

# **FRAZIER PARK PUBLIC UTILITY DISTRICT**

*Like a Good Neighbor... Frazier Park is there*

## **SUMMARY:**

The Frazier Park Public Utility District (FPPUD) has been asked to rescue a neighbor to the west because the Lake of the Woods Mutual Water Company (LOWMWC) is running out of potable water for their community. The State of California (State) has been trucking water to the Lake of the Woods residents for a couple of years. At the request of the State, along with a State grant, the FPPUD is studying the feasibility of annexing LOWMWC into a regional water entity.

The citizens of Frazier Park have voiced concerns regarding the annexation of LOWMWC, especially since Well #6 became operational, which coincided with the local pond drying up. This pond has been part of the Frazier Park community for many generations.

The FPPUD is a well-managed water district with residential and commercial metered connections, while LOWMWC has non-metered water connections. Due to the drought, LOWMWC is unable to service the water needs to their residents. The annexation process may prove to be difficult due to competing concerns between these two districts; does FPPUD have a sustainable water supply for itself, and will it be able to meet the demand of its neighbor?

## **PURPOSE OF INQUIRY:**

The 2016-2017 Kern County Grand Jury (Grand Jury) Special Districts Committee (Committee) conducted an investigation of the FPPUD pursuant to Penal Code §§925 and 933.5.

## **PROCESS:**

The Committee received a complaint concerning the operation of FPPUD and reviewed the prior 2011-2012 Grand Jury Report. Research included internet searches and reading several newspapers articles about the water situation in Frazier Park and Lake of the Woods. The Committee conducted interviews and visited the FPPUD District Office and facilities. Visiting the area and the Kern County Park pond in Frazier Park gave the Committee a better understanding of the water concerns in the Lower Cuddy Valley. A review of the minutes and agendas from FPPUD board meetings for the past six months, the manager's monthly reports, the financial reports for 2013, 2014, and 2015, and the "Lower Cuddy Creek Water Demand Study" was conducted. An interview with the consulting civil engineer working for FPPUD and LOWMWC provided detailed information about the water sustainability in the area. The Committee attended the October Regular District Board Meeting.

The Mountain Enterprise, a local newspaper, also provided current information and opinions of many local residents concerning water issues in the Lower Cuddy Valley.

### **BACKGROUND and FACTS:**

The Frazier Park Public Utility District is a special district established on February 20, 1939, when it seceded from the Frazier Mountain Water Company. The FPPUD was established by the Public Utility District Act Statutes of 1921, and is now under authority of Public Utility Code Section 15501, et seq. In 1939, the newly established FPPUD paid \$900 for two natural springs, Pine Canyon and Sam Young, and three parcels intended for use as either wells or water storage tanks. The FPPUD is located in the Lower Cuddy Valley which is in the southernmost portion of Kern County covering Frazier Mountain Park. As a public utility district, FPPUD may provide various services to its residents, but at present only supplies water. The FPPUD is governed by a five member Board of Directors, elected at general district elections, for a term of four years.

The General Manager (GM) oversees a staff including: A Senior Field Operator, two field crews, a Clerk of the Board/Assistant to the General Manager, a front office person, and a temporary file clerk.

A pre-planning report was generated by consulting civil engineers to create a regional water system that will annex the Lake of the Woods into the FPPUD. The State of California is providing a grant to study and complete the annexation process.

- A. The communities of Frazier Park and Lake of the Woods are approximately two miles apart.
- B. Lake of the Woods Mutual Water Company includes:
  - 1. Approximately 900 residents
  - 2. 401 water connections
  - 3. Annual water demand 117 acre-feet
  - 4. Non-metered system [must be metered prior to annexation]
  - 5. Average daily demand is 73 gallons per minute (gpm)
- C. Frazier Park Public Utility District includes:
  - 1. Approximately 2,834 residents
  - 2. 1,300 water connections
  - 3. Annual water demand 360 acre-feet
  - 4. All metered connections
  - 5. Average annual daily demand is 223 gpm
- D. If annexed, the \$8,000 connection fee for LOWMWC will be paid by the State Grant on all existing connections. The property owner will pay for any new connections.

