12. DRYTOWN COUNTY WATER DISTRICT

Drytown County Water District (DCWD) provides retail water delivery services.

AGENCY OVERVIEW

Background

Drytown County Water District (DCWD) was formed on July 17, 1961, as an independent special district.[271] DCWD was formed to provide water services to the unincorporated community of Drytown.

The principal act that governs the District is the County Water District Law.[272] The principal act empowers the District to "store water for the benefit of the district, conserve water for future use, and appropriate, acquire, and conserve water and water rights for any useful purpose."[273] Districts must apply and obtain LAFCO approval to exercise latent powers or, in other words, those services authorized by the principal act but not provided by the district at the end of 2000.[274]

Boundary

The DCWD boundary encompasses the community of Drytown, which is located in northwestern Amador County, approximately three miles south of the City of Plymouth. The boundary area extends west of SR 49, east along Spanish Street and New Chicago Road in the south. The District has a boundary area of approximately 159 acres.

Sphere of Influence

The District's SOI was originally adopted in 1976, but the resolution does not include any description of the area. LAFCO minutes from the time indicate that the District expressed a desire to concentrate on serving its existing customers and the vacant lots inside the District as they developed, leading the Executive Officer to infer that the SOI was established in 1976 as coterminous. Most recently, in 2009, LAFCO updated the District's SOI to include all territory within the District's boundaries, plus parcels outside the boundaries currently receiving service.[275]

[271] Formation date is from Board of Equalization records.

[272] California Water Code §30000-33901.

[273] California Water Code §31021.

[274] Government Code §56824.10.

[275] LAFCO Resolution 2009-06.

Local Accountability and Governance

DCWD is governed by a five-member board of directors. Directors are to be elected; although, in practice, there have been no contested elections in recent history (since prior to 1997) and all Directors have been appointed by the Board of Supervisors.

Figure 12-1: DCWD Governing Body

Drytown County Water District			
Governing Body			
Members	**Name**	**Position**	**Term Ends**
	Edwin Kaffer	Chair	Dec-17
	Kenneth Poore	Vice Chair	Dec-17
	Linda Lacey	Secretary	Dec-17
	Sandra Frey	Treasurer	Dec-15
	Rich Kendall	Member	Dec-15
Manner of Selection	Elections at large		
Length of Term	Four years, staggered		
Meetings	Date: First Thursday at 7 p.m.	Location: Drytown School House	
Agenda Distribution	Posted at Old Well Motel and the school house		
Minutes Distribution	By request		
Contact			
Contact	Clerk of the Board		
Mailing Address	P.O. Box 323, Ione, CA 95640		
Phone	(209)274-6480 or (209)304-0940		
Fax	(209)274-6488		
Email/Website	nancy@volcano.net		

The District does not perform constituent outreach efforts, and does not maintain a website where public documents can be accessed.

With regard to customer service, the District reported that complaints most often relate to water quality and billing (often related to someone incorrectly reading the meter). Complaints may be submitted to a board member or the clerk via mail, phone, or in person. In 2012, the District reported that it received no complaints.

The District reported that it had no Brown Act violations in recent history.

The District demonstrated accountability in its disclosure of information and cooperation with LAFCO. The agency responded to LAFCO's written questionnaires and cooperated with document requests.

Management

The District activities are managed by a part-time water manager (four hours per month) who performs water testing and minor repairs. The District also employs a part-time clerk to the board who conducts billings and provides staff support for board meetings, as well as a part-time meter reader. The water manager and clerk make

occasional reports to the Board at monthly meetings. The District desires to hire a full-time manager once financing levels permit.

The District does not conduct performance or operations evaluation practices, such as tracking workload, monitoring productivity, or employee evaluations.

The District did not report any planning efforts, such as a master plan, for its water system.

District financial planning efforts include annual preparation of budgets and financial audits every three to five years. The District does not have a capital improvement plan due to limited funds for capital improvements. Capital outlays are planned on an annual basis in the budget. The District attempts to keep improvements to a minimum to maintain the system.

Management practices include risk management. The District's insurance includes liability insurance through the Special District's Risk Management Authority for coverage up to $2.5 million for all events, with the exception of employee dishonesty, which is covered up to $400,000. The District's property insurance covers up to $10 million in losses.

