

## 14. QUINCY COMMUNITY SERVICES DISTRICT

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Quincy Community Services District (QCSD) provides water, wastewater and solid waste services in the western portion of the American Valley. A Municipal Service Review was last conducted for the District in 2007.

### AGENCY OVERVIEW

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#### Background

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QCSD was formed in July of 1989 and absorbed the duties, properties and powers of the County Service Area (CSA) 13 and Quincy Sanitary District. The District has been operating an EPA-funded wastewater treatment plant since early 1980s and currently treats sewage from both, QCSD and East Quincy Services District (EQSD). As part of the wastewater treatment facility operations, QCSD administers the Disposal Agreement for effluent irrigation on the Leonhardt Ranch. Also in 1989 QCSD took over a privately owned water system upon a favorable vote of the users and started providing water service to its customers.

The principal act that governs the District is the State of California Community Services District Law.<sup>97</sup> 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).<sup>98</sup>

QCSD is located in the central part of Plumas County and encompasses a western portion of the community of Quincy, which also serves as a County seat. The closest water and wastewater collection provider is East Quincy Services District (EQSD) located to the east of QCSD and serving the eastern portion of Quincy.

#### Boundaries

QCSD's boundary is entirely within Plumas County. The present bounds encompass approximately 2.6 square miles. There have been three annexations since the District's formation in 1989. The latest annexation occurred in 2010 and involved Sprayfield Property. In 2010, QCSD consolidated with East Quincy CSD to form the American Valley CSD, but dissolved back to two separate districts less than a year later. All the boundary reorganizations for the District are shown in Figure 14-1.

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<sup>97</sup> Government Code §61000-61226.5.

<sup>98</sup> Government Code §61106.

**Figure 14-1: QCSD List of LAFCo-approved Border Changes**

| <i>Project Name</i>                 | <i>Type of Action</i> | <i>Year</i> | <i>Recording Agency</i> |
|-------------------------------------|-----------------------|-------------|-------------------------|
| Quincy Community Services District  | Formation             | 1989        | SBOE                    |
| Beesken Lane Territory              | Annexation            | 1991        | SBOE                    |
| Feather River College et al         | Annexation            | 2005        | SBOE                    |
| Sprayfield Property                 | Annexation            | 2010        | LAFCo                   |
| Formation of AVCSD (QCSD and EQCSD) | Consolidation         | 2010        | LAFCo                   |
| QCSD formation after AVCSD split    | Dissolution           | 2011        | LAFCo                   |

*Sphere of Influence*

In 2007, after the adoption of the joint MSR for EQSD and QCSD, Plumas LAFCo adopted a joint SOI for both districts encouraging their consolidation. After their consolidation in 2010, the districts split back up into two in 2011 after the withdrawal of EQSD. QCSD currently has a provisional sphere of influence, which is coterminous with the District's boundaries.

*Extra-territorial Services*

QCSD provides extra-territorial services to EQSD by treating its wastewater at the District's wastewater treatment plant. In 1995, the two districts entered into a 40-year joint powers agreement for the joint use of the plant.

Additionally, QCSD provides water and sewer services outside of the District's boundaries within Feather River RV Park (partially located within the District's boundaries). The RV Park is billed monthly. There is no out-of-area service agreement in place since the services commenced prior to 1994.

The District is a member of American Water Works Association, California Rural Water Association, California Special District Association, California Water Environment Association, and North Cal-Neva Resource Conservation and Development.

There are areas within QCSD boundaries where the District does not provide water services. Feather River College, located within the District's boundaries operates an independent water system from the District. The College's water system serves the College, Feather River Apartments, and the Plumas County Annex. The District's licensed backflow tester is testing the College's multiple backflow devices. Additionally, the property located at 444 W. Main Street is served by EQSD water, and QCSD is billed for it.

Another area within the District where QCSD is not providing services is the property owned by the County Community Development Commission, which has a grant to have water and sewer provided to the property. Water and sewer services within the property are provided by EQSD according to an out-of-area service agreement (OASA) issued by Plumas County LAFCo on November 24, 2014.<sup>99</sup> As stated in the OASA, an application for detachment of the property from QCSD and annexation to EQSD must be filed by the County Community Development Commission with LAFCo within 60 days of execution of the OASA administrative order otherwise the out-of-area service agreement will be null

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<sup>99</sup> 2014 OASA-001

and void and automatically terminated. As of March 27, 2015, the required application has not yet been filed.

Auditing services are provided by Singleton and Auman, while legal services are received from Jan Klement, Attorney at Law. The District receives accounting consultation from Bequette and Kimmel Accountancy Corporation.

Areas of Interest

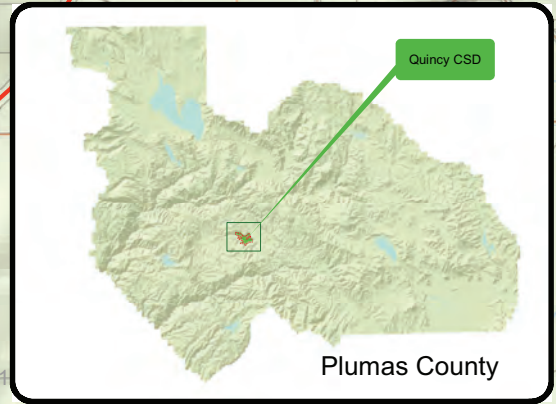
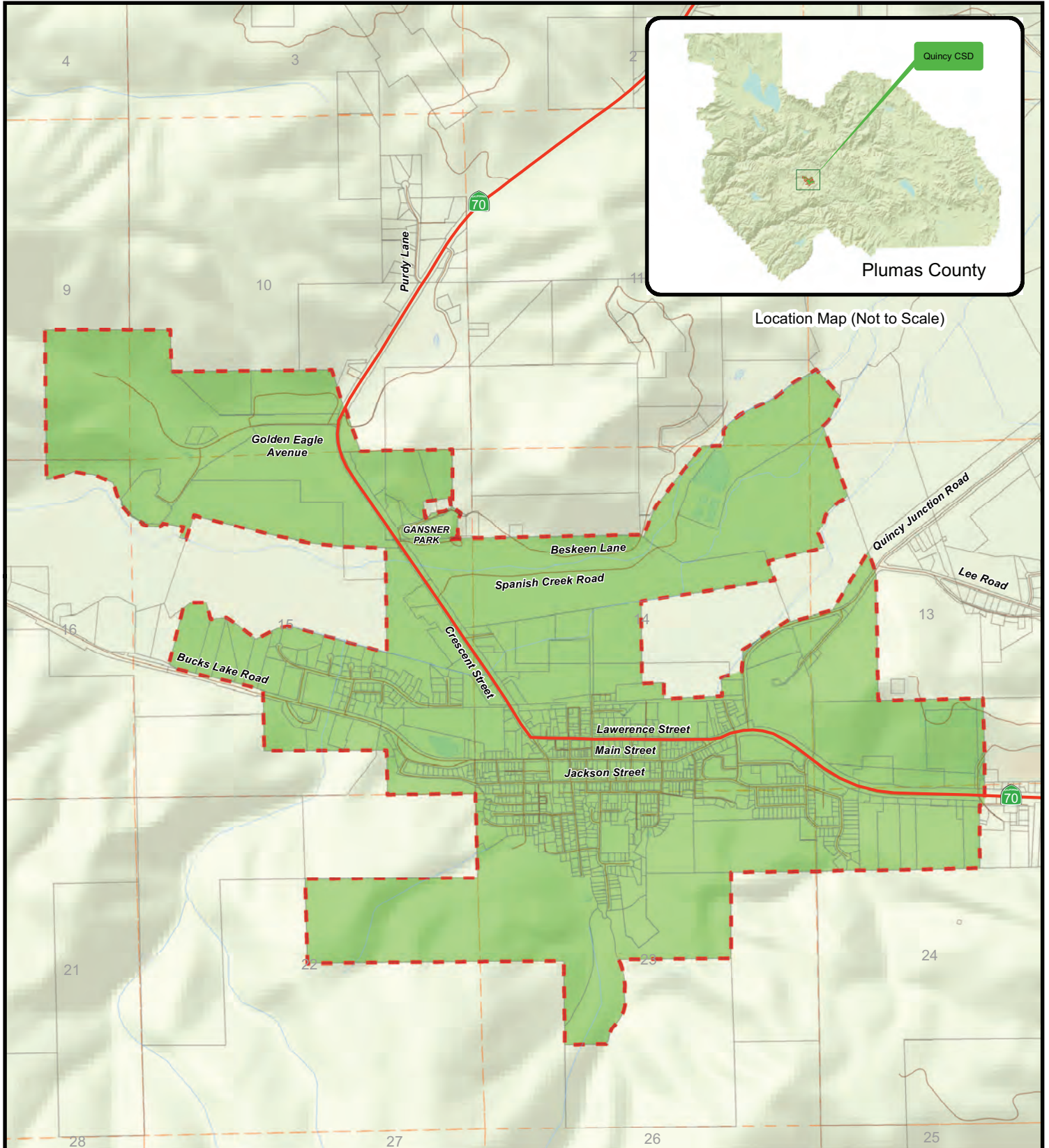
An area of interest for QCSD is the East Quincy CSD. Despite the recent consolidation and dissolution history, the districts are likely to merge again.

