# 16. LAST CHANCE CREEK WATER DISTRICT

Last Chance Creek Water District (LCCWD) provides water delivery for agricultural irrigation to 15 landowners by raising money to reimburse the Department of Water Resources (DWR) for operation of Frenchman's Reservoir. This is the first Municipal Service Review for the District.

### AGENCY OVERVIEW

Background	

Last Chance Creek WD was formed in 1957 as an independent special district.<sup>338</sup> The District was formed to finance irrigation water delivery to the area for agricultural purposes.

The principal act that governs the District is the California Water District Law.<sup>339</sup> The act empowers water districts to produce, store, transmit and distribute water for irrigation, domestic, industrial, and municipal purposes and to provide related drainage services. Districts must apply and obtain LAFCo approval to exercise latent powers or, in other words, those services authorized by the principal act but not provided by the district at the end of 2000.<sup>340</sup>

#### <u>Boundaries</u>

LCCWD's boundary is entirely within Plumas County. The District's boundaries encompass approximately 37 square miles.<sup>341</sup> When the District was first formed, the boundary was drawn larger than the irrigable land. Not all areas within the District are irrigated; there are some residential properties that do not receive water from the District.

There have been no annexations to or detachments from the District since its formation.



<sup>&</sup>lt;sup>338</sup> State Board of Equalization.

<sup>&</sup>lt;sup>339</sup> California Water Code §34000-38501.

<sup>&</sup>lt;sup>340</sup> Government Code §56824.10.

<sup>&</sup>lt;sup>341</sup> Total agency area calculated in GIS software based on agency boundaries as of July 1, 2011. The data is not considered survey quality.

#### Sphere of Influence

An SOI for Last Chance Creek WD was never adopted. Plumas LAFCo will need to adopt an SOI for the District during the SOI updates following the completion of this MSR.

#### Extra-territorial Services

Last Chance Creek WD does not provide any extra-territorial services.

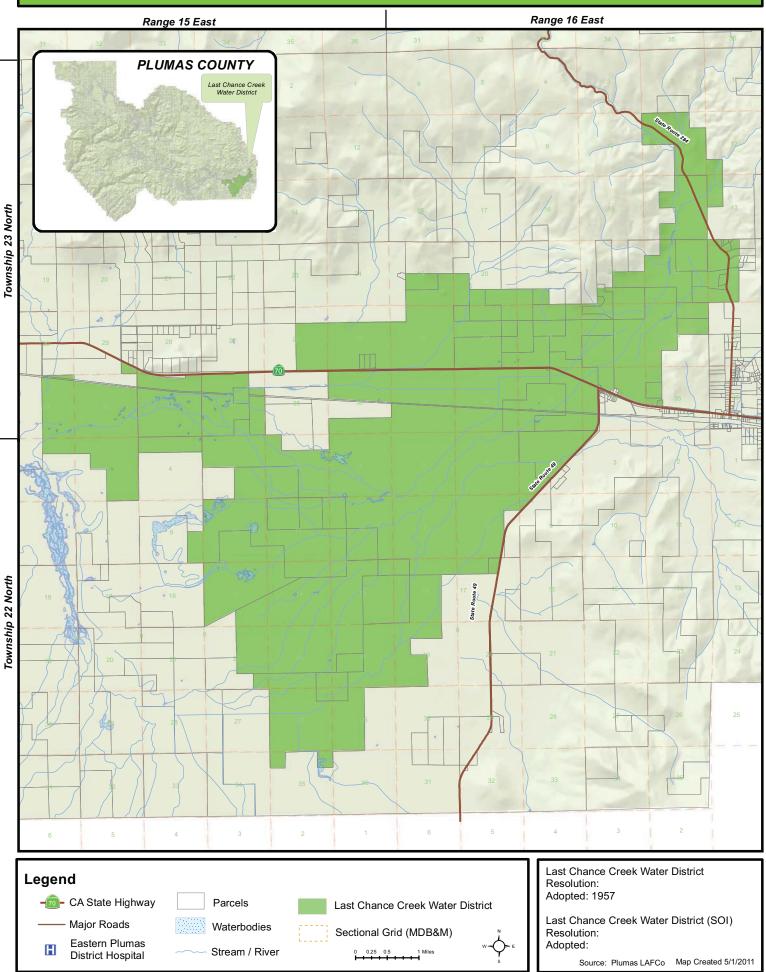
The District contracts with DWR for Frenchman's Reservoir operations and water provision.

#### <u>Areas of Interest</u>

The District indicated that residential properties could be excluded from the District as they are not receiving services and do not vote in district elections.