Service Demand and Growth

Existing land uses in the District's boundary are primarily suburban residential (i.e., five acres per unit on average). Other land uses within the district boundary include commercial properties located along SR 49. Economic activity in the District's boundary area consists of a bar, a motel, and a restaurant.

There are 62 water connections within the District bounds, including 59 residential water connections. The number of water connections has remained unchanged since 2007. The estimated population within District bounds is 136.[276] The District's population density is 578 per square mile, compared to the countywide density of 64.

The District reported that service demand in the form of volume of water purchased by customers has remained constant over the last five years (2007 to 2012).

The District anticipates that future growth, at least in the short term, will be minimal. In the 2008 MSR it was reported that there were two potential developments within or partially within the District's bounds—The St. Elizabeth subdivision and the Thomas Estate. The St. Elizabeth subdivision was originally planned to add 11 new connections to the District's water system. Since that time, the number of available lots was reduced and three lots were foreclosed on and sold. The District is in the midst of litigation with the previous landowner/developer of those three lots to finalize the transfer of water system infrastructure to serve the properties. The Thomas Estate, which is partially within the District's bounds, was planned to consist of approximately 17 dwelling units. A map was tentatively approved for the subdivision but expired in 2012. The property is now for sale and plans for developments have been shelved.

[276] The population estimate for the District is the product of the number of water connections within the boundary area and the average household size (2.3) in Amador County in 2010, according to Census information.

In 2008, the District reported that it had been approached by eight landowners of parcels on the western side of SR 49, along Varia Ranch Road who were interested in annexation because their private wells were drying up. Since that time the landowners have not continued their pursuit for annexation, perhaps due to the associated cost of annexation fees and extension of necessary infrastructure.

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

Disadvantaged Unincorporated Communities

LAFCO is required to evaluate disadvantaged unincorporated communities as part of this service review, including the location and characteristics of any such communities. A disadvantaged unincorporated community is defined as any area with 12 or more registered voters, or as determined by commission policy, where the median household income is less than 80 percent of the statewide annual median.[277]

The California Department of Water Resources (DWR) has developed a mapping tool to assist in determining which communities meet the disadvantaged communities median household income definition.[278] DWR identified nine disadvantaged communities within Amador County—three of which are cities and are therefore not considered unincorporated.[279] The entirety of the Drytown Census Designated Place (which includes the entirety of DCWD and extends outside of the District's bounds) is considered a disadvantaged unincorporated community by DWR's standards.

DWR is not bound by the same law as LAFCO to define communities with a minimum threshold of 12 or more registered voters. Because income information is not available for this level of analysis, disadvantaged unincorporated communities that meet LAFCO's definition cannot be identified at this time.

Financing

Existing financing is not sufficient to deliver adequate services. The District's 2007 water rate study found that "the long-term interest of the water system is not well served with the existing very lean operation," and recommended the District increase rates by 24 percent in FY 07-08, by 12 percent in FY 08-09, and by 12 percent in FY 09-10.[280] The District adopted the rate increases in January 2008. Rates have not been increased since 2009. Capital costs are not incorporated into the present or proposed rate structure. The District would need to increase rates further to provide for ongoing maintenance, rehabilitation and upgrade of the water system.

The District tracks its finances through a single enterprise fund.

[277] Government Code §56033.5.

[278] Based on census data, the median household income in the State of California in 2010 was $57,708, 80 percent of which is $46,166.

[279] DWR maps and GIS files are derived from the US Census Bureau's American Community Survey (ACS) and are compiled for the five-year period 2006-2010.

[280] Reed Group, *Water Rate Study*, Oct. 5, 2007, Exhibit 4.

Total revenue in FY 12 was $64,358. Revenue sources are water rates (76 percent), property taxes (24 percent), and interest and other sources comprised less than one percent of revenues.

Total expenditures for the year were $48,721, which were primarily composed of water purchased from AWA (67 percent), administration and general costs (24 percent), and operations and maintenance (nine percent).

The District finances major capital improvements via cash reserves and grants. In FY 06-07, the District relied on CDBG funds from the County to finance construction of a new water storage tank.

The District had no long-term debt at the end of FY 12.

The District does not have an adopted policy on its target level for financial reserves. DCWD had a fund balance of $212,649 at the close of FY 12. The unreserved fund balance amounted to more than quadruple the District's annual ongoing expenditures. The District would appear to have more than four years of working capital, except that reserves are the District's only existing capital financing source.