In 1995, EQSD and QCSD entered into the American Valley Community Services Authority (AVCSA) Joint Powers Agreement, the ultimate goal of which was the consolidation of the two districts. Resolutions were adopted by AVCSA for joint use of the wastewater plant, construction of an intertie pipeline for water service and adoption by the districts of common connection fees and fee determination methodologies. The two districts consolidated in 2010, but in 2011 due to disagreements between the members of the AVCSA JPA Board and the respective Boards, AVCSA JPA Board voted to not pursue this reorganization further and provide services as two separate districts as they had been in the past. The JPA is currently still in existence. QCSD reported that it would consider re-consolidation if EQSD is amenable to the idea.

# Quincy Community Services District

Range 9 East

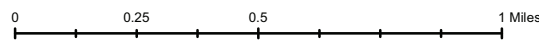
Township 24 North



Location Map (Not to Scale)

## Legend

- Highways
- Major Roads
- Stream / River
- Waterbodies
- Parcels
- Sectional Grid (MDB&M)
- Quincy Community Services District
- Quincy Community Services District Sphere of Influence



Quincy CSD  
Resolution: 2011-0009  
Adopted: February 6, 2012

Quincy CSD (SOI)  
Resolution: 2011-0009  
Adopted: February 6, 2012

Source: Plumas LAFCo Map Created 6/15/2014

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## Accountability and Governance

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QCSD is governed by a five-member Board of Directors who are elected at large to staggered four-year terms. There are currently no vacancies. Current board member names, positions, and term expiration dates are shown in Figure 14-3.

The Board meets on the second Thursday of every month at nine in the morning at the district office boardroom at 900 Spanish Creek Road in Quincy. Board meeting agendas are posted on the website, QCSD office front door, Plumas County Public Library, and bulletin board outside of the U.S. Post Office. Minutes are available upon request and online.

**Figure 14-3: QCSD Governing Body**

| <b>Quincy Community Services District</b>  |                                                              |                 |                     |                |
|--------------------------------------------|--------------------------------------------------------------|-----------------|---------------------|----------------|
| <b><i>District Contact Information</i></b> |                                                              |                 |                     |                |
| <b>Contact:</b>                            | Larry Sullivan, General Manager                              |                 |                     |                |
| <b>Address:</b>                            | 900 Spanish Creek Road, Quincy, CA 95971                     |                 |                     |                |
| <b>Telephone:</b>                          | 530-283-0836                                                 |                 |                     |                |
| <b>Email/website:</b>                      | <a href="http://www.quincycsd.com">www.quincycsd.com</a>     |                 |                     |                |
| <b><i>Board of Directors</i></b>           |                                                              |                 |                     |                |
| Member Name                                | Position                                                     | Term Expiration | Manner of Selection | Length of Term |
| Denny Churchill                            | President                                                    | December 2017   | Elected             | 4 years        |
| Ruth Jackson                               | Vice-president                                               | December 2017   | Elected             | 4 years        |
| Richard Castaldini                         | Director                                                     | December 2017   | Elected             | 4 years        |
| James Bequette                             | Director                                                     | December 2015   | Elected             | 4 years        |
| Douglas Ely                                | Director                                                     | December 2015   | Elected             | 4 years        |
| <b><i>Meetings</i></b>                     |                                                              |                 |                     |                |
| <b>Date:</b>                               | Second Thursday of every month at 9:00am.                    |                 |                     |                |
| <b>Location:</b>                           | District office boardroom at 900 Spanish Creek Road, Quincy. |                 |                     |                |
| <b>Agenda Distribution:</b>                | Posted on the District website.                              |                 |                     |                |
| <b>Minutes Distribution:</b>               | Available upon request and on the website.                   |                 |                     |                |

The District's Board members are compensated at \$30 an hour, \$100 maximum a day and \$600 maximum per month. Travel and training expenses may be reimbursed.

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 last received ethics training in March 2014. The District has established a written policy on expense reimbursement.

In addition to the required agendas and minutes, the District tries to reach its constituents through making its information, including contact and Board meeting

information, staff information, and job opportunities available on its website. Additionally, QCSD makes its information available through mailings, phone tree, newspaper, and email.

If a customer is dissatisfied with the District's services, complaints may be submitted through the District's staff. The information is then passed on to the office manager if a complaint is not resolved. The next step up is the lead operator or the general manager. If the complaint is still not resolved by then, it is passed on to be Board of Directors. There were no complaints received by the District in 2013.

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 Forms 700 and maintaining copies in their records. All of the District's Board members filed Forms 700 for 2013.

QCSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. While the District faced challenges responding to questionnaires and requests for information under a specific deadline all the information was eventually provided.

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## Planning and Management Practices

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QCSD has seven full-time and two part-time employees. In addition, QCSD utilizes a contract accountant to assist in tracking income, expenses and payroll. The seven full-time positions (employed at 40 hours a week) include a general manager, lead operator and laboratory director, office manager, administrative assistant, operator I, operator II, and a mechanic II. The two part-time positions are an accounting clerk and laboratory technician.

The general manager, who is accountable to the Board of Directors, is responsible for the day-to-day operations of the District. The general manager oversees office manager and lead operator/lab directors. Administrative assistant and accounting clerk report to the office manager; operator/lead mechanic, operators and lab assistant are accountable to lead operator/lab directors.

The District's staff is evaluated annually by the general manager. The Board of Directors evaluates the general manager. QCSD does not perform evaluations of the District as a whole through annual reports or benchmarking.

The staff's workload is tracked through timesheets.

The District's financial planning efforts include an annually adopted budget and annually audited financial statements. QCSD plans for its capital improvement needs through a Capital Improvement Plan (CIP). The Budget Committee along with the General Manager review it as needed and update annually. The plan was last updated in 2014 and has a planning horizon of five years.

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.<sup>100</sup> The most recent audit for QCSD was completed for FY 13. The District should ensure it is meeting the adopted audit requirements as determined by the Board of Supervisors and submitting budgets annually to the County as legally required. QCSD reported that it was in compliance with the legal requirements.

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.

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## Existing Demand and Growth Projections

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Land uses within the District are mainly residential, suburban, agricultural, commercial, and recreational. The District's bounds encompass nearly 2.6 square miles.

### Population

According to the GIS analysis of the 2010 Census population data, there are 1,750 residents within QCSD. The population density is 673 people per square mile.

### Existing Demand

The District reported that it had observed no change in population and service demand in the last five years. The demand stayed the same or slightly decreased. The number of water connections stayed at 767 from 2009 through 2012, after which it went up to 768. The number of wastewater connections from 2009 to 2014 fluctuated between 769 and 767. Peak demand time for water and wastewater is usually during July and August.

### Projected Growth and Development

Although no formal population projections have been made by the District, it is anticipated that there would be little to no growth in the next few years. QCSD is not aware of any planned developments within the District boundaries.

The District reported that it had sufficient capacity to provide wastewater services to its current and future service area. However, to be able to meet the water demand, QCSD has to use the intertie and pull water from EQSD.

