

## **12. EAST QUINCY SERVICES DISTRICT**

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East Quincy Services District (EQSD) provides water and wastewater services to the eastern part of the American Valley. The last Municipal Service Review for EQSD was conducted in 2007.

### **AGENCY OVERVIEW**

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#### **Background**

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In 1959, several residents of the community of East Quincy joined together and formed a community services district to secure water, sewer and street lighting services for the community. The District started providing water services six years after the formation. Sewer collection system was installed in the mid-90s at the request of the State of California. Responsibility for approximately 150 street lights was relinquished to Quincy Lighting District in 2009.

The principal act that governs the District is the State of California Community Services District Law.<sup>75</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>76</sup>

EQSD is located in the central part of Plumas County and encompasses the community of East Quincy. The closest water and wastewater provider is Quincy CSD located to the west of EQSD and serving the community of Quincy.

#### **Boundaries**

EQSD's boundary is entirely within Plumas County. The present bounds encompass approximately 2.3 square miles. There have been six annexations, one detachment and three boundary revisions since its formation. In 2010, EQSD consolidated with Quincy CSD to form the American Valley CSD, but dissolved back to two separate districts less than a year later. After the dissolution, boundaries of EQSD inherited the five overlap parcels previously added to American Valley CSD during the reorganization. For the complete list of the District's boundary reorganizations refer to Figure 12-1.

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<sup>75</sup> Government Code §61000-61226.5.

<sup>76</sup> Government Code §61106.

**Figure 12-1: EQSD List of LAFCo-approved Border Changes**

<i>Project Name</i>	<i>Type of Action</i>	<i>Year</i>	<i>Recording Agency</i>
East Quincy SD	Formation	1959	SBOE, LAFCo
4 parcels	Annexation	1962	SBOE
Boundary revision	Revision	1963	SBOE
Parcels A, B, C, D, E & F	Annexation	1977	SBOE
Boundary revision	Revision	1979	SBOE
Sine Annexation	Annexation	1982	SBOE
North Area	Annexation	1990	SBOE
2 parcels	Annexation	1991	SBOE
South Redberg Area	Detachment	1995	SBOE
American Valley CSD (EQSD+QCSD)	Consolidation	2010	LAFCo
5 parcels	Annexation	2010	LAFCo
EQSD	Dissolution	2011	LAFCo

*Sphere of Influence*

The Sphere of Influence for the District was first adopted in 1976. SOI was further revised in 1977 and 1983 to include territory previously annexed. 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 the consolidation in 2010, the districts split back up into two in 2011. EQSD currently has a provisional sphere of influence, which is coterminous with the District’s boundaries.

*Extra-territorial Services*

EQSD occasionally provides water services outside of its boundaries to QCSD. There is an intertie between the two districts; the pipeline has been installed in 2008. QCSD pulls water on as-needed basis, and EQSD meters the amount used and sends QCSD a bill during regular billing times.

EQSD also provides water and wastewater services to the property outside of its boundaries and within QCSD boundaries. The property is owned by the County Community Development Commission, which has a grant to have water and sewer provided to the property. Services are provided by EQSD according to an out-of-area service agreement (OASA) issued by Plumas County LAFCo on November 24, 2014.<sup>77</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 and void and automatically terminated. As of March 27, 2015, the required application has not yet been filed.

The District reported that there were residences within EQSD that were not served by the District. These residences are not close to sewer lateral or main line water service and are served by private wells and septic systems.

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<sup>77</sup> 2014 OASA-001

The District receives contract services for general system maintenance. Audit services are provided by Singleton Auman from Susanville, CA.

EQSD is a member of American Water Works Association, Special District Risk Management Association, California Special Districts Association (CSDA), and Plumas County Special Districts Association.

Areas of Interest

An area of interest for EQSD is Quincy CSD. Despite the recent consolidation and dissolution history, the districts might merge again in the future. However, EQSD reported that it was not currently considering consolidation.