- E. All water in the system is gravity fed to the connections. Pressure varies from 20-30 pounds per square inch (psi) to as high as 130 psi (See Appendix B).
- F. Booster pumps are used to move water up to the storage tanks on an as needed basis.
- G. According to the June 30, 2014 Financial Audit Report for FPPUD:
  - 1. Total non-operating revenue decreased \$364,138 over the course of the year's operations.
  - 2. Total net operating and non-operating revenues decreased \$989,190 over the course of the year's operations. The decrease in 2014 is due primarily to the accounting of the \$1,000,000 United States Department of Agriculture (USDA) grant-loan in 2013.
  - 3. Total expenses increased \$207,089 over the course of the year's operations.
  - 4. Future revenues have been pledged to repay \$1,400,000 in water revenue bonds issued in December 2005, and \$2,100,000 in water revenue bonds issued during May 2011. Proceeds from the sale of bonds provided financing for the improvement and expansion of the current water delivery system. The bonds are payable solely from all revenues through fiscal year ending 2051.
  - 5. Total Assets \$6,939,000
  - 6. Total Water Sales \$615,774 for both residential and commercial
- H. The annual principle and interest loan payment, totaling \$105,000, was paid to the USDA by FPPUD on October 13, 2016.
- I. The FPPUD consists of a five member board. Currently there are four members with one vacancy created by the resignation of a board member. Three incumbent board members applied for re-election and were unopposed; therefore, an election was not held.

## **FINDINGS:**

- F1. The source of water for the FPPUD are three wells identified as: Well #4 and Well #6 located at 4001 Park Drive; Well #5 located at the end of Montana Trail; and two active springs known as Pine Canyon and Sam Young. Continuous chlorination is provided to all water produced from these active sources. The well water supply is drawn from aquifers located in a canyon surrounded by mountains. The springs are located uphill from the community, and secured to prevent possible contamination. The FPPUD has 12 water storage tanks (11 currently used) and booster pumps located throughout the community.

- F2. The FPPUD has been selling water to LOWMWC for approximately a year, to determine if the FPPUD's system can meet the extra demand. Currently water is being trucked to Lake of the Woods from FPPUD.
- F3. The FPPUD's "Lower Cuddy Creek Water Demand Study", covering the communities of Frazier Park and Lake of the Woods to create a regional water entity, produced the following information:
- a. Combined total of 1,704 connections; peak hour demand ranges between 1,050 to 2,800 gpm
  - b. For estimation purpose, an additional 300 connections could be added *if the regional entity were to be created*, bringing the total number of connections to 2,004.
  - c. Annual water demand for the regional entity; 561 acre-feet with the additional 300 connections
  - d. Combined maximum monthly average daily demand; 350-933 gpm
  - e. Pumping records for the past six years for FPPUD system indicate that the maximum monthly daily pumping demand is 360 gpm. This was met by drawing water from wells, springs, and from storage tanks.
  - f. The FPPUD has 2.1 million gallons of storage and pumps a maximum of 16.06 million gallons in a given month.
  - g. Consulting civil engineers completed a study to form a regional water entity. This would include new pipelines to Lake of the Woods, additional storage tanks, and booster pumps, at a projected cost of \$16 million.
- F4. Before the annexation process is completed, FPPUD will have to complete a new rate study.
- F5. The FPPUD is working to develop a Sustainable Groundwater Management Authority (SGMA) and the Financial Assistance Application Submittal Tool (FAAST) Planning Grant Application; a Memorandum of Understanding (MOU) with all parties involved will have to be completed.
- F6. In the July 2016 Monthly Manager's Report:
- a. Water pumped - 10,384,200 gallons
  - b. Water sold - 6,454,394 gallons
  - c. With a lag (water loss) - 33.43%
  - d. In June 2015 the lag - 20.34%
  - e. Six year average lag (2009-2014) - approximately 20%
- F7. According to the consulting civil engineer, the difference between water pumped versus water sold is likely a combination of losses due to pipe breaks and metering inconsistencies. Other factors, as stated by the GM, are not accurately measuring water in the storage tanks and the variable nature of the two springs feeding into the water system.