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## Last Chance Creek Water District



Accountability	and Governance	)	

LCCWD is governed by a five-member Board of Directors who are to be elected at large to staggered four-year terms. Each landowner has one vote per adjudicated water right. There are currently five board members, all of whom were elected. The last contested election took place in 2000. Current board member names, positions, and term expiration dates are shown in Figure 16-2.

The Board meets twice a year or as needed at the President's place of residence, which is also used as the District's office. Meetings usually take place at 1:30 in the afternoon on Fridays. The agenda is distributed to all 15 landowners. Minutes are available upon request. The District does not have a website, so its documents are not available online.

Last Chance Creek Water District								
District Contact In	formatio	n						
Contact:	Milton Frei	, President						
Address:	P.O. Box 94	, Chilcoot, CA 96105						
Telephone:	530-993-40	605						
Email/website:	lazyms@ps	<u>sln.com</u>						
<b>Board of Directors</b>	7							
Member Name	Position	Position Term Expiration Manner of Selection Length of Term						
Milton Frei	President	President December 2013 Elected 4 years						
Donald Cuidici	Director December 2011 Elected 4 years							
Rick Roberti	Director	Director December 2011 Elected 4 years						
Darrin DaMonte	Director	Director December 2013 Elected 4 years						
Mark Botta	Director December 2013 Elected 4 years							
Meetings								
Date:	Twice a year or as needed. Usually at 1:30pm on Fridays.							
Location:	At President's house that also serves as an office.							
Agenda Distribution:	Distributed to all 15 land constituents.							
Minutes Distribution:	Available upon request.							

#### Figure 16-2: Last Chance Creek WD Governing Body

In addition to the legally required agendas and minutes, the District occasionally holds meetings to educate members when needed. At the end of the contractual period with DWR, LCCWD holds a special meeting to determine whether any changes to the contract are needed.

If a customer is dissatisfied with the District's services, that customer may file a complaint with any director. Complaints are usually discussed at board meetings, and the President is responsible for ensuring adequate resolution of each complaint. A majority of the complaints in the past were related to environmental issues. A few years ago, the Feather River Coordinated Resource Management Group was concerned about restoring

the creek. The creek acts as a canal to deliver water; and the Group wanted to create a more permeable creek bed to promote seepage. However, downstream users were having problems getting water. The District's Board coordinated the repairs and the problem was resolved to all parties' satisfaction. There have been no other complaints in the last few years.

Last Chance Creek WD demonstrated accountability and transparency 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 secretary who receives compensation of \$600 a year. She is not formally evaluated, but reports to the Board at each meeting. The treasurer also reports at the board meetings.

Given the small size and informal nature of the District there is little need for evaluations and work load monitoring of staff. Board members review and approve meeting minutes.

The District has a five-year renewable contract with DWR for water provision and Frenchman's Reservoir operations. At the end of each five-year contract period, LCCWD holds a special meeting to determine any desired changes. The present contract became effective December 31, 2010 and will expire December 31, 2015.

LCCWD does not perform formal evaluations of overall district performance, such as benchmarking or annual reports.

The District's financial planning efforts include an annually adopted budget. Financial statements are not audited. The District provided an unaudited financial statement for the 2009 calendar year. The District does not adopt any other planning documents, such as a capital improvement plan or master plan. Capital improvements are performed by individual land owners.

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Designated land uses within the District are primarily agricultural.<sup>342</sup> The total boundary area of LCCWD is 37 square miles.

<sup>&</sup>lt;sup>342</sup> Plumas County Parcel Application.

#### **Population**

The population served by LCCWD is smaller than the total number of residents within the District boundaries. Currently, the District serves 15 landowners. Based on average household size throughout the County of 1.9 people, the estimated population served is 29.

#### Existing Demand

The District reported that it observed no change in population growth and service demand in the last few years.

#### Projected Growth and Development

The agency anticipates no growth in population and similarly in service demand within the District in the next few years; however, no formal population projections have been made by the District. The demand for water is fixed based on the amount allocated to a property, and each property is reportedly using its maximum allotted amount.

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 29 in 2010 to approximately 30 in 2020. It is anticipated that demand for service within the District will not increase based on the DOF population growth projections through 2020.

The District reports that to their knowledge there are no planned or proposed developments within its boundaries.

#### **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.

Since the District only serves a limited number of properties within its boundaries, there is a potential to reduce the boundary size to only those properties that may vote in the District's elections. Last Chance Creek WD is not currently considering the possibility of a boundary change, as only landowners with adjudicated water rights are eligible to vote in district elections.

# Financing

The District reported that the current financing level was adequate to deliver services. No challenges to financing were identified. If the District needs additional revenue in the future to pay DWR, it raises more money from the served landowners.

The District's total revenues for the 2009 calendar year were \$57,463. Revenue sources included water charges (98 percent) and interest income (2 percent).