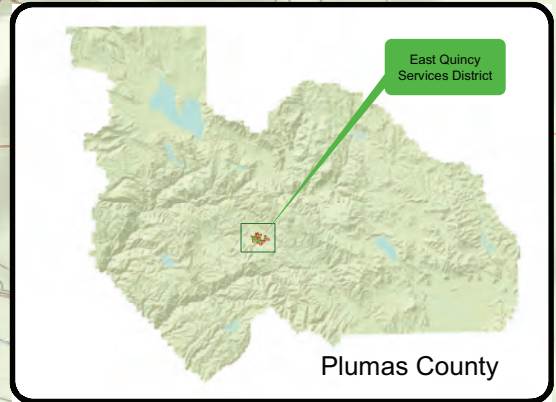
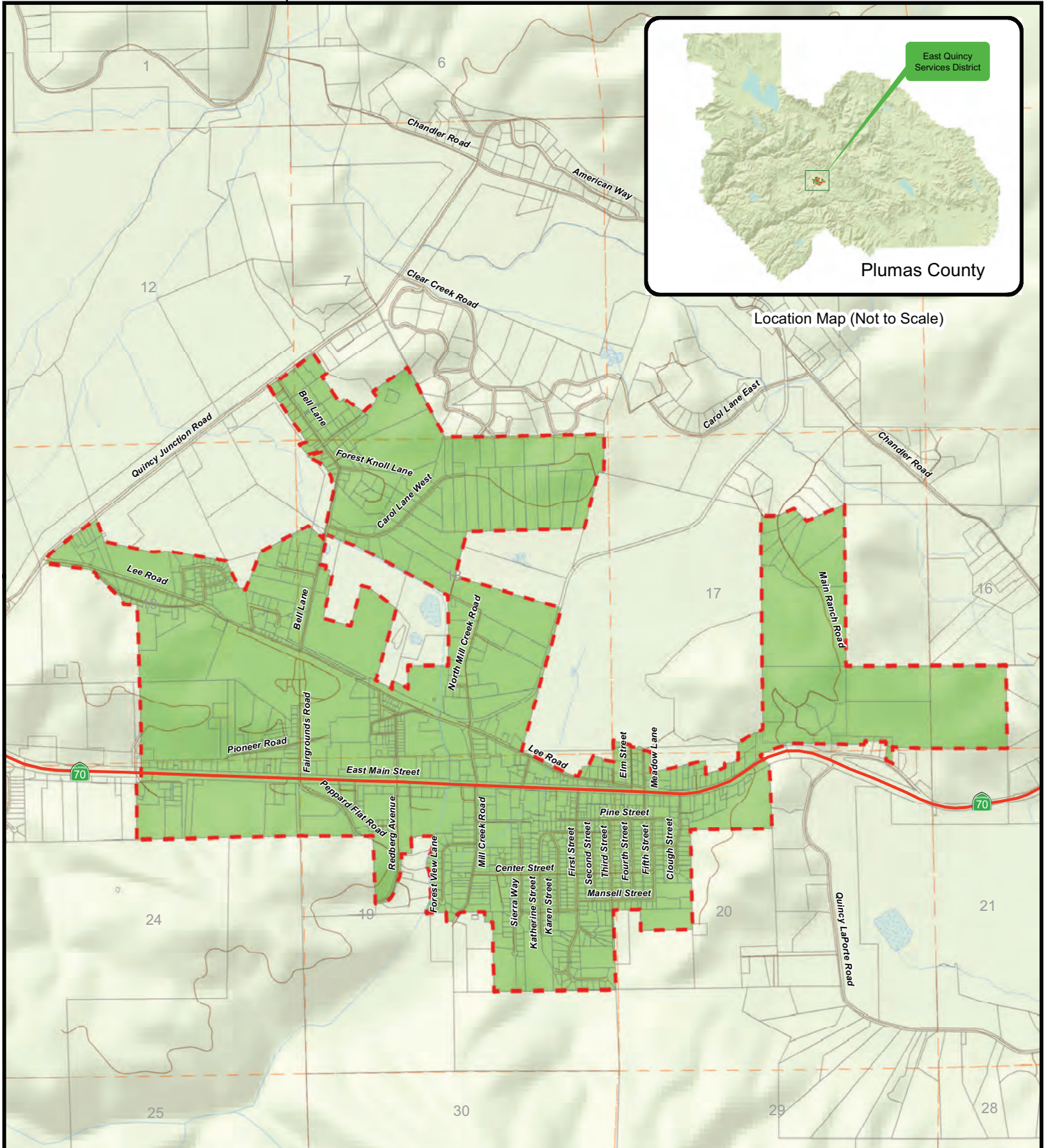
In 1995, EQSD and QCSD entered the American Valley Community Services Authority (AVCSA) Joint Powers Agreement, the ultimate goal of which was the consolidation of the two districts. Resolutions were adopted by AVCSA for joint use of the wastewater plant, construction of an intertie pipeline for water 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.

# East Quincy Services District

Range 9 East

Range 10 East

Township 24 North



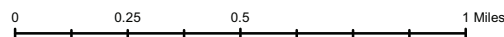
Location Map (Not to Scale)

## Legend

- Highways
- Major Roads
- Stream / River
- Waterbodies

- Parcels
- Sectional Grid (MDB&M)

- East Quincy Services District
- East Quincy Services District Sphere of Influence



East Quincy Services District  
Resolution: 2011-0009  
Adopted: February 6, 2012

East Quincy Services District (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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EQSD is governed by a five-member Board of Directors who are elected at large to staggered four-year terms. There are currently four board members, all of whom were elected. Current board member names, positions, and term expiration dates are shown in Figure 12-3.

The Board meets on the second Tuesday of every month at 6:30 in the evening at the District administrative office located at 179 Rogers Avenue in Quincy. Board meeting agendas are posted on the website, district office door and read over the local radio station. Minutes are available upon request and online.