WATER SERVICES

This section describes the nature, extent and location of the water services provided as well as key infrastructure and water sources. The tables provide further information and indicators of the agency's water service supplies, demand, financing, service adequacy, and facilities.

Nature and Extent

DCWD purchases treated water from AWA and distributes it to residential and commercial users. The District does not provide water treatment services. The District provides a majority of the necessary maintenance and operation of the water distribution system directly through its part-time water manager, and, in addition, maintains a contract with AWA for additional maintenance support should the need arise.

The District does not produce or use recycled water, and does not practice conjunctive use.

Location

DCWD provides services within its bounds. Additionally, the District provides service to several parcels outside of its bounds. The District's water services are available to all of its boundary area, and there are no areas within the boundary that could not be served.

Infrastructure

Key infrastructure includes the District's water storage tank and approximately five miles of distribution pipelines.

The District purchases treated surface water from North Fork of the Mokelumne River from AWA. The water is treated at AWA's Tanner Treatment Plant, passes through the Bunker Hill Road Water Main and flows into the District's storage tank on the top of Bunker Hill for distribution. The District is not aware of any constraints on the amount that AWA will supply to the District to serve its current number of connections. The District must apply to AWA for a commitment to serve additional connections.

The quality of water is generally good, with occasional occurrences of strong chlorine odors, as reported by the District. Corrosion of lead distribution pipes previously led to increased lead levels in the water. DCWD exceeded the regulatory standards for lead in 2002 and 2007. The District conducted a public education program regarding lead in drinking water in October 2007, as directed by DEH. The District, in conjunction with the California Department of Public Health and DEH, conducted a study and investigation into the high lead levels. Ultimately, AWA was required by the California Department of Public Health to reduce the corrosiveness of the water being delivered from Tanner Plant by maintaining a pH of between 7.6 and 8. From the time that AWA enacted these measures, beginning in 2011, lead and copper levels have remained within regulatory standards in DCWD's system.

The District owns and maintains a single storage tank of 270,000 gallons that was installed in 2007. The storage tank is in excellent condition, and the District did not identify any storage needs or deficiencies.

In the event of emergencies, the District would rely on reserves in the storage tank, which would accommodate peak demand for six days. The District also has two interties with the AWA system—the AWA pipeline from Tanner Plant to the storage tank and AWA's Plymouth Pipeline. If the water supply from AWA were to be halted for any emergency situation, the District would rely entirely on its stored water. All District board members and staff are trained to handle emergency events; although the District does not maintain an emergency response plan.

The distribution system consists of five miles of mains, which are mostly two-inch diameter. The pipes are old and in poor condition, according to the County Department of Environmental Health (DEH). The distribution system has a significant rate of loss averaging 20 percent between 1995 and 2007; however, over the last two years (2011 and 2012) the degree of water loss has declined to seven percent. A rate study from 2007 noted that the District was considering rate restructuring that would finance gradual replacement of the entire system over a 50-year timeline.[281] As a result of the rate study, rates were increased for three consecutive years. Rates have not been increased since 2009 and are not presently structured to cover significant capital improvements.

[281] Reed Group, *Water Rate Study*, October 5, 2007.

Figure 12-2: DCWD Water Service Profile

Water Service Configuration & Infrastructure					
Water Service	**Provider(s)**		**Water Service**	**Provider(s)**	
Retail Water	Direct		Groundwater Recharge	None	
Wholesale Water	AWA		Groundwater Extraction	None	
Water Treatment	AWA		Recycled Water	None	
Service Area Description					
Retail Water	The District's service area lies along SR 49 in the community of Drytown. The District serves parcels on both sides of the highway and along Spanish Street, Main Street and New Chicago Road.				
Wholesale Water	NA				
Recycled Water	NA				
Boundary Area	0.25 sq. miles		Population (2013)	136	
System Overview					
Average Daily Demand	28,474 gal.		Peak Day Demand	59,087 gal.	
Supply	The District is not aware of any limits on the amount of water that can be purchased from AWA with the current number of connections served. The District was unable to provide the distribution capacity of the system.				
Major Facilities					
Facility Name	**Type**	**Capacity**		**Condition**	**Yr Built**
Storage tank	Storage	0.27 mg		Excellent	2007
Other Infrastructure					
Reservoirs	0		Storage Capacity (mg)	0.27 mg	
Pump Stations	0		Pressure Zones	0	
Production Wells	0		Pipe Miles	5 miles	
Infrastructure Needs and Deficiencies					
Pipes are old and in poor condition. To minimize distribution losses, the District needs to replace a significant portion of its distribution system. The District should perform an evaluation of the entire system to prioritize replacement.					
Facility-Sharing and Regional Collaboration					
Current Practices: The District currently receives treated water from the AWA Tanner Treatment Plant through AWA pipelines, in conjunction with the City of Amador. Additionally, in 2009, AWA completed the Plymouth Pipeline which is connected to the main serving DCWD to provide back up in the event of a water supply failure or main improvements. Also, the District has an agreement in place with AWA for the provision of specialized services such as water line repairs.					
Opportunities: No further opportunities were identified.					
Notes: (1) NA means Not Applicable, NP means Not Provided, mg means millions of gallons, af means acre-feet.					