The State Department of Finance (DOF) projects that the population of Plumas County will grow by four percent in the next 10 years. Thus, the average annual population growth in the County is anticipated to be approximately 0.4 percent. Based on these projections, the District's population would increase from 1,750 in 2010 to approximately 1,820 in 2020. It is anticipated that demand for service within the District will increase minimally based on the DOF population growth projections through 2020.

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<sup>100</sup> Government Code §26909.

### 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 future growth alternatives, although EQSD and QCSD dissolved, there is a possibility that the two districts may reunite which would again change the governance structure as well as boundaries of the two agencies. QCSD is reportedly interested in re-consolidation.

Another reorganization alternative for QCSD is the detachment of the property owned by the County Community Development Commission and served by EQCSD, as was previously described in the *Extra-territorial Services* section. On April 14, 2014 QCSD passed a resolution requesting Plumas Local Agency Formation Commission to take proceedings for the detachment of the aforementioned property.<sup>101</sup> The detachment is pending the application to LAFCo by the County Community Development Commission.

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### Financing

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The District reported that its financing level was adequate to deliver services. No financing challenges were identified. The District has budgeted for the collection system upgrade with grants and USDA loan.

The FY 12-13 audit identified two material weaknesses in internal control, which expose QCSD to risk of financial statement misstatement and the potential risk of errors and fraud. One of the material weaknesses is the District's inadequate segregation of duties. The District responded that it could not with its current budget hire an adequate number of employees to insure that custody of assets and accountability for assets is separated. QCSD believes that being aware of this weakness will insure that existing employees and Board members will maintain diligence to potential risks of not having an adequate segregation of duties. Another weakness identified is that similar to many other small special districts, QCSD does not have policies and procedures in place to ensure that complete and accurate financial statements, MD&A and footnote disclosures are prepared to accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statement and to prepare adjusting journal entries for approval in order to report financial information in accordance with GAAP. The District has determined that the costs of correcting this control weakness outweigh the benefits to be received. QCSD will continue to rely on the independent auditor to prepare its annual financial statements. The District reported that its MD&A and footnote disclosures were prepared in accordance with GAAP prior to the annual audit.

In FY 14, the District received about \$1.9 million in revenue, including 31 percent from water charges, 32 percent from wastewater service charges, 18 percent from EQSD service charges, nine percent from USDA reserve collected, and six percent from property tax revenue. Other revenue sources included fire protection, set up fees, connection fees, sale

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<sup>101</sup> QCSD Resolution 2014-02.



of reclaimed water, backflow testing, electric revenue from EQSD, rents and leases, franchise fees, interest revenue, penalties, and rural electric capital credits.

The dominant source of funding for the District is user charges paid by the QCSD's water and wastewater customers. The District's fee schedule is updated annually. Monthly water charges are based on meter size and vary from \$26.75 to \$609.06. Commodity rates are \$0.158 per 100 gallons for first 2,300 gallons and \$0.181 per 100 gallons for over 2,300 gallons. Residential wastewater rates are \$45.82 per month for single-family residential customers and \$40.77 for multi-family unit. Non-residential sewer rates are based on meter size and vary between \$8.54 per month and \$151.90 per month. Commodity rates are \$0.528 per 100 gallons for low-strength user, \$0.651 per 100 gallons for medium-strength user, \$0.959 per 100 gallons for high-strength user, and \$0.485 per 100 gallons for schools. EQSD pays QCSD \$21.17 per dwelling unit equivalent, which amounts to about \$29,426 a month.

The formal relationship between the two districts was wrought by the American Valley Community Services Authority (AVCSA) Agreement Resolution 95-1A to purchase wastewater treatment in 1995. The agreement included a provision titled "1. Joint Use Buy-in," which specified a lump sum payment to QCSD in the amount of \$1,996,000 to guarantee treatment capacity at the existing wastewater treatment plant (WWTP) for at least 40 years. In addition to the 40-year treatment capacity buy-in, a formula of EQSD monthly service payment was also established, which has since then been amended multiple times.

QCSD does not collect any benefit assessments or special taxes.

During FY 14, the District spent \$1.4 million, including 27 percent on salaries and wages, 17 percent on employee benefits, six percent on operating supplies, nine percent on utilities, five percent on maintenance, five percent on state-required engineering reports, and seven percent on USDA debt service. Other expenditures included overtime wages, pager duty, directors' fees, insurance, memberships expense, office expense, credit card transaction fees, printing, postage and publication, travel and training, professional services, mapping and CAD services, telemetering maintenance, gas, oil and fuel, lab services, USGS Spanish Creek monitoring, water purchases from EQSD, NPDES, safety expense, state monitoring fees, biosolids disposal, and pilot projects expense.

QCSD keeps multiple financial reserves, the balance in which amounted to approximately \$2.2 million at the end of FY 12-13. Wastewater System Collection reserve's (\$226,950) purpose is the replacement of wastewater infrastructure. The Treatment Plant reserve (\$298,491) and the Wastewater Asset reserve (\$10,867) were established for treatment system and facility replacement. The Water Facility Replacement reserve (\$294,667) is for water system and building replacement. The unrestricted reserve for contingencies had a balance of \$1,344,091 at the end of FY 12-13.

The District plans for its capital improvement needs through a Capital Improvement Plan, which is updated annually. The District's CIP last updated in November of 2014 lists the infrastructure needs for wastewater treatment plant, wastewater collection system and water system. The wastewater treatment plant projects include mapping, grit auger, lab equipment, pumps and motors (stormwater, recycle, irrigation, well), replacement of backhoe, berm repairs, replacement 250, chlorine system repairs (repair concrete basin), copier, replacement of phone system, pond B1 and B2 inflow, repair of leaks in irrigation

ditches, grit chamber and air lift system, plant water lines and valves, diffuser improvements, berm project, and filtration and UV disinfection project. The five year total for these projects amounts to \$6,181,750, \$200,000 of which will be financed by grants. Similarly the planning horizon for wastewater collection improvement program is five years. The infrastructure needs that are expected to have a total cost of \$836,458 in FY 18-19, include mapping, telemetry/SCADA, capitol, replacement of backhoe, replacement 250, copier, phone system, sewer lateral cleanouts and manhole spot repairs, USDA-RC collection project, USDA collection project paving, and Buchanan, Old MV road, and Baker Way (plans and specs). The planned water system projects consist of water meter replacement and upgrade, mapping, copier, telemetry PRV/SCADA, lab equipment, spring system improvements, Leonard/Andy's way loop, replacement 250, replacement of backhoe, water storage tank Boyle #1, water storage tank Goodwin, replacement of copper lines and setters, replacement of phone system, improvement of water supply/test well, Central, Edwards, Summerfield, booster station and building, and Boyle Creek water line. The estimated five-year total is \$1,715,130. Some of the wastewater treatment plant projects, wastewater collection system projects and water projects overlap.

The District's long-term debt is represented by non-interest-bearing Plumas-Sierra Rural Electric Cooperative Capital lease with the original balance of \$6,460 and monthly payments of \$18 through 2029. Additionally, the District obtained a loan in the amount of \$3,040,000 from USDA to fund a wastewater improvement project. As of June 30, 2013, the loan proceeds were partially unspent; the debt balance was \$2,939,790. The loan is expected to be paid off by 2052.

## WATER SERVICES

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### Service Overview

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The District supplies untreated water obtained from wells, a springline and EQSD to 768 active customers, including 586 residential, 149 commercial, three industrial, 24 public, and three irrigation. There is an intertie valve between QCSD and EQSD to supply water to QCSD when needed. The District has an agreement with EQSD to obtain up to 350 gallons per minute (gpm); however, the supply of water to QCSD is contingent on EQSD meeting its system demands first. The property located at 444 W. Main Street (within QCSD) is served by EQSD water, and QCSD is billed for usage.

There are no water connections outside of the District's boundaries.

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### Staffing

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Maintenance and operation of the water system are provided directly through district staff.

The District has six employees directly involved in the water operations. Two of them hold Water Treatment Grade 1 and two hold Water Treatment Grade 2 certifications. Additionally, two employees are certified as Water Distribution Grade 1, one as Water Distribution Grade 2 and one as Water Distribution Grade 3.

