcy. The District reported that 2011 will be the first full year for which data will be available.

(4) Projected production based on District assumption of build-out by 2039.

(5) Although the timing for construction is unknown, a recycled water plant is planned to be built. The authors assumed construction in 2015. The District assumes that approximately 70,000 gpd of recycled water will be in use at build out of the District in 2039.

(6) The District has not estimated available supply during a three year drought. During past droughts, the District reported that it has experienced little difference in groundwater levels.

Water Rates and Financing

Residential Water Rates-Ongoing Charges FY 10-11 [1]

	Rate Description	Avg. Monthly Charges	Consumption[2]
Residential	Fixed annual charge of $1,888 for water and wastewater services. Water consumption charge of .55 per 1,000 gallons for first 10,000 gallons, and increased rates for each additional 10,000 gallons.	$ 78.05	7,600 gal/month

Rate-Setting Procedures

Most Recent Rate Change	7/1/10	Frequency of Rate Changes	Annually

Water Development Fees and Requirements

Fee Approach	Rates are set to cover the costs of operation, maintenance and a portion of the capital outlays.
Connection Fee Amount	$6,450 per connection

Water Enterprise Revenues, FY 09-10			*Operating Expenditures, FY 09-10*	
Source	**Amount**	**%**		**Amount**
Total	$213,941	100%	Total	$243,222
Rates & charges	$199,892	93%	Administration	$81,643
Property tax	$0	0%	O & M	$82,004
Grants	$0	0%	Capital Depreciation	$44,697
Interest	$4,173	2.0%	Debt	$0
Connection Fees	$1,000	0%	Other	$1,812
Other	$8,876	4%	Debt forgiveness - Fire	$33,066

Notes:

(1) Rates include water-related service charges and usage charges.

(2) Water use assumptions were used to calculate average monthly bills. Assumed use levels are consistent countywide for comparison purposes.

WASTEWATER SERVICES

Service Overview

The District operates and maintains a wastewater utility which provides collection and disposal of domestic wastewater using a "STEP" system. STEP stands for Septic Tank Effluent Pumping. The District's sewage disposal system is designed to dispose of septic tank effluent via subsurface infiltration or community leachfields. The sewage is not treated in a treatment facility by the District prior to disposal into the community leachfields, but receives primary treatment in the individual septic tanks.

The sewer system is overseen and operated by one employee or 0.5 FTEs. The operator has a certification level of Grade II for the collection system, which exceeds the needs of the system.

Facilities and Capacity

The sewage collection and disposal facilities include an individual septic tank, effluent filter and pump at each home, a common force main collection system and two separate community leachfields.

The District operates under Waste Discharge Requirements (Order No. 96-263) issued by the RWQCB. The permit is vague and does not indicate flow limitations of the system. As the system had not been constructed when the permit was issued, the document only outlines in general terms the proposed design of the system through build-out.

The collection system was built in 1996 and consists of 13 miles of sewer pipelines, which the District considers to be in good condition. The system is pressurized, which has the advantage of reduced inflow and infiltration from rainfall, runoff and groundwater. The peak wet weather flow to the treatment plant is therefore less for a low pressure sewer system than for a gravity sewer system. Low pressure sewers provide a more consistent strength of wastewater during heavy rainfall events.

The terminus of the collection system is two community leachfields—Falling Water leachfield and Windsong leachfield. The final design capacity of these two fields was never formally established. These two facilities were designed to accommodate a total of 84 lots per a letter dated April 22, 1996 from NST Engineering. The Windsong facility was intended to serve lots 1 thru 52, while the Falling Water facility was to serve lots 53 to 84. Subsequent lots would then require a "modular package type" or recirculating sand-gravel filter bed. The District's Waste Discharge Requirements also does not indicate a maximum capacity of the system.

During an investigation of both the Windsong and Falling Water community leachfields, in 2005, it was determined that the construction of the collection system was most likely not in accordance with the design. During the 2005 investigation of the system it was found that there were major construction defects in the Windsong leachfield, including lack

of sufficient drain rock, clogged pipe drain holes, undersized drain rock, and lack of covering fabric. The leachfield was subsequently reconstructed, and is now considered to be in good condition. Phase II of the leachfield improvements, which is to include improvements to the dosing station, has not yet been completed and is being reevaluated by the district engineer.