- F8. Monthly bills from FPPUD may be difficult to read and understand by the water users:
- a. Meters are usually read monthly and are recorded to the nearest hundred cubic feet (CCF).
  - b. Bills are calculated and charged in gallons of water used.
  - c. Users must convert from CCF to gallons (one CCF is equal to 748 gallons) to understand their bills.
  - d. The computer will estimate water usage when the meter cannot be read.
- F9. The FPPUD's website is unable to accept online payments.
- F10. The FPPUD's website is not kept up-to-date with current board agendas and approved minutes.
- F11. About two years ago, the FPPUD discovered an illegal tap was used to steal water from a main water line fed by one of the springs.
- F12. The FPPUD is using district staff to complete the process of adding Well #6 to the water system (See Appendix A).
- F13. The FPPUD board voted to increase water rates after the Rural Community Assistance Corporation completed and presented a rate study at the September 2016 board meeting:
- a. New base rate for  $\frac{3}{4}$  inch service meter - \$55 a month
  - b. New usage fee - \$2.60 per 1000 gallons
  - c. The rate study will allow FPPUD to seek State funding - \$16-20 million
  - d. The rate study was funded by the State of California
  - e. Under Proposition 218, rate increase hearings are scheduled
- F14. The Committee visited the October 20, 2016, FPPUD Board Meeting and observed the following: no salute to the flag, the meeting ran according to Robert's Rules of Order, and District Policy. Agenda item #3, Public Comments, lasted over one hour due to discussion about the pond and other topics (See Appendix F, as an example).
- F15. The FPPUD board is working on updating the District Bylaws and Regulations, as well as the Board Member Conduct Policy.
- F16. All FPPUD board members have completed the required Ralph M. Brown Act and other leadership training.
- F17. The FPPUD Board will be appointing a new member to fill the vacant seat on the Board of Directors.

- F18. The consulting civil engineer stated that the pond in Frazier Park had several years of low water in the late 1970s and early 1980s due to drought conditions. Today the spring that feeds the pond is almost dry, therefore water inflow is less than outflow and evaporation. Well #4 and Well #6, which are located closest to the pond, draw water from an aquifer that is located about 250 feet deep and has been stable for years. The pond is fed by a spring. A solution to the dry pond is to line the bottom of the pond to stop percolation and limit the outflow (See Appendixes C, D, and E).

#### **COMMENTS:**

The Committee thanks the staff of Frazier Park Public Utility District and the consulting civil engineer for their cooperation and assistance. The Board Members expressed concern and passion for their job, and understand their responsibility for supplying sustainable drinking water to the community.

Frazier Park residents have a concern about the pond in the Kern County Park. Many have the opinion that the drying up of the pond is due to pumping water from new Well #6 (See Appendixes C, D, and E); the FPPUD should address this concern. Citizens that are concerned about the pond may want to review the memorandum sent to the Kern County Board of Supervisors from the Kern County Parks and Recreation Department, dated November 15, 2016. Attached to the memorandum is the report titled "The General Overview of Frazier Mountain Park Pond" prepared by the supervising engineer. California's drought has caused many changes in the ponds, lakes, and reservoirs throughout the State.

#### **RECOMMENDATIONS:**

- R1. The Frazier Park Public Utility District should upgrade their website to provide for online payments. (Finding 9)
- R2. The FPPUD should keep the website updated with current board meeting agendas and minutes. (Finding 10)
- R3. The FPPUD should make the water bills user friendly. The meter readings and billing information should be consistent, either gallons or cubic feet, but not both. (Finding 8)
- R4. The FPPUD should better inform the public of all district activities. The use of the local newspaper, sending quarterly newsletters, website, and posting meeting agendas around the community (post office, library, etc.) would keep the community better informed. (Findings 2, 5, 10, 13, and 14)

- R5. The FPPUD should complete the feasibility study concerning the annexation of Lake of the Woods and the formation of a regional water system. The final decision must be made by a majority of affected eligible voters. (Findings 3 and 4)
- R6. The FPPUD should place and enforce a time limit on public comments during regular board meetings (See Appendix F, as an example). (Finding 14)
- R7. To address community concerns, the FPPUD should consult and work cooperatively with the Kern County Parks and Recreation Department, to research and develop solutions to the pond issue. (Findings 1 and 18)

**NOTES:**

- The Kern County Park and Recreation Department, Frazier Park Public Utility District and the Lake of the Woods Mutual Water Company should post a copy of this report where it will be available for public review.
- Persons wishing to receive an email notification of newly released reports may sign up at: [www.co.kern.ca.us/grandjury](http://www.co.kern.ca.us/grandjury).
- Present and past Kern County Grand Jury Final Reports and Responses can be accessed on the Kern County Grand Jury website: [www.co.kern.ca.us/grandjury](http://www.co.kern.ca.us/grandjury).