**Figure 12-3: EQSD Governing Body**

<b>East Quincy Services District</b>				
<b><i>District Contact Information</i></b>				
<b>Contact:</b>	Michael Green, General Manager			
<b>Address:</b>	179 Rogers Avenue, Quincy, CA 95971			
<b>Telephone:</b>	530-283-2390			
<b>Email/website:</b>	<a href="http://www.eastquincycsd.com">www.eastquincycsd.com</a>			
<b><i>Board of Directors</i></b>				
Member Name	Position	Term Expiration	Manner of Selection	Length of Term
Ernie Eaton	Chair	December 2015	Elected	4 years
Greg Margason	Director	December 2015	Elected	4 years
Kathy Felker	Director	December 2017	Elected	4 years
Bill Martin	Director	December 2017	Elected	4 years
John Kolb	Director	December 2015	Appointed	1 year
<b><i>Meetings</i></b>				
<b>Date:</b>	Second Tuesday of every month at 6:30pm.			
<b>Location:</b>	District administrative office at 179 Rogers Avenue, 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 the rate of \$60 per meeting for a chair, \$52.50 for a vice chair and \$45 for a director.

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 2014. EQSD has established a written policy on Board member expense reimbursements.

In addition to the required agendas and minutes, the District tries to reach its constituents through making its information, including general history of the District, documents, and contact and Board meeting information, available on its website. The District sends regular mailings to its constituents.

If a customer is dissatisfied with the District's services, complaints may be submitted to the general manager or at Board meetings. Constituents can contact Board members any time. The District reportedly received less than five complaints in 2013, all of which were regarding cloudy water and possible leaks.

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 the District's Board members filed Forms 700 for 2013.

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

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### Planning and Management Practices

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The District employs five personnel, including general manager, administrative assistant, chief operator, district operator, and laborer. General manager is responsible for the day-to-day operations of EQSD. Office manager plays a role of bookkeeper and Board secretary and is responsible for accounts payable, Board of Directors information and customer service. The administrative assistant is in charge of accounts receivable, billing questions and customer service. All five staff are full-time employees who work five days a week eight hours a day. Warrant inspection are contracted out.

The District's general manager is in charge of water and wastewater operators, accounting clerk and administrative assistant. Laborers report to operators, and secretaries are generally subordinate to accounting clerk and administrative assistant. The District performs annual employee evaluations conducted by the general manager. EQSD tracks staff workload through timesheets.

EQSD does not perform evaluations of the District as a whole through annual reports or benchmarking. The District attempts to improve its productivity and operational efficiency through constant communication between staff and management.

The District's financial planning efforts include an annually adopted budget and annually audited financial statements. In 2012, EQSD adopted a Wastewater Feasibility Study. The District has a Capital Improvement Program (CIP) included in the Water and Wastewater Rate Studies adopted in 2014.

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>78</sup> The most recent audit for EQSD was completed for FY 13. The District

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<sup>78</sup> Government Code §26909.

should ensure that it is meeting the adopted audit requirements as determined by the Board of Supervisors and submitting budgets annually to the County as legally required.

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 2.3 square miles.

### Population

According to the GIS analysis of the 2010 Census population data, there are 2,760 residents within EQSD. The population density is 1,200 people per square mile.

### Existing Demand

The District reported that it had observed little change in population and service demand in the last five years. The demand stayed the same or slightly decreased. Between 2009 and 2014, the number of wastewater connections has been between approximately 950 and 1,000. The number of water connections has increased from 794 in 2009 to 810 in 2013, but went back down to 804 in 2014. Peak demand for water and wastewater is usually during spring and summer months.

### Projected Growth and Development

Although no formal population projections have been made by the District, it is forecasted that there would be no growth in the next few years. EQSD forecasts its future service needs through its CIP and general population trends. The District reported that there was one planned development within the District's boundaries. The development in progress owned by Sierra Park Developers is located on Lee Road in Quincy. The project is being developed with less than five single-family homes built a year. EQSD is currently serving the existing homes within this development; serve letters are issued as necessary.

The District reported that it had sufficient capacity to provide services to its current and future service area. No capacity constraints were identified.

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 2,760 in 2010 to approximately 2,870 in 2020. It is anticipated that demand for service within the District will increase minimally based on the DOF population growth projections through 2020.

### 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 after a year of operating as one district, 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. EQSD, however, reported that it currently was not considering consolidation.

Another reorganization alternative for EQSD is the annexation of the property owned by the County Community Development Commission and located within QCSD boundaries. As was previously described in the *Extra-territorial Services* section, EQSD is already providing services within that territory. On April 16, 2014 EQSD passed a resolution consenting to and supporting the annexation of the aforementioned property.<sup>79</sup> The annexation is pending the application to LAFCo by the County Community Development Commission.

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### Financing

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EQSD reported that its financing levels were adequate to deliver services. No financing challenges or impacts of the recent economic recession were identified. The District attempts to minimize costs where possible. The District currently is not considering any new revenue streams.