The existing system appears to be at 50 percent capacity; although the exact capacity of the leachfields has not been determined. The District has developed a capital improvement plan for adding capacity to the sewer system to accommodate future growth. Future plans call for construction of an additional leachfield, initiation of treatment and utilization of recycled water for golf course irrigation. A third potential leachfield location has been identified on the golf course adjacent to the existing Falling Water leachfield. Disposal expansion and treatment facilities are estimated to cost $1.2 million.

Infrastructure Needs

The primary infrastructure need of GMCSD's sewer facilities is additional leachfield capacity. Needs identified in the master plan include: 1) expanded and enhanced disposal facilities including above ground effluent storage in ponds, use of recycled water at the golf course, and additional subsurface infiltration capacity, 2) construction of a secondary treatment facility for recycled water, and 3) completion of the Windsong Leachfield improvements. These projects are estimated to cost $4.1 million in 2007 dollars.

The District is in the midst of making plans for the additional leachfield. A location has been identified and some preliminary engineering has been started. Complete project design is anticipated to take place over the next several years. As of the drafting of this report, the $1.2 million project was unfunded and a timeline had not yet been established.

The District's waste discharge permit requires that GMCSD work with the golf course to utilize reclaimed water for irrigation purposes at some point in the future. The District recognizes this as a probable need in the future, and has included it in its long-term capital projects list.

Challenges

A particular challenge to the District in providing wastewater services is the lack of knowledge of the actual capacity of the two leachfields. The District continues to evaluate the system in an effort to prioritize needs.

Service Adequacy

This section reviews indicators of service adequacy, including regulatory compliance, treatment effectiveness, sewer overflows and collection system integrity.

Figure 12-6: GMCSD Wastewater Service Adequacy Indicators

Wastewater Service Adequacy and Efficiency			
Regulatory Compliance Record, 2005-10			
Formal Enforcement Actions	0	Informal Enforcement Actions	0
Formal Enforcement Action Type		***Description of Violations***	
NA			
Total Violations, 2005-10			
Total Violations	0	Priority Violations	0
Service Adequacy Indicators			
Treatment Effectiveness Rate[2]	NA[3]	Sewer Overflows 2008 - 2010[4]	1
Total Employees (FTEs)	0.5	Sewer Overflow Rate[5]	7.7
MGD Treated per FTE	0.280	Customer Complaints 2010: 14	
Source Control and Pollution Prevention Practices			
None.			
Collection System Inspection Practices			
The District did not report any inspection practices.			
Notes: (1) Order or Code Violations include sanitary sewer overflow violations. (2) Total number of compliance days in 2010 per 365 days. (3) As the District does not provide treatment, it does not monitor the quality of the effluent. (4) Total number of overflows experienced (excluding those caused by customers) from 2008 to 2010 as reported by the agency. (5) Sewer overflows from 2009 to 2010 (excluding those caused by customers) per 100 miles of collection piping.			

GMCSD has had no violations related to wastewater services between 2005 and 2010, and consequently, no priority violations and no formal or informal enforcement actions. By comparison, other wastewater providers in the eastern region of the County averaged 38 violations per 1,000 population served.

Wastewater treatment providers are required to comply with effluent quality standards under the waste discharge requirements determined by RWQCB. As the District is not presently treating sewage, it does not track the quality of the effluent.

Wastewater agencies are required to report sewer system overflows (SSOs) to SWRCB. Overflows reflect the capacity and condition of collection system piping and the effectiveness of routine maintenance. The sewer overflow rate is calculated as the number of overflows per 100 miles of collection piping. The District reported one residential septic tank overflow during the period from 2008 thru 2010, and consequently the overflow rate is 7.7 per 100 miles of piping. Other providers in the region averaged an SSO rate of 3.8 per 100 miles of collection piping.