**RESPONSE REQUIRED WITHIN 90 DAYS:**

**PRESIDING JUDGE  
KERN COUNTY SUPERIOR COURT  
1415 TRUXTUN AVENUE, SUITE 212  
BAKERSFIELD, CA 93301**

**CC: FOREPERSON  
KERN COUNTY GRAND JURY  
1415 TRUXTUN AVENUE, SUITE 600  
BAKERSFIELD, CA 93301**

**APPENDIX:**

**Appendix A:**

***Photos: New Water Well # 6 being placed on line.***

August 16, 2016



## **Appendix B:**

### ***Frazier Park Public Utility District website:***

#### **Pressure and Elevation**

Elevations range from 4,000 to 5,700 feet. Whenever possible, a water storage tank (reservoir) is located higher than the homes it is designed to serve so that the water can flow by gravity. Gravity-flow systems tend to be more reliable during fires or other emergencies that result in power outages because they do not require electrical pumps to operate. Of course not all areas of the District can be supplied by gravity flow; some areas will require pumping. Normally, the reservoirs are filled at night when water use is lowest. The full tanks are then able to supply the higher demand for water in the daytime. Sometimes, due to a fire emergency or construction in the area, high demand slows refilling of the tank, which can result in lowered water pressure.

#### **Pressure Regulators**

Some areas may have too much water pressure, which can cause household appliances to malfunction. In those areas, pressure regulators are installed in compliance with local building codes. The pressure regulator provides protection to your house from unexpected water pressure surges.

The pressure regulator is a bell-shaped device and is typically installed on the inlet pipe, next to the hose bib and house valve. The regulators are preset by the manufacturer at about 50 - 60 psi. In most cases, they do not need to be adjusted. Incorrectly adjusting the regulator could cause water pressure that is too low or too high inside the home. FPPUD cannot make repairs or adjust pressure regulators because they are considered part of a homeowner's private water system. We recommend you have a qualified plumber make adjustments.

#### **Pressure Regulator sample**



## Appendix C:

### *The Mountain Enterprise*

September 16, 2016



[Photo by The Mountain Enterprise]

### ***“But it’s a crime to move sick fish into a healthy pond”***

About a dozen well-meaning residents came to Frazier Mountain Park on Sunday, Sept. 4 over Labor Day weekend. They were equipped with nets, buckets, even a plastic wading pool. Fish had been observed “trying to throw themselves up on shore,” said Frazier Park resident...

A call to the California Department of Fish and Wildlife (DFW) by Lake of the Woods’ June Ramsay sparked a rumor that residents were being “threatened” by a DFW warden with a \$1,500 fine for each fish that was illegally removed from the pond. A call to the DFW Lieutenant by *The Mountain Enterprise* yielded an explanation that taking fish that have been stressed, such as these, from this pond and placing them...

#### **Photo captions:**

Residents tried to rescue dying fish from the pond in Frazier Mountain Park Sunday, Sept. 4.

**Appendix D:**

***The Mountain Enterprise***

September 23, 2016

**“Operation Duck, Duck, Goose is a success”**



[Photo by The Mountain Enterprise]

It took two weeks, crowds of volunteers and a threat of arrest, but the two Frazier Park pond geese were finally captured on Sunday, Sept. 18 by dedicated wildlife activists.

Over the Labor Day weekend, frantic calls came into The Mountain Enterprise about fish dying in the Frazier Park pond, gasping for air and...

**Photo captions:**

... bring a white goose up to the bank of Frazier Mountain Park pond after it had eluded capture for two weeks. Its companion, the brown...

**Appendix E:**

***Photos: Kern County Park, Frazier Park Pond***



**October 20, 2016**



2016-2017 Kern County Grand Jury

**Appendix F:**

***Public Comment item on the Kern County Board of Supervisors meeting's agenda***

**PUBLIC PRESENTATIONS**

“This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**”