The FY 13-14 audit identified one significant deficiency and two material weaknesses in internal control, which expose EQSD 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. EQSD 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, EQSD 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. EQSD will continue to rely on the independent auditor to prepare its annual financial statements. Lastly, the significant deficiency is that the amount of utility revenue posted to the utility billing system does not reconcile with the utility revenue in the general ledger. The District has been unable to get enough help from the software vendor to produce reports that will help EQSD reconcile revenue on the general ledger to the utility billing system. The District concurs with the

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<sup>79</sup> EQSD Resolution 271.



auditor’s recommendation to develop a system of reconciling revenue on the general ledger to the utility billing system and consider getting help from the software vendor and reconciling short periods of time until a pattern is determined for any discrepancies.

Majority of the District’s revenue comes from charges for services. Property taxes account for about six percent of total revenue.

EQSD collects charges for water services based on the meter size and usage and for sewer services based on the type of connection. The District also charges hydrant fees and water standby fees. Service charges are further described in Figure 12-4.

**Figure 12-4: EQSD Service Charges as of July 2013**

Water Rates			
Meter Flat Rates (by size)		Water Base Usage and Other Charges	
5/8”	\$14.39	Single Family	\$11.04 (6,000 gal)
3/4 “	\$15.83	Multi Family	\$9.20 per unit (5,000 gal)
1”	\$20.06	Small Commercial	\$5.52 (3,000 gal)
1.5”	\$25.83	Large Commercial	\$11.04 (6,000 gal)
2”	\$41.62	Volumetric Charge	\$1.84 per 1,000 gal
3”	\$157.71	Hydrant	\$13.07
4”	\$200.71	Water Standby Fee	\$13.07
Sewer Rates			
Single Family		\$48.25	
Multi Family		\$37.88 (per unit)	
Small Commercial		\$24.50	
Large Commercial		\$48.25	

EQSD has a sewer assessment of \$108 per parcel. The assessment was passed in 1997 and will sunset in 2034.

In FY 13-14, EQSD received \$1,453,322 in revenue, including 84 percent from charges for services, six percent from property taxes, nine percent from capital grants and contributions, and one percent from interest income.

During the same fiscal year, EQSD spent \$1,522,468, including 36 percent on water operations and 64 percent on sewer operations. The District’s total expenditures for FY 13-14 included 30 percent for salaries and benefits, seven percent on utilities, 21 percent on

depreciation, and 23 percent on sewage treatment. The rest was spent on insurance, legal, accounting and professional services, vehicles and equipment, permits and fees, repairs and maintenance, office, director's fees, interest, and miscellaneous.

About 43 percent of the EQSD operating sewer expenses in FY 13-14 were allocated to treatment and paid to QCSD. The historical QCSD treatment cost increase to EQSD is around \$18,000 a year.

The District has four financial reserves, including reserves for System Facilities, Vehicles, Water Utility Deposits, and other unrestricted net assets, which at the end of FY 13-14 had \$1,059,467, \$48,704, \$10,852, and \$399,857 respectively. The system facility reserves are for future replacement of the water and sewer systems. Vehicle fund reserve is for future replacement of district vehicles. Additionally, the water fund has a reserve to track refundable customer utility deposits.

EQSD plans its capital improvements through capital improvement programs for water and sewer included in the water and sewer rate studies completed in 2014. Water program has a planning horizon through 2020. All planned water system improvements are estimated to cost the District approximately \$1.5 million over the next six years. Water system capital improvement expenses for 2015 are expected to amount to about \$220,825 and will be financed through water rates. The District's sewer CIP has a planning horizon through 2019. Needed sewer improvements are estimated to cost about \$400,000 over the next five years. Approximately \$100,000 is expected to be spent in 2015.

EQSD has been using pay-as-you-go approach to finance its capital improvement needs. The District has a modest water replacement capital program and adequate reserves in cash to immediately fund the first priority of the capital improvement program. The sewer replacement capital program is adequately funded for the projects identified. The pay-as-you-go strategy has reportedly worked well for EQSD by setting a small portion of the rate revenue aside and addressing each project in priority order as the funds adequately accrue.

For water, 2015 capital improvement project funding is included at \$287,000 for Tank 1 rehabilitation. For additional capital improvement funding planned in FY 2016 and beyond, a rate increase might be required depending on the actual water charges and expenses. The desired policy of the Board has been to keep six months' worth of expenses in cash in water reserves.

The District's long-term debt is represented by 5.125 percent Series 1996 USDA Improvement Bonds originally issued for \$2,400,020. Total bonds payable at the end of FY 13-14 were \$1.7 million. The debt will be fully paid off by 2036.

## WATER SERVICES

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### Service Overview

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Water is provided by pumping groundwater directly to the distribution system for immediate consumption and/or to the storage tanks for fire protection and/or to satisfy high demand periods.