There are several measures of integrity of the wastewater collection system, including peaking factors, efforts to address infiltration and inflow (I/I), and inspection practices. Peak demand periods are not related to wet weather flows as the system is pressurized which minimizes infiltration and inflow into the system. Additionally, the District did not report any inspection practices as the system is pressurized.

Figure 12-7: GMCSD Wastewater Profile

Wastewater Service Configuration and Demand				
Service Configuration				
Service Type	**Service Provider(s)**			
Wastewater Collection	GMCSD			
Wastewater Treatment	None			
Wastewater Disposal	GMCSD			
Recycled Water	None			
Service Area				
Collection:	Scattered developed lots throughout the Gold Mountain subdivision.			
Treatment:	NA			
Recycled Water:	NA			
Service Demand				
Type	**Connections (2010) Total**	**Inside Bounds**	**Outside Bounds**	**Flow (gpd) Average**
Total	88	88	0	5,004
Residential	87	87	0	5,004
Commercial	1	1	0	Unknown
Industrial	0	0	0	-
Historical and Projected Demand (AAF in gallons per day) [2]				
2005	**2010**	**2015**	**2020**	**2025**
Unknown[3]	5,004	6,602	8,711	11,493

Note:

(1) NA: Not Applicable; NP: Not Provided.

(2) Projections are based on the 5.7 percent annual average growth rate projected by the District.

(3) The District installed flow meters at the leachfields in the middle of 2005.

Wastewater Infrastructure

Wastewater Collection, Treatment & Disposal Infrastructure

System Overview

Facility Name	*Capacity*	*Condition*	*Year Built*
Windsong Community Leachfield	Approx. 5,000 gpd	Good	2006
Falling Water Community Leachfield	Approx. 5,000 gpd	Fair	1996

Collection & Distribution Infrastructure

Sewer Pipe Miles	13	Sewage Lift Stations	0

Treatment Plant Daily Flow (mgd)

AAF (gpd)	% of Capacity in Use	Peak Monthly (gpd)	Peaking Factor
5,004	Approx. 50%	7,000	NA

Infiltration and Inflow

The District did not identify any particular issues related to I/I, as the system is pressurized which minimizes I/I.

Infrastructure Needs and Deficiencies

The District identified a need for an additional leachfield for back up and additional capacity, as well as a probable need for a treatment facility sometime in the future.

Wastewater Facility Sharing

Facility Sharing Practices

The District has developed a master cost sharing agreement with the GMHOA, and currently, shares the costs of personnel, equipment, facilities, supplies, and other office related activities.

Facility Sharing Opportunities

There is the potential to share a multi-purpose facility with the HOA.

Wastewater Rates and Financing

Wastewater Rates-Ongoing Charges FY 10-11 [1]

	Rate Description	Charges	Demand[2]
Residential	A flat annual rate of $1,888 for water and wastewater services.	$83.69	250 gpd

Rate Zones

None

Rate-Setting Procedures

Last Rate Change	7/1/2010	Frequency of Rate Changes	Annually

Wastewater Development Fees and Requirements

Fee Approach	Rates are set to cover the costs of operation, maintenance and a portion of the capital outlays.
Connection Fee Amount[3]	$3,260/connection

Wastewater Enterprise Revenues, FY 09-10			*Operating Expenditures, FY 09-10*	
Source	**Amount**			**Amount**
Total	$235,607	100%	Total	$181,815
Rates & Charges	$218,892	93%	Administration	$98,001
Property Tax	$0	0%	O & M	$24,493
Grants	$0	0%	Capital Depreciation	$22,655
Interest	$4,706	2%	Debt	$0
Connection Fees	$2,000	1%	Other	$2,042
Other	$10,009	5%	Debt forgiveness - Fire	$34,624

Notes:

(1) Rates include wastewater-related service charges and strength and flow charges. Average monthly charges calculated based on average consumption. Rates are rounded for presentation.

(2) Wastewater use assumptions by customer type were used to calculate average monthly charges. Assumed use levels are 250 gallons per home per day, and are consistent countywide for comparison purposes.

(3) Connection fee amount is calculated for a single-family home.

FIRE SERVICES

Service Overview

GMCSD provides structural fire suppression, emergency medical and fire prevention services to its residents through a contract with the City of Portola FD.