continued

Water Demand and Supply							
Service Connections	**Total**	**Inside Bounds**	**Outside Bounds**				
Total	62	62	0				
Irrigation/Landscape	0	0	0				
Domestic	59	59	0				
Commercial/Industrial/Institutiona	3	3	0				
Recycled	0	0	0				
Other	0	0	0				
Average Annual Demand Information (Acre-Feet per Year)							
	2000	**2005**	**2010**	**2015**	**2020**	**2025**	**2030**
Total	25.4	30.9	31.8	NP	NP	NP	NP
Residential	23.7	28.9	29.8	NP	NP	NP	NP
Commercial/Industrial	2.0	2.0	2.0	NP	NP	NP	NP
Irrigation/Landscape	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Water Sources			**Supply (Acre-Feet/Year)**				
Source	**Type**		**Average**	**Maximum**		**Safe/Firm**	
Purchased water from AWA	Surface		37.5	NP		NP	
Supply Information (Acre-feet per Year)							
	2000	**2005**	**2010**	**2015**	**2020**	**2025**	**2030**
Total	38.3	40.0	34.3	NP	NP	NP	NP
Imported/Purchased	38.3	40.0	34.3	NP	NP	NP	NP
Groundwater	0	0	0	0	0	0	0
Surface	0	0	0	0	0	0	0
Recycled	0	0	0	0	0	0	0
Drought Supply and Plans							
Drought Supply (af)[1]	Year 1: NP		Year 2: NP		Year 3: NP		
Significant Droughts	1976, 1977, 1988-1994, 2007-2009						
Storage Practices	Storage is for short-term emergencies only.						
Drought Plan	The District relies on AWA for all drought planning activities, as water is purchased from AWA. Even during multiple-year droughts, AWA has received its full water rights and has never enacted curtailments.						
Water Conservation Practices							
CUWCC Signatory	No						
Metering	Yes						
Conservation Pricing	Yes						
Other Practices	None						

continued

Water Rates and Financing

Domestic Water Rates-Ongoing Charges FY 07-08[1]

	Rate Description	Avg. Monthly Charges	Consumption[2]
Residential	Flat Bi-monthly: $99.27 for 40,000 gallons Water Use: $2.33 per 1,000 gallons in excess of 40,000 gallons	$49.64	250 gal/day

Special Rates

Water rates are the same throughout the District.

Rate-Setting Procedures

Policy Description	The rate is calculated to cover operational costs and water purchases from AWA. The rate does not include the cost of capital improvements.		
Most Recent Rate Change	2009	Frequency of Rate Changes	As needed

Water Development Fees and Requirements

Connection Fee Approach	New connections pay actual cost for connection, but initially deposit $1,500 for connection costs. Capital improvement fees are also charged. New owners must extend the pipe to the nearest "T" at their own cost.
Connection Fee Timing	Prior to connection.
Connection Fee Amount[3]	$6,380 for ¾-inch meter. $7,297 for 1-inch meter.