The District supplies untreated water obtained from wells to 804 active customers, including 621 single family, 64 multi-family, 81 commercial, three industrial, and 35 other.<sup>80</sup> All of the District's water connections are within the District's boundaries; however, there is an intertie valve between QCSD and EQSD to supply water to QCSD when needed. The District has an agreement with QCSD to supply up to 350 gallons per minute (gpm) to Quincy CSD; however, the supply of water to QCSD is contingent on EQSD meeting its system demands first.

During the summer months, as part of the District's annual system maintenance program, fire hydrants are opened and flushed for a short time. This is done to insure proper operation of the hydrant and to flush the water mains of naturally occurring sediment.

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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 three employees directly involved in the water operations, who hold certification of Water Distribution Grade 2 (D2), Water Treatment Grade I (T1) and Wastewater Treatment Grade II (T2).

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### Facilities and Capacity

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The six wells produce approximately 1,418 gallons per minute. There are two water tanks that hold 1.6 million gallons when full. One of the tanks is metal, while the other is concrete. According to the Department of Public Health (DPH) 2012 inspection report the District has sufficient storage capacity to meet the waterworks standards; however, the District should plan to increase its source or storage capacity at some future date, especially to provide for further growth of the system.

The District maintains 15 miles of water main that is all either cast or ductile iron. Most of it was installed with the original system and shows no signs of corrosion. There are 0.03 miles of four-inch water line, 7.55 miles of six-inch water line, 6.39 miles of eight-inch water line and 0.14 miles of 10-inch water line in the District system.

The District uses a SCADA system to monitor its facilities and an alarm system that alerts staff if there is a problem.

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<sup>80</sup> Other customers are considered a combination of residential/commercial or any other account that does not fit in any one category.

The District also maintains fire hydrants within its territory. There are 119 hydrants strategically located throughout the District. Details about EQSD water facilities are shown in Figure 12-5.

**Figure 12-5: EQSD Water Facilities.**

Facility	Date of construction	Location	Condition (excellent, good, fair or poor)	Capacity
Well 1	1964	Corner of Bell Lane and Lee Road	Excellent	160 gpm
Well 2	1964	179 Rogers Avenue	Excellent	150 gpm
Well 4	1967	56 Bell Lane	Excellent	290 gpm
Well 7	1982	1293 Industrial Way	Excellent	290 gpm
Well 8	1988	425 N. Mill Creek Road	Good	158 gpm
Well 9	2003	1201 Industrial Way	Excellent	370 gpm
Tank 1	1964	501 E. ridge Run Road	Fair	800,000 gallons
Tank 2	1981	350 Radio Hill Road	Excellent	800,000 gallons

All of the District’s sources are deep wells that have a 50-foot sanitary seal to prevent surface water contamination in the wells. The water is not treated with chlorine or any other chemicals as the District’s sources do not require treatment. EQSD relies entirely on groundwater from the American Valley groundwater basin for its water supply. The District estimates that 12 percent of the water is lost in the distribution system.

The maximum water supply available annually is 1,412 acre-feet a year (af/yr). The District’s total annual water demand in 2013 was 431 af.

The pumping capacity of the wells is 2.035 million gallons per day (mgd). The EQSD’s peak day demand is 0.913 mgd or 45 percent of the wells’ pumping capacity.

According to the DPH inspection report from 2012, the District’s current source capacity is sufficient to meet EQSD current maximum day demand in addition to supplying up to 350 gallons per minute (gpm) to Quincy CSD, if needed per the agreement.

The District conducts its emergency planning through Emergency Notification Plan filed with the State in September of 2014. The District considers itself in good position to sustain drought and does not plan to change its supply in drought years. EQSD provides water conservation information to its constituents on its website. Additional conservation practices include mandatory water restriction and available water conservation kits.

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## Infrastructure Needs

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It was reported in the EQSD's Capital Improvement Program that the District would need certain system expansions, replacements and rehabilitation and water studies in the next five years. System expansions include Tank 1 cleaning and coating repair, Lee Road expansion, South SR Grid Loop, west of Fairgrounds Road expansion, South SR Grid Loop, Peppard Flat Road to Sunrise expansion, Carol Lane west main extension, and construction of Tank 3. Replacement and rehabilitation projects consist of replacement of pump meters, SCADA upgrade, Tank 2 cleaning, replacement of water truck, computer upgrade, and possibly automating water meter reading. The District is planning to complete a water system analysis study in 2016.

The District reported that a short-term need is to repair or replace Tank 1.

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## Challenges

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The District reported that the main challenge to the water service provision was lack of main line valves.

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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 system "is in good condition and conscientiously operated." The District's "source capacity is adequate to meet the system's maximum day demand and dependably supply all users with safe, wholesome potable water." The wells appear to be in good condition and the water meets all state drinking water standards. According to the DPH all the backflow devices had to be tested in 2012. The District reported that the devices had been tested in 2014. Additionally, the DPH required the District to collect two samples from Well 9 and test them for thallium in November 2012 and in May 2013. EQSD performed the test in August 2014; no thallium was detected.