History

The City of Portola started providing fire services to Gold Mountain CSD in 1997 when the City and the District entered into a contract. The term of the original agreement was from 1997 through 2001. Under this contract GMCSD paid the City a standby charge of $5,000 a year. In addition, the District was paying the City per incident for firefighters and equipment used. Water provision was the District's responsibility.[251]

In 2002, the contract was extended through 2006. At that time the annual fee was raised to $25,000, as the construction of homes and the Nakoma Lodge created a higher responsibility burden and level of liability for Portola FD.[252]

At the end of 2006, the City and the District renewed the contract and applied to LAFCo for an out-of-area service agreement. LAFCo approved the agreement. The parties entered into a contract for the period of one and a half years from January 1, 2007 to June 30, 2008. The City continued charging $25,000 per year.[253]

By the end of the contract period, the parties decided to renew their agreement under the same conditions. The parties attempted to extend the agreement without LAFCo approval, claiming exemption on this agreement under Government Code §56133(e), as the City had provided fire suppression services to GMCSD prior to 2001, which excludes the contract from LAFCo review and contracts or agreements solely involving two or more public agencies do not require LAFCo approval.[254] At that time, LAFCo determined that "once an agency submits to LAFCo jurisdiction on an issue that LAFCo will have exclusive jurisdiction thereafter."[255] GMCSD and City of Portola extended their contract for two years again through LAFCo.[256]

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[251] Agreement for Fire Suppression Services by the City of Portola for the Gold Mountain Service District, 1997, p. 1.

[252] City of Portola and Gold Mountain CSD, *Plan for Providing Services, Out-of-Agency Service Agreement, Fire Suppression Service*, 2006, p. 1.

[253] 2006-OASA-002.

[254] From Steven C. Gross, City Attorney to Jim Murphy, Portola City Manager, *Legal Memorandum*, March 12, 2008, pp. 1-2.

[255] John M. Gullixson, Staff Report to Honorable Members of the Commission, April 14th, 2008.

[256] 2008-OASA-001.

Most recently, in 2010, upon contract renewal LAFCo determined that the agencies' arguments had credence, and the City of Portola now provides services to GMCSD under a three-year contract (with two possible one year extensions) that is under exemption of LAFCo approval.

Scope of Services

The nearest City of Portola fire station is located about 2.5 miles from the community of Gold Mountain. In case of an incident, a truck from the south side Fire Hall responds first and is followed by a truck from the north side Fire Hall and the tanker. At least 11 firefighters are to respond—five on the first truck, five on the second truck and one on the tanker. The Fire Department's goal is to respond within two to three minutes from eight in the morning to eight in the evening and within five minutes from eight in the evening to eight in the morning.[257]

Funding

In 2006, GMCSD voters approved a special tax designated for fire protection and prevention, emergency medical response and hazardous material emergency response to pay the annual payment of $25,000 to the City of Portola. In FY 09-10, the single family homes paid $222.84 and undeveloped lots paid $138.57. Before the special tax was approved by the voters, fire protection was financed through the water and sewer charges, contrary to Proposition 218.[258]

Constraints

The primary constraint to the provision of adequate fire services is a lack of sufficient fire flow as outlined in the Fire Suppression plan. The study depicts the current situation, presents the requirements, and analyzes potential solutions to the problem. GMCSD has 250,000 gallons of potable water storage with very limited ability to deliver required fire flows. The existing water system is highly inflexible, and it would be difficult and inefficient to try to modify it to enhance fire flow delivery capabilities.

Possible solutions identified include equipping new structures with a residential fire sprinkler system; constructing water storage at the highest possible elevation in the system; providing a transmission system between the new tanks and the distribution system; providing a separate transmission system between the sources and the tanks; and reinforcing the existing distribution system.[259]

[257] Out-of-Agency Service Agreement, *Plan for Providing Services*, 2008, p. 4.

[258] Out-of-Agency Service Agreement, *Plan for Providing Services*, 2008, p. 6.

[259][259] GMCSD, Fire Suppression Plan, 2007, Introduction, Appendix C.