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### Facilities and Capacity

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The District owns and operates six wells, including Well #1 Norton, Well #2 Bellamy, Well #3 Coburn, Well #4 High School, Well #6 Sunset, and Well #7 Boyle. Additionally, QCSD owns spring overflow and spring main. Water from EQSD is received via the intertie valve. The District has not reported the location, date of construction, or the condition of its infrastructure.

According to the Department of Public Health (DPH) 2012 inspection report, the District is considering constructing an additional well to help minimize the usage of Wells #1 and #6. These wells have water quality issues even though they meet primary water quality standards. Well #1 is not used due to MTBE being detected in the water, and Well #6 is not normally used due to high TDS in the water causing taste and odor complaints. Both wells have SCADA installed, which can be used if needed. QCSD has recently installed a valve at Well #6 to flush the main. A more detailed description of water sources is shown in Figure 14-4.

QCSD relies on groundwater from the American Valley groundwater basin for its well water supply.

**Figure 14-4: QCSD water sources**

| Source                                  | Capacity         |
|-----------------------------------------|------------------|
| Well #1                                 | 250 gpm          |
| Well #2                                 | 220 gpm          |
| Well #3                                 | 30 gpm           |
| Well #4                                 | 55 gpm           |
| Well #6                                 | 100 gpm          |
| Well #7                                 | 50 gpm           |
| Spring                                  | 90 gpm           |
| <b>Total well &amp; spring capacity</b> | <b>795 gpm</b>   |
| <b>Purchased Water</b>                  |                  |
| EQSD                                    | 350 gpm          |
| <b>Total Capacity</b>                   | <b>1,145 gpm</b> |

Operation of the wells is controlled by SCADA, which utilize level controllers in the storage tanks. Water from the spring serves the Stephen Pressure Zone by gravity with the excess water sent to the tank for use in the main distribution zone. Storage tanks float on the distribution system. Except for the greensand filter at Well #1, no treatment is provided for the spring or the wells as the raw groundwater meets all state primary standards. Water production records provided by the District show a significant drop in water usage since the District began informing its customers of the merits of water conservation. The District has adequate source capacity to meet maximum day demand with all of its permitted sources in use. However, since QCSD does not use Well #1 because of past taste and odor complaints associated with trace amounts of MTBE, it does rely on the intertie with EQSD to help ensure it meets domestic water demand in the summer months. Well 6 is not normally used due to high TDS also causing taste and odor problems; however, the District reported that it would use it first if necessary before Well #1, to provide domestic water for the system.

The District’s distribution system consists of 17 miles of C-900 and PVC pipes that were reported to be in good condition. The District operates two pump stations. QCSD owns approximately 80 fire hydrants located all over its boundary area.

The District’s total water storage capacity is 1.8 million gallons. Water is stored in two water tanks made from welded steel with 1.5 million gallon and 0.3 million gallon capacity. The DPH reports that both tanks appear to be well maintained and in good condition. For water systems with less than 1,000 service connections the California waterworks standards requires the storage capacity to be equal to or greater than the maximum day demand, unless the system can demonstrate that it has additional source capacity to meet peak demands. According to DPH, the District provides sufficient storage capacity to meet the waterworks standards.

The District’s total water source capacity is 1.65 mgd. The QCSD’s peak day demand is 0.66 mgd or 40 percent of the total capacity.

According to DPH inspection report the District has sufficient source capacity to supply current maximum day demands and is in compliance with waterworks standards.

The District conducts its emergency planning through Emergency Notification Plan. The District considers itself in good position to sustain drought and does not plan to change its supply in drought years. Conservation practices include mandatory water restriction in accordance with the State of California requirements.

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## Infrastructure Needs

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The main infrastructure needs for the District's water system are water meter replacement and upgrade, spring system improvements, upgrades on both water tanks, and improving water supply. Additionally, the District would like to construct a booster station and install the Boyle Creek water line. All infrastructure needs and associated costs are recorded in the District's five-year CIP last updated in 2014. No funding sources were identified.

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## Challenges

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The District has not identified any challenges to water service provision.

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## Service Adequacy

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This section reviews indicators of service adequacy, including the California Department of Public Health system evaluation, drinking water quality, and distribution system integrity.

The DPH 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. Domestic water providers of at least 200 connections are subject to inspections by DPH. During the Department of Public Health's most recent annual inspection in 2012, DPH reported that the District's domestic water supply system is "managed and operated in a manner that meets good waterworks practices." During the inspection it was determined that water in Well #6 transmission main was of poor aesthetic quality due to the well not being used. It was concluded that QCSD needed to install a flushing valve on transmission main so it could be flushed on a routine basis to keep the transmission water fresh. The District reportedly has complied with this requirement.

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 2013. QCSD had three health based violations in 2002, 2009 and 2012, all related to coliform. Additionally, there was one monitoring violation in 2007, also related to coliform. The District was in full compliance with Primary Drinking Water Regulations for 365 days in 2013.

Indicators of distribution system integrity are the number of breaks and leaks in 2013 and the rate of unaccounted for distribution loss. The District reported that there were no leaks or pipeline breaks in 2013. QCSD estimates that it loses approximately 6.8 percent of water between the water source and the connections served.

**Figure 14-5: QCSD Water Service Adequacy Indicators**

| <b>Water Service Adequacy and Efficiency Indicators</b>                                                                  |          |                                      |      |
|--------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------|------|
| <b>Service Adequacy Indicators</b>                                                                                       |          |                                      |      |
| Connections/FTE                                                                                                          | 128      | Distribution Loss Rate               | 6.8% |
| MGD Delivered/FTE                                                                                                        | 0.07     | Distribution Break Rate <sup>1</sup> | 0    |
| Distribution Breaks & Leaks (2013)                                                                                       | 0        | Total Employees (FTEs)               | 6.00 |
| Customer Complaints CY 2013: 0    Odor/taste 0, color/leaks 0, pressure 0, other 0                                       |          |                                      |      |
| <b>Drinking Water Quality Regulatory Information<sup>2</sup></b>                                                         |          |                                      |      |
|                                                                                                                          | <b>#</b> | <b>Description</b>                   |      |
| Health Violations                                                                                                        | 3        | Coliform                             |      |
| Monitoring Violations                                                                                                    | 1        | Coliform                             |      |
| DW Compliance Rate <sup>3</sup>                                                                                          | 100%     |                                      |      |
| Notes:                                                                                                                   |          |                                      |      |
| (1) Distribution break rate is the number of leaks and pipeline breaks per 100 miles of distribution piping.             |          |                                      |      |
| (2) Violations since 2000, as reported by the U.S. EPA Safe Drinking Water Information System.                           |          |                                      |      |
| (3) Drinking water compliance is percent of time in compliance with National Primary Drinking Water Regulations in 2013. |          |                                      |      |