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. EQSD had two health based violations in 2008 and 2009, both related to coliform. Additionally, there was one monitoring violation in 2011, also related to coliform. The District was in compliance with drinking water regulations 100 percent of the time 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 approximately 27 breaks and leaks per 100 miles of pipe lines in 2013. The District estimates that it loses approximately 12 percent of water between the water source and the connections served.

**Figure 12-6: EQSD Water Service Adequacy Indicators**

<b>Water Service Adequacy and Efficiency Indicators</b>			
<b>Service Adequacy Indicators</b>			
Connections/FTE	268	Distribution Loss Rate	12%
MGD Delivered/FTE	0.15	Distribution Break Rate <sup>1</sup>	27
Distribution Breaks & Leaks (2013)	<5	Total Employees (FTEs)	3.00
Customer Complaints CY 2013: <5 Odor/taste (0), color/leaks (<5), pressure (0), other (0)			
<b>Drinking Water Quality Regulatory Information<sup>2</sup></b>			
	<b>#</b>	<b>Description</b>	
Health Violations	2	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 12-7: EQSD 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	EQCSD	Groundwater Recharge	None	
Wholesale Water	None	Groundwater Extraction	EQCSD	
Water Treatment	None	Recycled Water	None	
<b>Service Area Description</b>				
Retail Water	804 customers, including 621 single-family, 64 multi-family, 81 commercial, 3 industrial, and 35 other.			
Wholesale Water	None			
Irrigation Water	None			
<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	587	1,695	1,695
<b>System Overview</b>				
Average Daily Demand		0.38 mgd	Peak Day Demand 0.913 mgd	
<b>Major Facilities</b>				
<b>Facility Name</b>	<b>Type</b>	<b>Capacity</b>	<b>Condition</b>	<b>Yr Built</b>
Well 1	Well	160 gpm	Excellent	1964
Well 2	Well	148 gpm	Excellent	1964
Well 4	Well	290 gpm	Excellent	1967
Well 7	Well	290 gpm	Excellent	1982
Well 8	Well	175 gpm	Good	1988
Well 9	Well	350 gpm	Excellent	2003
Tank 1	Water tank	800,000 gallons	Fair	1964
Tank 2	Water tank	800,000 gallons	Excellent	1981
<b>Other Infrastructure</b>				
Reservoirs	0	Storage Capacity (mg)	1.60	
Pump Stations	6	Pressure Zones	0	
Production Wells	6	Pipe Miles	14.38	
Storage tanks	2			
<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	804		804		0		
Residential	621		621		0		
Commercial	81		81		0		
Industrial	3		3		0		
Other	35		35		0		
<b>Average Annual Demand Information (Acre-Feet per Year)</b>							
	2000	2005	2010	2013	2020	2025	2030
Total	598	573	517	517	530	530	530
Residential	N/A	N/P	N/P	N/P	N/P	N/P	N/P
Commercial/Industrial	N/A	N/P	N/P	N/P	N/P	N/P	N/P
Other	N/A	N/P	N/P	N/P	N/P	N/P	N/P
<b>Supply Information (Acre-feet per Year)</b>							
	2000	2005	2010	2013	2020	2025	2030
Total	662	604	603	587	602	602	602
Imported	0	0	0	0	0	0	0
Groundwater	662	604	603	587	587	587	587
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 1.6 mg.						
Drought Plan	Emergency Notification Plan filed with the State 9/2014						
<b>Water Conservation Practices</b>							
CUWCC Signatory	No						
Metering	Yes						
Conservation Pricing	No						
Other Practices	Mandatory restriction and education.						



<b>Water Rates and Financing</b>			
<b>Rate Description</b>			
The charges vary by meter size and type of connection.			
<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	2013	Frequency of Rate Changes	Reviewed annually
<b>Water Development Fees and Requirements</b>			
Fee Approach Based on engineering analysis.			
Connection Fee Amount	based on water fixture unit count		Last updated: N/P
<b>Water Enterprise Revenues, FY 2013</b>			<b>Expenditures, FY 13</b>
Source	Amount	%	Amount
Total	\$586,595	100%	Total
Rates & charges	\$486,896	83%	Admin & OM
Property tax	\$87,093	15%	Capital Depreciation
Grants	\$0	0%	Debt
Interest	\$2,859	0%	Purchased Water
Other operating	\$9,747	2%	Other
			\$0
			\$0
			\$0

## WASTEWATER SERVICES

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### Service Overview

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Sewage is collected through the 1995 EQSD wastewater collection system and conveyed for treatment to QCSD via lift stations.

The District provides sewer services to approximately 955 customers within its boundaries, including 621 single family, 64 multi-family, 81 commercial, three industrial, 151 sewer-only customers, and 35 other. Classification of customers is based on mix of services provided and how customers are charged. There are no wastewater connections outside of the District's boundaries.