Future of Fire Service

In order to make fire service provision more permanent, in 2008-2009, the District did a study that looked into various possibilities. Three scenarios were on the table:

- Consolidation with EPRFPD. The outlined pros included the proximity of one of EPRFPD's three fire stations to GMCSD and the fact that GMCSD is in EPRFPD's SOI. The main argument against the consolidation was that EPRFPD was extremely underfunded.

- Consolidation with GFPD. It was determined that GFPD was a well-run district with a lot of resources; however, there would be a high cost of buying-in to the District's services, and GMCSD is a long distance from the GFPD fire station.

- Enter into a joint powers agreement with the City of Portola since annexation cannot take place between non-contiguous areas. There is already an established relationship between the two parties and this agreement was identified as the lowest cost alternative. However, the costs could go up and the agreement would not be permanent.[260]

Since the study did not provide a clear solution, as part of a community outreach, the study and a survey were sent to all community members. Most of the respondents preferred a joint powers agreement and adequate protection at minimal costs. Many expressed a desire not to make a change in fire protection services. At the November 2009 meeting, the Board approved a motion to continue the District's contract with Portola for three years with two possible one year extensions. If during that time, EPRFPD and Graeagle FPD should consolidate, GMCSD would review an annexation with the resulting District.

[260] GMCSD, Selection of a Long Term Fire Service Provider, 2009, pp. 10-15.

GOLD MOUNTAIN CSD DETERMINATIONS

Growth and Population Projections

- The District currently has 88 residential structures with an estimated population of 167.
- Between 2006 and 2010, 18 additional residential structures have been constructed and connected to the Districts' utility systems, which equates to 26 percent growth during that period.
- The District anticipates growth in population and similarly in service demand within the District in the next few years. District planning documents assume build-out of the subdivision by 2039 with a growth rate of 5.7 percent annually.

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

- Presently, average daily demand for water is 15 percent of the wells' pumping capacity, while peak day demand constitutes approximately 46 percent of the wells' pumping capacity.
- The primary infrastructure needs identified by the District for the water system are improved fire suppression flows, increased storage, and an additional well for back up purposes. The District is pursuing each of these capital improvements, although the exact timing and funding sources are yet to be identified.
- The existing sewer system appears to be at approximately 50 percent capacity; however, the actual capacity of the leachfields is unknown.
- The District has developed a capital improvement plan for adding capacity to the sewer system to accommodate future growth. Future plans call for construction of an additional leachfield, initiation of treatment and utilization of recycled water for golf course irrigation.
- It is recommended that GMCSD complete an analysis of its wastewater collection system to determine actual capacity.
- GMCSD projects its service needs related to growth through build-out of the subdivision in its master plan.

Financial Ability of Agencies to Provide Services

- While the District has faced financial difficulties in the past, and anticipates significant unfunded infrastructure needs in the future, the District reported that the current financing level is adequate to deliver services to existing customers.
- The District anticipated that future capital improvements would require additional funding sources such as loans and/or assessments.
- GMCSD has a capital improvement program with a 30-year planning horizon, which is updated on a five-year basis and is outlined in the master plan.
- The District has a healthy restricted and unrestricted reserve Unrestricted reserves could finance about seven months of operations for water and wastewater services, and over five months of operations for fire services

Status of, and Opportunities for, Shared Facilities

- The District shares fire facilities with the City of Portola through a contract for fire services.
- The District has developed a master cost sharing agreement with the GMHOA, and currently, shares the costs of personnel, equipment, facilities, supplies, and other office related activities.
- There is the potential to share a multi-purpose facility with the HOA, as well as water source facilities with the Ridges subdivision.

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

- GMCSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. The District responded to the questionnaires and cooperated with the document requests.
- GMCSD practices extensive outreach efforts which enhance transparency, including a website where district information is made available.
- Governance structure options with regard to fire services in Gold Mountain include consolidation with EPRFPD, consolidation with GFPD, or a JPA with the City of Portola. District residents prefer a JPA with the City. As of the drafting of this report, the District had not made a final decision as to the course it would like to take in this matter.