**Figure 14-6: QCSD Water Service Tables**

| <b>Water Service Configuration &amp; Infrastructure</b>                                                          |                                                                                                      |                                |                    |                  |          |
|------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------|--------------------|------------------|----------|
| <b>Water Service</b>                                                                                             | <b>Provider(s)</b>                                                                                   | <b>Water Service</b>           | <b>Provider(s)</b> |                  |          |
| Retail Water                                                                                                     | QCSD                                                                                                 | Groundwater Recharge           | None               |                  |          |
| Wholesale Water                                                                                                  | None                                                                                                 | Groundwater Extraction         | QCSD               |                  |          |
| Water Treatment                                                                                                  | None                                                                                                 | Recycled Water                 | None               |                  |          |
| <b>Service Area Description</b>                                                                                  |                                                                                                      |                                |                    |                  |          |
| Retail Water                                                                                                     | 768 customers, including 586 residential, 149 commercial, 3 industrial, 24 public, and 3 irrigation. |                                |                    |                  |          |
| Wholesale Water                                                                                                  | None                                                                                                 |                                |                    |                  |          |
| Irrigation Water                                                                                                 | Provides irrigation water to three connections.                                                      |                                |                    |                  |          |
| <b>Water Sources</b>                                                                                             |                                                                                                      | <b>Supply (Acre-Feet/Year)</b> |                    |                  |          |
| <b>Source</b>                                                                                                    | <b>Type</b>                                                                                          | <b>2013</b>                    | <b>Maximum</b>     | <b>Safe/Firm</b> |          |
| American Valley GW Basin                                                                                         | Groundwater                                                                                          | 452.83                         | N/P                | N/P              |          |
| <b>System Overview</b>                                                                                           |                                                                                                      |                                |                    |                  |          |
| Average Daily Demand                                                                                             |                                                                                                      | 0.35 mgd                       | Peak Day Demand    |                  | 0.66 mgd |
| <b>Major Facilities</b>                                                                                          |                                                                                                      |                                |                    |                  |          |
| <b>Facility Name</b>                                                                                             | <b>Type</b>                                                                                          | <b>Capacity</b>                | <b>Condition</b>   | <b>Yr Built</b>  |          |
| Well 1 Norton                                                                                                    | Well                                                                                                 | 250 gpm                        | N/P                | N/P              |          |
| Well 2 Bellamy                                                                                                   | Well                                                                                                 | 220 gpm                        | N/P                | N/P              |          |
| Well 3 Coburn                                                                                                    | Well                                                                                                 | 30 gpm                         | N/P                | N/P              |          |
| Well 4 High School                                                                                               | Well                                                                                                 | 55 gpm                         | N/P                | N/P              |          |
| Well 6 Sunset                                                                                                    | Well                                                                                                 | 100 gpm                        | N/P                | N/P              |          |
| Well 7 Boyle                                                                                                     | Well                                                                                                 | 50 gpm                         | N/P                | N/P              |          |
| Spring Overflow                                                                                                  | Spring                                                                                               | 30 gpm                         | N/P                | N/P              |          |
| Spring Main                                                                                                      | Spring                                                                                               |                                | N/P                | N/P              |          |
| Tank 1                                                                                                           | Tank                                                                                                 | 1.5 mg                         | N/P                | N/P              |          |
| Tank 2                                                                                                           | Tank                                                                                                 | 0.3 mg                         | N/P                | N/P              |          |
| <b>Other Infrastructure</b>                                                                                      |                                                                                                      |                                |                    |                  |          |
| Reservoirs                                                                                                       | 0                                                                                                    | Spring                         | 1                  |                  |          |
| Pump Stations                                                                                                    | 2                                                                                                    | Storage Capacity (mg)          | 1.80               |                  |          |
| Production Wells                                                                                                 | 6                                                                                                    | Pressure Zones                 | 1                  |                  |          |
| Storage tanks                                                                                                    | 2                                                                                                    | Pipe Miles                     | 17                 |                  |          |
| <b>Facility-Sharing and Regional Collaboration</b>                                                               |                                                                                                      |                                |                    |                  |          |
| <b>Current Practices:</b> There is an intertie valve between QCSD and EQCSD to supply water when needed to QCSD. |                                                                                                      |                                |                    |                  |          |
| <b>Opportunities:</b> No additional opportunities were identified.                                               |                                                                                                      |                                |                    |                  |          |
| Notes:                                                                                                           |                                                                                                      |                                |                    |                  |          |
| (1) N/A means Not Applicable, N/P means Not Provided, mg means millions of gallons, af means acre-feet.          |                                                                                                      |                                |                    |                  |          |

| <b>Water Demand and Supply</b>                                                                                                                                        |                                                                |                      |             |        |                       |      |      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------|-------------|--------|-----------------------|------|------|
| <b>Service Connections</b>                                                                                                                                            | <b>Total</b>                                                   | <b>Inside Bounds</b> |             |        | <b>Outside Bounds</b> |      |      |
| Total                                                                                                                                                                 | 768                                                            | 768                  |             |        | 0                     |      |      |
| Residential                                                                                                                                                           | 586                                                            | 586                  |             |        | 0                     |      |      |
| Commercial                                                                                                                                                            | 149                                                            | 149                  |             |        | 0                     |      |      |
| Industrial                                                                                                                                                            | 3                                                              | 3                    |             |        | 0                     |      |      |
| Public                                                                                                                                                                | 24                                                             | 24                   |             |        | 0                     |      |      |
| Irrigation                                                                                                                                                            | 3                                                              | 3                    |             |        | 0                     |      |      |
| <b>Average Annual Demand Information (Acre-Feet per Year)</b>                                                                                                         |                                                                |                      |             |        |                       |      |      |
|                                                                                                                                                                       | 2000                                                           | 2005                 | 2010        | 2013   | 2020                  | 2025 | 2030 |
| Total                                                                                                                                                                 | 445                                                            | 412                  | 377         | 395    | N/P                   | N/P  | N/P  |
| Residential                                                                                                                                                           | 291.99                                                         | 252.77               | 239.79      | 247.46 | N/P                   | N/P  | N/P  |
| Commercial/Industrial                                                                                                                                                 | 153.28                                                         | 133                  | 112.72      | 115.18 | N/P                   | N/P  | N/P  |
| Irrigation                                                                                                                                                            | -                                                              | 26.15                | 24.79       | 32.54  | N/P                   | N/P  | N/P  |
| <b>Supply Information (Acre-feet per Year)</b>                                                                                                                        |                                                                |                      |             |        |                       |      |      |
|                                                                                                                                                                       | 2000                                                           | 2005                 | 2010        | 2013   | 2020                  | 2025 | 2030 |
| Total                                                                                                                                                                 | 528                                                            | 459                  | 413         | 453    | N/P                   | N/P  | N/P  |
| Imported                                                                                                                                                              | 0                                                              | 0                    | 0           | 0      | 0                     | 0    | 0    |
| Groundwater/spring                                                                                                                                                    | 662                                                            | 604                  | 603         | 587    | N/P                   | N/P  | N/P  |
| Surface                                                                                                                                                               | 0                                                              | 0                    | 0           | 0      | 0                     | 0    | 0    |
| Recycled                                                                                                                                                              | 0                                                              | 0                    | 0           | 0      | 0                     | 0    | 0    |
| <b>Drought Supply and Plans</b>                                                                                                                                       |                                                                |                      |             |        |                       |      |      |
| Drought Supply (af) <sup>1</sup>                                                                                                                                      | Year 1: N/P                                                    |                      | Year 2: N/P |        | Year 3: N/P           |      |      |
| Storage Practices                                                                                                                                                     | Storage capacity is 1.8 mg.                                    |                      |             |        |                       |      |      |
| Drought Plan                                                                                                                                                          | Emergency Notification Plan includes the notification process. |                      |             |        |                       |      |      |
| <b>Water Conservation Practices</b>                                                                                                                                   |                                                                |                      |             |        |                       |      |      |
| CUWCC Signatory                                                                                                                                                       | No                                                             |                      |             |        |                       |      |      |
| Metering                                                                                                                                                              | Yes                                                            |                      |             |        |                       |      |      |
| Conservation Pricing                                                                                                                                                  | No                                                             |                      |             |        |                       |      |      |
| Other Practices                                                                                                                                                       | Mandatory restriction.                                         |                      |             |        |                       |      |      |
| Notes:                                                                                                                                                                |                                                                |                      |             |        |                       |      |      |
| (1) Firm or safe water supply from the aquifer is unknown. Limits of water during drought are based on maximum supply determined by the recharge rate of the aquifer. |                                                                |                      |             |        |                       |      |      |



| <b>Water Rates and Financing</b>                 |                                                |                           |                            |
|--------------------------------------------------|------------------------------------------------|---------------------------|----------------------------|
| <b>Rate Description</b>                          |                                                |                           |                            |
| The charges vary by meter size.                  |                                                |                           |                            |
| <b>Agricultural &amp; Irrigation Water Rates</b> |                                                |                           |                            |
| <b>Rate Description</b>                          |                                                |                           |                            |
| N/A                                              |                                                |                           |                            |
| <b>Special Rates</b>                             |                                                |                           |                            |
| N/A                                              |                                                |                           |                            |
| <b>Wholesale Water Rates</b>                     |                                                |                           |                            |
| N/A                                              |                                                |                           |                            |
| <b>Rate-Setting Procedures</b>                   |                                                |                           |                            |
| Most Recent Rate Change                          | 2014                                           | Frequency of Rate Changes | Updated annually           |
| <b>Water Development Fees and Requirements</b>   |                                                |                           |                            |
| Fee Approach                                     | Based on engineering analysis.                 |                           |                            |
| Connection Fee Amount                            | deposit \$3,000 and actual cost of engineering |                           | Last updated: 2014         |
| <b>Water Enterprise Revenues, FY 2013</b>        |                                                |                           | <b>Expenditures, FY 13</b> |
| Source                                           | Amount                                         | %                         | Amount                     |
| Total                                            | \$665,213                                      | 100%                      | Total                      |
| Rates & charges                                  | \$583,354                                      | 88%                       | Admin & OM                 |
| Property tax                                     | \$60,404                                       | 9%                        | Capital Depreciation       |
| Grants                                           | \$0                                            | 0%                        | Debt                       |
| Interest                                         | \$3,465                                        | 1%                        | Purchased Water            |
| Other operating                                  | \$17,990                                       | 3%                        | Other                      |

## WASTEWATER SERVICES

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### Service Overview

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QCSD provides sewer services within its boundaries to 767 customers, including 588 residential, 151 commercial, three industrial, 24 public, and EQSD.