The District does not require sewer connections on undeveloped properties when the main is extended to that particular area. Properties hook up when they are built.

Large dischargers and dischargers with unique loads within EQSD service include wash racks, car washes and restaurants.

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### Staffing

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The number of District's employees involved in sewer operations is five, with three of them holding appropriate certifications.

Maintenance and operations of the sewer system are provided directly through district staff.

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### Facilities and Capacity

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EQSD maintains 21 miles of 17-year old sewer main and three lift stations. The sewer main is constructed with SDR 35 polyvinyl chloride pipe (PVC). The entire sewer pipe in the District system is plastic SDR 35 gasket joint. There are 0.35 miles of six-inch pipe, 15.8 miles of eight-inch pipe, 0.53 miles of 10-inch pipe and 2.28 miles of 12-inch pipe.

The East Lift Station is located at 101 Meadow Way and it has two 5 hp pumps. The West Lift Station is located at 1775 Quincy Junction Road and is equipped with one 10 hp and one 20 hp pumps. These are the main pumps that pump the sewage to the Quincy CSD Sewer Treatment Plant. The North Lift Station is located at 900 Quincy Junction Rd. It has two 10 hp pumps.

The pump stations are subject to a weekly and monthly maintenance schedule performed along with an annual inspection by the pump manufacturer and a semi annual inspection of the generators. The District sends sewage across the valley to the EQSD Treatment Plant in downtown Quincy. The District has a 40-year agreement with Quincy CSD facility to accept East Quincy SD sewage.

The Treatment Plant is operated by the Quincy CSD staff and Board with input from the East Quincy SD during joint meetings through AVCSA. Plant capacity has been a problem for the last several years. Additionally, the plant faces a possibility of not meeting the more stringent NPDES requirements in 2015. There is a Wastewater Treatment Plant Rate Setting Committee that discusses rates, revenue programs and possible solutions to the

compliance issues facing the treatment plant. The 2012 Prefeasibility Study Discussing the EQSD Wastewater Treatment recommends for the District to look into a possibility of a separate decentralized wastewater treatment plant.

Due to the EQSD's relatively new sewer connection infrastructure, there reportedly has been essentially no need for major repair work or significant maintenance. The condition of all mains and lift stations were reported to be excellent.

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### Infrastructure Needs

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According to the District's sewer CIP, EQSD will need multiple system expansions and replacements and rehabilitation over the next five years. System expansion projects include two spare 10 hp pumps, conical inserts, pump controller boards, office telemetry, camera equipment, cleaning equipment, and manhole flow monitoring equipment. Replacement and rehabilitation projects consist of SCADA, sewer mainline repair, computer upgrade, general pump replacement, and sewer truck.

There are no reported short-term infrastructure needs.

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### Challenges

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The District reportedly struggles with occasional obstructions.

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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 12-8: EQSD Wastewater Service Adequacy Indicators**

<b>Wastewater Service Adequacy and Efficiency</b>			
<b>Regulatory Compliance Record, 2011-2013</b>			
Formal Enforcement Actions	0	Informal Enforcement Actions	0
<b>Total Violations, 2011 - 2013</b>			
Total Violations	0	Priority Violations	0
<b>Service Adequacy Indicators</b>			
Treatment Effectiveness Rate <sup>1</sup>	N/A	Sewer Overflows 2011 - 2013 <sup>2</sup>	0
Total Employees (FTEs)	3.00	Sewer Overflow Rate <sup>3</sup>	0
MGD Treated per FTE	N/A	Customer Complaints CY 13: Odor (0), spills (0), other (0)	
<b>Source Control and Pollution Prevention Practices</b>			
Grease traps in restaurants and carwashes.			
<b>Collection System Inspection Practices</b>			
Visual inspection through clean outs and manholes, especially during rain events.			
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.			

EQSD has been issued no violations between 2011 and 2013, which is zero violations per 1,000 population served.

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 no overflows during the period from 2011 through 2013, which equates to zero spills per 100 miles of pipeline during that period.

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. The District has a peaking factor of 2.4 resulting from moderate I/I. The District conducts visual inspection of its sewer system through clean outs and manholes, especially during rain events.

The District has a policy regarding response time for clearing blockages. EQSD responds to service calls immediately; the maximum allowed response time is 15 minutes.

**Figure 12-9: Wastewater Service Profile**

<b>Wastewater Service Configuration and Demand</b>				
<b>Service Configuration</b>				
Service Type	Service Provider(s)			
Wastewater Collection	EQCSD			
Wastewater Treatment	QCSD			
Recycled Water	N/A			
<b>Service Demand</b>				
Type	Connections (2014) Total	Inside Bounds	Outside Bounds	Flow (mgd) 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
<b>Historical and Projected Demand (ADWF in millions of gallons per day)<sup>3</sup></b>				
2005	2010	2015	2020	2025
N/P	N/P	N/P	N/P	N/P
Note: (1) NA: Not Applicable; NP: Not Provided. (2) Flow by connection type as estimated by the District. (3) Projections prepared by EQCSD.				