The District charges landowners for provision of irrigation water in accordance with each landowners water rights. The rates are updated annually and are based on decree to adjudicated water rights, priority type and flow amount. Customers are charged late fees and may be withheld delivery of water for late payments.

Last Chance Creek WD expenditures were \$222,136 in 2009 calendar year. Of this amount, 97 percent was spent on DWR contract charges for a four-year period (2006, 2007, 2008, and 2009), two percent on legal fees, and the remainder on insurance, salary for the secretary, post office box rental, election notices, and postage.

Capital improvements are financed and implemented by the individual landowners and DWR; the District does not own any capital.

The District does not have a formal reserve policy, but aims to keep aside about \$3,000 for emergencies at all times.

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

### WATER SERVICES

## Service Overview

The District acts as a financing mechanism to collect funds from the 15 landowners and reimburse DWR for operating Frenchman Reservoir and delivering water from Frenchman Dam. The DWR watermaster also maintains the flow meters along the creek at points of diversion onto each of the landowners' properties to ensure that each property is getting the allotted amount. It is the watermaster's responsibility to physically regulate diversions within the District. The water users are not permitted to regulate their diversions unless specifically instructed by the watermaster to do so.

Facilities and Capacity		
	Facilities and	Capacity

The District does not own or maintain any facilities. The District also does not hold water rights as an agency.

Water is stored and released from Frenchman Reservoir down Last Chance Creek; it flows along the creek on to individual properties for stock, crops and grazing land.

Natural flows of Little Last Chance Creek are supplemented by reservoir storage provided by Frenchman Dam, which was built by the Department of Water Resources in 1961. DWR is permitted to store in Frenchman Lake up to 34,962 af per annum. DWR delivers water through controlled irrigation release between April 1 and December 31. The maximum withdrawal in any given year may not exceed 15,194 af according to DWR's

5th

16.4

0

Total

74.35

15.85

license for diversion and use of water.<sup>343</sup> Stored water is released as needed under provisions of the water supply contract with LCCWD.

Rights to use of the water of Allotments in cubic feet per second Little Last Chance Creek were **Priority** determined and established by 1st 2nd 3rd 4th decree of the Superior Court of Decreed Water Rights the State of California in 1940. 8.75 13.8 15.6 19.8 Water rights are allotted to the Surplus Rights land within the District. There 3.2 5.7 6.95 0 are a total of 8,208 acres with

#### Figure 16-3: Water Right Allotments (cfs)

adjudicated rights to a maximum of 14,000 af of water within the District, depending on water availability as determined by DWR. Decreed water right allotments to the landowners are shown in Figure 16-2.

In the spring of each year, DWR determines the amount of water that is available for diversion by the District, depending on the amount of water that is in storage in Frenchman Reservoir. In 2010, DWR made available 7,000 AF, of which, the District made use of the entire allotment.

Infrastructure	Needs

As the District does not own or maintain any facilities, there were no identified infrastructure needs or deficiencies.

Challenges		 	
	Challenges		

The District did not identify any particular challenges in providing services.

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Service	Adequacy		
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Indicators for evaluating LCCWD's service adequacy are limited as the District does not own or operate any facilities, and does not directly offer water services. The District operates purely as a financing mechanism for DWR operations. The District has had no problems collecting funds and covering the contract payments to DWR.

The District could enhance accountability to its constituents by holding board meetings at a public meeting space, building a website and hiring a secretary not related to a board member; however, given the small number of district constituents and its location, these options may not be feasible.

<sup>&</sup>lt;sup>343</sup> License 9182, 1956.

## LAST CHANCE CREEK WATER DISTRICT DETERMINATIONS

Growth and Population Projections

- Currently, the District serves 15 landowners or an estimated population of 29.
- There has been no population growth or increase in service demand since the formation of the District.
- The agency anticipates no growth in population and similarly in service demand within the District as allocated water rights are fixed.

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

- The District does not own or maintain any facilities. The District also does not hold water rights as an agency.
- The demand for water is fixed based on the amount allocated to a property, and each property is using its maximum allotted amount.
- There were no identified needs or deficiencies.
- Capital improvements are financed are implemented by the individual landowners and DWR.

Financial Ability of Agencies to Provide Services

- Current financing levels are adequate to deliver services.
- If the District needs additional revenue, it collects more money from the customers.

Status of, and Opportunities for, Shared Facilities

- The District makes use of DWR owned and operated facilities for water storage and delivery.
- No further opportunities for facility sharing were identified.

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

- LCCWD demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCo requests.
- The District could enhance accountability to its constituents by holding board meetings at a public meeting space, building a website and hiring a secretary not related to a board member; however, given the small number of district constituents and its location, these options may not be feasible.
- ✤ A governmental structure option is to reduce the boundary size to only those properties with allocated water rights that may vote in the District's elections.