Wastewater influent is predominantly from domestic sources. There are no Significant Industrial Users (SIUs), and only three users are classified as industrial users, each of which discharges mostly domestic waste.

In addition, the District operates a treatment plant used by both, QCSD and EQSD.

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### Staffing

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The District provides maintenance of its system directly. Customers are required to fix sewer problems from sewer main into homes.

QCSD has six employees directly involved in sewer operations, including two personnel certified as Wastewater Grade 1, one employee as Wastewater Grade II and two staff as Wastewater Grade III.

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### Facilities and Capacity

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The District's sewer system consists of three lift stations, septage receiving station (SRS) that is currently closed, treatment plant, disposal system, three pumping stations and three irrigation dams, and AWWA C-900 plastic piping.

The District's wastewater treatment plant (including septage receiving station) was constructed in 1983 with a 20-year lifespan through funding received from Clean Water Act Grant. The plant is currently beyond its life and near capacity. The resolution adopted in 1995 by American Valley Community Services Authority allowed 40 years of the plant's EQSD and QCSD joint use, which further reduced the life of the facility. The Treatment Plant is operated by the Quincy CSD Staff and Board.

The WWTP consists of a head works with influent flow measurement, an aerated grit chamber, two parallel trains of RBCs, approximately one acre of stabilization/polishing ponds, chlorination, dechlorination, an irrigation storage pond, and an emergency storage pond of approximately 35 acres.

The current QCSD wastewater treatment/disposal process train consists of the following:

- ❖ EQSD and QCSD inflows are measured by ultrasonic flow meters just before they enter into the grinders. These flows were separately recorded to be used for reporting and evaluation. Approximately 33 percent of the total flow comes from EQSD collection system.
- ❖ The wastewater flow then enters the head works where the solids are ground by a comminutor (a grinder that runs 24/7);

- ❖ EQSD and QCSD flows are comingled and measured in a Parshall flume (the data is recorded for the same purpose as the ultrasonic flow meters);
- ❖ The combined flow enters an aerated grit chamber where flow equalization and first-level removal of insoluble/indigestible solids, grit, trash, floatables, and grease is completed by microscreen and settlement (this is called “primary treatment”);
- ❖ Filtered and settled flow moves to the two parallel trains of rotating biological contactors (RBCs) and begin the secondary treatment process (i.e. aerobic and/or anoxic biological treatment process) where biological activity begins to digest the organic load in the wastewater;
- ❖ Flow from the RBCs continues to the stabilization/polishing ponds for further digestion and sludge settling;
- ❖ Treated/settled pond wastewater is chlorinated and dechlorinated;
- ❖ Dechlorinated wastewater is discharged to an irrigation storage pond or directly to Spanish Creek or for land disposal on the Leonhardt Ranch;
- ❖ The irrigation storage pond wastewater then can be routed either to the Leonhardt Ranch for land disposal by irrigation or to the 35 acre emergency storage pond. Wastewater discharged to the emergency storage pond is further treated by wetland polishing.
- ❖ Discharge from the emergency storage pond can be to Spanish Creek when the average daily dilution of at least 20 parts Spanish Creek water to one part effluent discharge is present. Discharge is not restricted to a particular time period. The only requirements are that the 20:1 dilution is present and that the effluent is “diffused” across the stream flow section.

The total amount of wastewater processed by the plant in 2013 was approximately 210 million gallons (mg). The treatment plant is nearing capacity with only approximately 150 dwelling unit equivalents (DUEs)<sup>102</sup> available for service on a first come first serve basis. Given the economic climate this may accommodate growth in both CSDs for quite some time; however, the Regional Water Quality Control Board permit requirements may result in plant upgrades to address ammonia and copper.

According to the EQSD Prefeasibility Study<sup>103</sup> conducted in 2012, it is likely that more stringent requirements for land disposal will be imposed with the QCSD 2015 permit

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<sup>102</sup> Sewer DUE equals to 21 drainage fixture units.

<sup>103</sup> QCSD and its engineers do not agree with this study. QCSD reported that it was a \$40,000 draft study that had never been finalized.

renewal. The projected expense associated with higher treatment, to achieve 2015 permit compliance, will have a direct impact on all wastewater user rates and charges.<sup>104</sup>

Based on the detailed study provided by QCSD's wastewater consultant (Pace Engineering) in December 2011, it was concluded that ammonia MDEL and AMEL 2015 compliance, under the current QCSD WWTP operation, cannot be achieved.<sup>105</sup>

QCSD NPDES Permit renewal will most likely include stricter effluent limitations (metal concentrations, nitrate, TDS, EC and other constituents of concern) for surface water discharge and land disposal irrigation. If the regulatory trend continues, prohibitions may be added for the use of the unlined emergency storage pond and land disposal area – in particular, the use of recycled water in the emergency storage pond might prohibit rising wetland groundwater discharging to surface waters (i.e. Spanish Creek.) The emergency storage pond is located adjacent to Spanish Creek and has been known to “leak.”<sup>106</sup>

According to the same EQSD prefeasibility study, there appears to be a QCSD staff/Board of Directors inclination to rely on enhancements to the pond system in order to achieve NPDES compliance. Carollo Engineers indicates that compliance with the permit should be achieved solely through plant treatment as it would be “imprudent” to rely on pond treatment because “a number of factors effects natural pond treatment systems that preclude solid predictions on removal performance.” Pace Engineering is recommending additional treatment for ammonia be added to the WWTP . Higher biological treatment at the WWTP will likely be required and the pond system alone will not be adequate to comply with future NPDES Permit limitations.<sup>107</sup>

QCSD was not able to comment on the Prefeasibility Study performed for EQSD. The District has not reported how it would resolve potential problems with NPDES compliance.

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## Infrastructure Needs

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QCSD has recently completed a construction program titled the Wastewater Collection System Rehabilitation Project, the purpose of which was to reduce inflow and infiltration (I&I) volumes from exceeding the WWTP capacity. Repairs were made to the most severe areas of the District's system. Clean outs were installed on or near the property lines for maintenance. The cost of the project was about \$4 million.

According to the District's five year CIP, last updated in 2014, the major wastewater system and treatment plant needs are berm repairs, filtration and UV disinfection project, diffuser improvements, telemetry/SCADA, sewer lateral cleanouts and manhole spot repairs, and USDA collection project.

The most important need for QCSD, however, is to make necessary upgrades to the system to be able to comply with new NPDES requirements, as previously discussed in the *Facilities and Capacity* section.

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<sup>104</sup> EQSD, *Prefeasibility Study Discussing EQSD Wastewater Treatment*, January 2012.

<sup>105</sup> Ibid.

<sup>106</sup> Ibid.

<sup>107</sup> Ibid.

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## Challenges

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QCSD collection system historically had high inflow events correspond with high rainfall events, indicating a direct correlation between QCSD collection system inflows versus rainfall. As described, however, in *Infrastructure Needs* section, the District recently completed the project to address I/I issues. QCSD has seen some I/I reduction; however, due to the drought the degree of I/I reduction is not fully known.

The District reported that it continued to face the challenges caused by state’s unfunded mandates.