<b>Wastewater Infrastructure</b>	
<b>System Overview</b>	
Sewage is collected through the 1995 EQCSD wastewater collection system and conveyed for treatment to QCSD via lift stations.	
<b>Collection &amp; Distribution Infrastructure</b>	
Sewer Pipe Miles	21
Sewage Lift Stations	3
<b>Infiltration and Inflow</b>	
The District has moderate I/I.	
<b>Infrastructure Needs and Deficiencies</b>	
Replacement and rehabilitation projects over the next five years consist of SCADA, sewer mainline repair, computer upgrade, general pump replacement, and sewer truck.	
<b>Wastewater Facility Sharing</b>	
<b>Facility Sharing Practices</b>	
The District has its wastewater treated at QCSD wastewater treatment plant.	
<b>Facility Sharing Opportunities</b>	
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	2013	Frequency of Rate Changes	Reviewed annually
<b>Wastewater Development Fees and Requirements</b>			
Fee Approach	Based on engineering analysis		
Connection Fee Amount	Based on sewer fixture unit count		
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	\$809,170	100%	Total \$949,510
Rates & Charges	\$671,741	83%	Administration & O&M \$662,712
Special Assessment	\$131,422	16%	Capital Depreciation \$191,957
Interest	\$2,526	0%	Debt \$94,841
Other	\$3,481	1%	Other \$0

## EAST QUINCY 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 2,760 residents within East Quincy Services District (EQSD).
- ❖ 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.

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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 services to its current and future service area. No capacity constraints were identified.
- ❖ According to the DPH inspection report from 2012, the District's current source capacity is sufficient to meet EQSD current maximum day demand in addition to supplying up to 350 gpm to Quincy CSD, if needed per the agreement. Similarly, the District has sufficient storage capacity.
- ❖ The water in EQSD is not treated with chlorine or any other chemicals as the District's sources do not require treatment. However, the District had some problems with coliform in the past.
- ❖ The main water infrastructure need is rehabilitation or replacement of Tank 1.
- ❖ The District's water services appear to be adequate based on the California Department of Public Health (DPH) system evaluation, drinking water quality, and distribution system integrity.
- ❖ Due to the EQSD's relatively new sewer connection infrastructure, there has been essentially no need for major repair work or significant maintenance. The condition of all mains and lift stations were reported to be excellent.
- ❖ Although the District does not own wastewater treatment facilities, the QCSD wastewater treatment plant also used by EQSD has been having capacity issues. The plant is also facing a possibility of NPDES non-compliance in 2015. The engineering

report completed for EQSD recommended that the District look into a possibility of a separate decentralized wastewater treatment plant.

- ❖ The District's wastewater services appear to be adequate based on regulatory compliance, sewer overflows, collection system integrity, and response to service calls.
- ❖ 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 reported that its current financing level was adequate to deliver services. No financing challenges or impacts of the recent economic recession were identified.
- ❖ The FY 12-13 audit identified one significant deficiency and two material weaknesses in internal control, which expose EQSD 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.
- ❖ EQSD has a sewer assessment of \$108 per parcel. The assessment was passed in 1997 and will sunset in 2034.
- ❖ The District has four financial reserves, including reserves for System Facilities, Vehicles, Water Utility Deposits, and other unrestricted net assets.
- ❖ EQSD plans its capital improvements through a capital improvement program for water and sewer included in the water and sewer rate studies completed in 2014. All planned water system improvements are estimated to cost the District approximately \$1.5 million over the next six years. Needed sewer improvements are estimated to cost about \$400,000 over the next five years.
- ❖ EQSD has been using pay-as-you-go approach to finance its capital improvement needs. The District has a modest water replacement capital program and adequate reserves in cash to immediately fund the first priority of the capital improvement program. The sewer replacement capital program is adequately funded for the projects identified.
- ❖ The District's long-term debt is represented by USDA Improvement Bonds. Total bonds payable at the end of FY 12-13 were \$1.7 million. The debt will be fully paid off by 2036.

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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.



- ❖ The District has a 40-year agreement with Quincy CSD facility to accept East Quincy SD sewage.
- ❖ EQSD is a member of American Water Works Association, Special District Risk Management Association, Special Districts Association, and Plumas County Special Districts Association.
- ❖ 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.

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

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- ❖ EQSD demonstrated accountability in its disclosure of information and cooperation with Plumas LAFCo. The District responded to the questionnaires and cooperated with the document requests.
- ❖ EQSD 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 after a year of operating as one district, 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. EQSD, however, reported that it currently was not considering consolidation.
- ❖ Another governance structure alternative for the District is the annexation of the property served by EQSD and currently located within QCSD and owned by the County Community Development Commission. EQSD passed a resolution consenting to and supporting the annexation of the property. The annexation is pending the application to LAFCo by the County Community Development Commission.