Water Enterprise Revenues, FY 12			Expenditures, FY 12	
Source	Amount	%		Amount
Total	$64,358	100%	Total	$59,346
Rates & charges	$48,694	76%	Administration	$11,633
Property tax	$15,138	24%	O & M	$4,407
Grants	$0	0%	Capital Depreciation	$10,625
Interest	$111	0%	Debt	$0
Connection Fees	$0	0%	Purchased Water	$32,681
Other	$415	0%	Capital Investments	$0

Notes:

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

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

(3) Connection fee amount includes both the $1,500 deposit and the capital improvement fee.

continued

Water Service Adequacy, Efficiency & Planning Indicators				
Water Planning	**Description**		**Planning Horizon**	
Water Master Plan	None			
UWMP	None, not required			
Capital Improvement Plan	None			
Emergency Response Plan	None			
Service Challenges				
The District identified encroaching development and limited capacity for additional connections as challenges to providing water services. The County Department of Environmental Health also identified the aging distribution system as a challenge for the District.				
Service Adequacy Indicators				
Connections/FTE	2,480		O&M Cost Ratio[1]	$154,773
MGD Delivered/FTE	1.14		Distribution Loss Rate	7%
Distribution Breaks & Leaks[2]	0		Distribution Break Rate[3]	0
Response Time Policy	ASAP		Response Time Actual	NP
Water Pressure	NP		Total Employees (FTEs)	0.03
Water Operator Certification				
The District's water manager has a D4 certification for distribution systems. The District is required to have a D1 certified chief operator; the District is exceeding this requirement.				
Drinking Water Quality Regulatory Information[4]				
	#	**Description**		
Health Violations	0			
Monitoring Violations	2	Deficiencies in lead and copper sampling in 2000.		
DW Compliance Rate[5]	100%			

Notes:

(1) Operations and maintenance costs (exc. purchased water, debt, depreciation) per volume (mgd) delivered.

(2) Although there are problems with pipe corrosion, the District reported no preceptable leaks or breaks in 2012.

(3) Distribution break rate is the number of leaks and pipeline breaks per 100 miles of distribution piping.

(4) Violations since 2000, as reported by the U.S. EPA Safe Drinking Water Information System.

(5) Drinking water compliance is percent of time in compliance with National Primary Drinking Water Regulations in 2012.

SUMMARY OF DETERMINATIONS

Growth and population projections

- There has been no new development in the District over that last five years.
- Future growth is expected to be minimal in the short-term.
- Eight adjacent properties have previously expressed interest in annexation due to declining well yields; however, landowners of these properties have not pursued annexation over the last five years, likely due to the cost of extending related infrastructure and annexation fees.

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

- There is one disadvantaged unincorporated community within the District's bounds and SOI based upon mapping information provided by the State of California Department of Water Resources. The identified community is Drytown Census Designated Place.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- Pipes are old and in poor condition. While improved over the last five years, the distribution system water loss rate is high compared to industry standards. To minimize distribution losses, the District needs to replace a significant portion of its distribution system.
- The District is not aware of its system's maximum capacity, and as such it is unclear the degree of available capacity for present and future uses.
- The District should perform an evaluation of the entire system to prioritize replacement and determine the maximum capacity that can be served with the existing infrastructure.
- The District relies heavily on the volunteer time of its Board and paid staff who receive minimal stipends. While this is currently an effective arrangement, the long-term availability of able volunteers/low-paid staff, which is often unpredictable, may affect the sustainability of service provision.
- In the absence of accurate system capacity information and a master plan for distribution system repair/replacement, the adequacy of District services and infrastructure cannot be accurately known.

Financial ability of agencies to provide services

- While the District has been able to accumulate some reserves, the existing rate structure does not provide for substantial capital costs associated with ongoing capital replacement needs.
- DCWD water rates are comparable to other Amador County water purveyors, but have not been reviewed in the last four years. The District should consider conducting another water rate study after identifying system needs in a comprehensive system evaluation.

Status of, and opportunities for, shared facilities

- DCWD relies on AWA for treatment and transmission of treated water through AWA facilities.
- No additional opportunities for facility sharing were identified.

Accountability for community service needs, including governmental structure and operational efficiencies

- Accountability to local voters is constrained by a lack of contested elections. Improvements to accountability could be made by emphasizing public outreach activities and promoting interest in participation on the governing body.
- A government structure option is annexation of adjacent parcels on Varia Ranch Road with declining well yields; however, it may not be cost-effective for the affected parcels to connect to the District's system and the District may lack the capacity and ability to serve this area.
- The District has faced challenges in the past in providing adequate services. In 2008 consolidation with AWA was identified as a government structure option. However, the District continues to not be interested in dissolution, as it wishes to retain local control over water services, and is concerned about impacts on water rates if it should be consolidated into AWA.