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## Service Adequacy

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This section reviews indicators of service adequacy, including regulatory compliance, sewer overflows, collection system integrity, and response to service calls.

**Figure 14-7: QCSD Wastewater Service Adequacy Indicators**

| <b>Wastewater Service Adequacy and Efficiency</b>                                                                            |      |                                                      |     |
|------------------------------------------------------------------------------------------------------------------------------|------|------------------------------------------------------|-----|
| <b>Regulatory Compliance Record and Violations, 2011-2013</b>                                                                |      |                                                      |     |
| Enforcement Actions                                                                                                          | 22   | Violations                                           | 35  |
| <b>Service Adequacy Indicators</b>                                                                                           |      |                                                      |     |
| Treatment Effectiveness Rate <sup>1</sup>                                                                                    | 99%  | Sewer Overflows 2011 - 2013 <sup>2</sup>             | 1   |
| Total Employees (FTEs)                                                                                                       | 8.00 | Sewer Overflow Rate <sup>3</sup>                     | N/P |
| MGD Treated per FTE                                                                                                          | 0.07 | Customer Complaints CY 13: Odor 0, spills 0, other 0 |     |
| <b>Source Control and Pollution Prevention Practices</b>                                                                     |      |                                                      |     |
| N/P                                                                                                                          |      |                                                      |     |
| <b>Collection System Inspection Practices</b>                                                                                |      |                                                      |     |
| System is routinely inspected.                                                                                               |      |                                                      |     |
| Notes:                                                                                                                       |      |                                                      |     |
| (1) Total number of compliance days in 2013 per 365 days.                                                                    |      |                                                      |     |
| (2) Total number of overflows experienced (excluding those caused by customers) from 2011 to 2013 as reported by the agency. |      |                                                      |     |
| (3) Sewer overflows from 2011 to 2013 (excluding those caused by customers) per 100 miles of collection piping.              |      |                                                      |     |

QCSD has been issued 35 violations between 2011 and 2013, which is 20 violations per 1,000 population served. The violations were mainly regarding high coliform, lead and copper contents, unauthorized discharge, and non-compliance with suspended solids removal. There were 22 enforcement actions, including administrative civil liability, notice of violation, staff enforcement letter, oral communication, and cease and desist order during the same period of time.

QCSD had been disputing a \$54,000 penalty assessed by the Central Valley Regional Water Quality Control Board for wastewater effluent violations between June 1<sup>st</sup>, 2011 and March 31<sup>st</sup>, 2013. The District was scheduled to have a mediation hearing on December 5, 2013. The penalty was ultimately offset due to the generator project and the berm repairs

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 per year. The District reported one overflow during the period from 2011 through 2013. The SSO occurred in 2014, where root intrusion caused 11 gallons of sewage to spill from lateral clean out to paved surface. The spill was cleaned up.

The District was in compliance with permitted effluent quality standards 99 percent of the time in 2013.

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. The peaking factor is the ratio of peak day wet weather flows to average dry weather flows. The peaking factor is an indicator of the degree to which the system suffers from I/I, where rainwater enters the sewer system through cracks, manholes or other means. QCSD was unable to provide data related to its I/I. The District reports that it routinely inspects its sewer system.

The District generally responds to a blockage complaint within 15 minutes. If the blockage is on the District side of cleanout, time to clear the blockage is within 30 minutes to an hour. QCSD does not take responsibility for the customer's lateral. Reportedly, the new installation of the two-way clean outs have allowed staff to inspect any blockages or backups in a more efficient manner.

**Figure 14-8: Wastewater Service Profile**

| <b>Wastewater Service Configuration and Demand</b>                                                                                                   |                             |               |                |                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------|----------------|------------------------------------|
| <i>Service Configuration</i>                                                                                                                         |                             |               |                |                                    |
| Service Type                                                                                                                                         | Service Provider(s)         |               |                |                                    |
| Wastewater Collection                                                                                                                                | EQCSD                       |               |                |                                    |
| Wastewater Treatment                                                                                                                                 | QCSD                        |               |                |                                    |
| Recycled Water                                                                                                                                       | N/A                         |               |                |                                    |
| <i>Service Demand</i>                                                                                                                                |                             |               |                |                                    |
| Type                                                                                                                                                 | Connections (2014)<br>Total | Inside Bounds | Outside Bounds | Flow (mgd)<br>Average <sup>2</sup> |
| Total                                                                                                                                                | 955                         | 955           | 0              | N/P                                |
| Single-family                                                                                                                                        | 621                         | 621           | 0              | N/P                                |
| Multi-family                                                                                                                                         | 64                          | 64            | 0              | N/P                                |
| Commercial                                                                                                                                           | 81                          | 81            | 0              | N/P                                |
| Industrial                                                                                                                                           | 3                           | 3             | 0              | N/P                                |
| Sewer-only                                                                                                                                           | 151                         | 151           | 0              | N/P                                |
| Other                                                                                                                                                | 35                          | 35            | 0              | N/P                                |
| <i>Historical and Projected Demand (ADWF in millions of gallons per day)<sup>3</sup></i>                                                             |                             |               |                |                                    |
| 2005                                                                                                                                                 | 2010                        | 2015          | 2020           | 2025                               |
| N/P                                                                                                                                                  | N/P                         | N/P           | N/P            | N/P                                |
| Note:<br>(1) NA: Not Applicable; NP: Not Provided.<br>(2) Flow by connection type as estimated by the District.<br>(3) Projections prepared by QCSD. |                             |               |                |                                    |

| <b>Wastewater Infrastructure</b>                                                                                                                                                                                                       |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <i>System Overview</i>                                                                                                                                                                                                                 |     |
| Sewage is collected through the QCSD wastewater collection system and conveyed for treatment to QCSD wastewater treatment plant.                                                                                                       |     |
| <i>Collection &amp; Distribution Infrastructure</i>                                                                                                                                                                                    |     |
| Sewer Pipe Miles                                                                                                                                                                                                                       | N/P |
| Sewage Lift Stations                                                                                                                                                                                                                   | 3   |
| <i>Infiltration and Inflow</i>                                                                                                                                                                                                         |     |
| I/I is unknown due to the drought.                                                                                                                                                                                                     |     |
| <i>Infrastructure Needs and Deficiencies</i>                                                                                                                                                                                           |     |
| The major wastewater system and treatment plant needs are berm repairs, filtration and UV disinfection project, diffuser improvements, telemetry/SCADA, sewer lateral cleanouts and manhole spot repairs, and USDA collection project. |     |
| <b>Wastewater Facility Sharing</b>                                                                                                                                                                                                     |     |
| <i>Facility Sharing Practices</i>                                                                                                                                                                                                      |     |
| EQCSD has its wastewater treated at QCSD wastewater treatment plant.                                                                                                                                                                   |     |
| <i>Facility Sharing Opportunities</i>                                                                                                                                                                                                  |     |
| No additional opportunities were identified.                                                                                                                                                                                           |     |

| <b>Wastewater Rates and Financing</b>               |                                 |                                      |                                |
|-----------------------------------------------------|---------------------------------|--------------------------------------|--------------------------------|
| <b>Wastewater Rates</b>                             |                                 |                                      |                                |
| <b>Rate Description</b>                             |                                 |                                      |                                |
| The charges vary by connection type.                |                                 |                                      |                                |
| <b>Rate Zones</b>                                   |                                 |                                      |                                |
| None                                                |                                 |                                      |                                |
| <b>Rate-Setting Procedures</b>                      |                                 |                                      |                                |
| Last Rate Change                                    | 2014                            | Frequency of Rate Changes            | Updated annually               |
| <b>Wastewater Development Fees and Requirements</b> |                                 |                                      |                                |
| Fee Approach                                        | Based on engineering analysis   |                                      |                                |
| Connection Fee Amount                               | Deposit plus engineering charge |                                      |                                |
| Development Impact Fee                              | None                            |                                      |                                |
| <b>Wastewater Enterprise Revenues, FY 13</b>        |                                 | <b>Operating Expenditures, FY 13</b> |                                |
| <b>Source</b>                                       | <b>Amount</b>                   |                                      | <b>Amount</b>                  |
| Total                                               | \$1,895,424                     | 100%                                 | Total \$1,184,646              |
| Rates & Charges                                     | \$1,064,846                     | 56%                                  | Administration & O&M \$814,871 |
| Property Taxes                                      | \$60,404                        | 3%                                   | Capital Depreciation \$353,466 |
| Interest                                            | \$2,016                         | 0%                                   | Debt \$16,309                  |
| Other                                               | \$768,158                       | 72%                                  | Other \$0                      |



## SOLID WASTE SERVICES

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### Service Overview

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QCSD administers the solid waste contract with local private provider, Feather River Disposal within QCSD boundaries. The contract expired in 2015 but was extended for another 10 years. Customers pay the service provider directly.

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### Staffing

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The District's general manager is responsible for administering the contract with Feather River Disposal.

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### Facilities and Capacity

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QCSD does not own any infrastructure related to solid waste. The District was not able to report at which landfill the waste from the District's residents is disposed and where the recyclables are taken.

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### Infrastructure Needs

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No infrastructure needs were reported.

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### Challenges

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The District has not identified any challenges to the provision of the solid waste services.

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### Service Adequacy

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This section reviews indicators of service adequacy, including regulatory compliance of the landfill and diversion rate. Regulatory compliance of the landfill was not possible to establish since there is no information about which landfill is used by Feather River Disposal to dispose of the District's waste. QCSD was unable to provide the diversion rate within the District.

## QUINCY COMMUNITY SERVICES DISTRICT DETERMINATIONS

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### Growth and Population Projections

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- ❖ According to the GIS analysis of the 2010 Census population data, there are about 1,750 residents within Quincy Community Services District (QCSD).
- ❖ The District observed little change in population and service demand in the last five years. The demand stayed the same or slightly decreased.
- ❖ It is forecasted that there would be no growth in the next few years. QCSD is not aware of any planned developments within the District boundaries.

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### The Location and Characteristics of Disadvantaged Unincorporated Communities Within or Contiguous to the Agency's SOI

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- ❖ The population threshold by which Plumas LAFCo will define a community is yet to be determined. Specific disadvantaged unincorporated communities and characteristics of the communities will be identified when appropriate as other areas are to be annexed to the District.

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

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- ❖ The District reported that it had sufficient capacity to provide wastewater services to its current and future service area. However, to be able to meet the water demand, QCSD has to use the intertie and pull water from EQSD.
- ❖ According to the DPH inspection report from 2012, the District has sufficient source capacity to supply current maximum day demands and is in compliance with waterworks standards.
- ❖ Although, there is adequate source capacity to meet maximum day demand with all of QCSD permitted sources in use, QCSD does not use Well #1 or Well #6 due to taste and odor problems. QCSD relies on the intertie with EQSD to help ensure it meets domestic water demand in the summer months.
- ❖ According to DPH, the District provides sufficient storage capacity to meet the waterworks standards.
- ❖ Except for the greensand filter at Well #1, no treatment is provided for the spring or the wells as the raw groundwater meets all state primary standards. Since Well #1 is currently unused, the greensand filter is not being used either.
- ❖ The main infrastructure needs for the District's water system are water meter replacement and upgrade, spring system improvements, upgrades on both water tanks, and improving water supply. Additionally, the District would like to construct a booster station and install the Boyle Creek water line.

- ❖ It was not possible to fully determine the adequacy of the District's water services as QCSD was unable to report the number of days in compliance in 2013 and the number of leaks and breaks during the same year. Based on the Department of Public Health data, the adequacy is marginal as there have been some issues with coliform in the water.
- ❖ The treatment plant is nearing capacity with only approximately 150 dwelling unit equivalents (DUEs)<sup>108</sup> available for service in addition to 320 that are being reserved for EQSD.
- ❖ More stringent requirements for land disposal may be imposed with the NPDES 2015 permit renewal as reported by the EQSD Prefeasibility Study disputed by QCSD. In that case, higher biological treatment at the WWTP would most likely be required.
- ❖ According to the District's five year CIP, last updated in 2014, the major wastewater system and treatment plant needs are berm repairs, filtration and UV disinfection project, diffuser improvements, telemetry/SCADA, sewer lateral cleanouts and manhole spot repairs, and USDA collection project.
- ❖ Based limited available service adequacy indicators, the District's wastewater services appear to be scarcely adequate. Between 2011 and 2013, QCSD had 22 enforcement actions, 35 violations and one sanitary sewer overflow (SSO). Information regarding infiltration and inflow (I/I) and sewer system inspection practices was not provided.
- ❖ Solid waste services are provided by Feather River Disposal through a franchise. No data was provided by QCSD that would allow to determine the adequacy of services provided.
- ❖ District management methods appear to generally meet accepted best management practices. The District prepares a budget before the beginning of the fiscal year, conducts annual financial audits, maintains current transparent financial records, tracks employee workload, evaluates its employees, has an established process to address complaints, and studies and updates its rates when appropriate.

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### Financial Ability of Agencies to Provide Services

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- ❖ The District has not reported whether its financing level was adequate to deliver services. No financing challenges were identified.
- ❖ The FY 12-13 audit identified two material weaknesses in internal control, which expose QCSD to risk of financial statement misstatement and the potential risk of errors and fraud.
- ❖ Majority of the District's revenue comes from charges for services. Property taxes account for about six percent of total revenue.
- ❖ QCSD does not collect any benefit assessments or special taxes.

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<sup>108</sup> Sewer DUE equals to 21 drainage fixture units.

- ❖ The District has five financial reserves, including reserves for Wastewater System Collection reserve, the Treatment Plant reserve, the Wastewater Asset reserve, the Water Facility Replacement reserve, and unrestricted reserve for contingencies.
- ❖ The District plans for its capital improvement needs through a Capital Improvement Plan (CIP). The District's CIP last updated in November 2014 lists the infrastructure needs for wastewater treatment plant, wastewater collection system and water system.
- ❖ The five year total for wastewater treatment plant projects amounts to \$6,181,750, \$200,000 of which will be financed by grants. The infrastructure needs for wastewater collection system are expected to have a total five-year cost of \$836,458. The estimated five-year total for water CIP needs is \$1,715,130. Some of the wastewater treatment plant projects, wastewater collection system projects and water projects overlap.
- ❖ The District's long-term debt is represented by non-interest-bearing Plumas-Sierra Rural Electric Cooperative Capital lease with the original balance of \$6,460 and monthly payments of \$18 through 2029. Additionally, the District obtained a loan in the amount of \$3,040,000 from USDA to fund a wastewater improvement project. As of June 30, 2013, the loan proceeds were partially unspent; the debt balance was \$2,939,790. The loan is expected to be paid off by 2052.

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### Status of, and Opportunities for, Shared Facilities

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- ❖ There is an intertie valve between QCSD and EQSD to supply water to QCSD when needed.
- ❖ QCSD provides water and sewer services outside of the District's boundaries within Feather River RV Park (partially located within the District's boundaries).
- ❖ There is a 40-year agreement between East Quincy SD and Quincy CSD according to which the QCSD wastewater treatment plant accepts East Quincy SD sewage.
- ❖ The District is a member of American Water Works Association, California Rural Water Association, California Special District Association, California Water Environment Association, and North Cal-Neva Resource Conservation and Development.
- ❖ EQSD and QCSD have been collaborating through the American Valley Community Services Authority (AVCSA) Joint Powers Agreement since 1995. In 2010, the two districts consolidated, but in 2011 they split back up. The AVCSA is still in existence, but currently not functioning.

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

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- ❖ QCSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. While the District faced challenges responding to questionnaires and requests for information under a specific deadline all the information was eventually provided.

- ❖ QCSD practices outreach efforts which enhance transparency, including a website where district information is made available.
- ❖ With regard to future growth alternatives, although EQSD and QCSD dissolved, there is a possibility that the two districts may reunite which would again change the governance structure as well as boundaries of the two agencies. QCSD has not commented on this consolidation possibility.
- ❖ Another reorganization alternative for QCSD is the detachment of the property owned by the County Community Development Commission and served by EQCSD. A resolution requesting Plumas Local Agency Formation Commission to take proceedings for the detachment of the property has been passed by QCSD Board of Directors. Detachment is pending the application to LAFCo by the County Community Development Commission.