

SECTION 8.0
TRES PINOS WATER DISTRICT
WATER AND WASTEWATER SERVICE

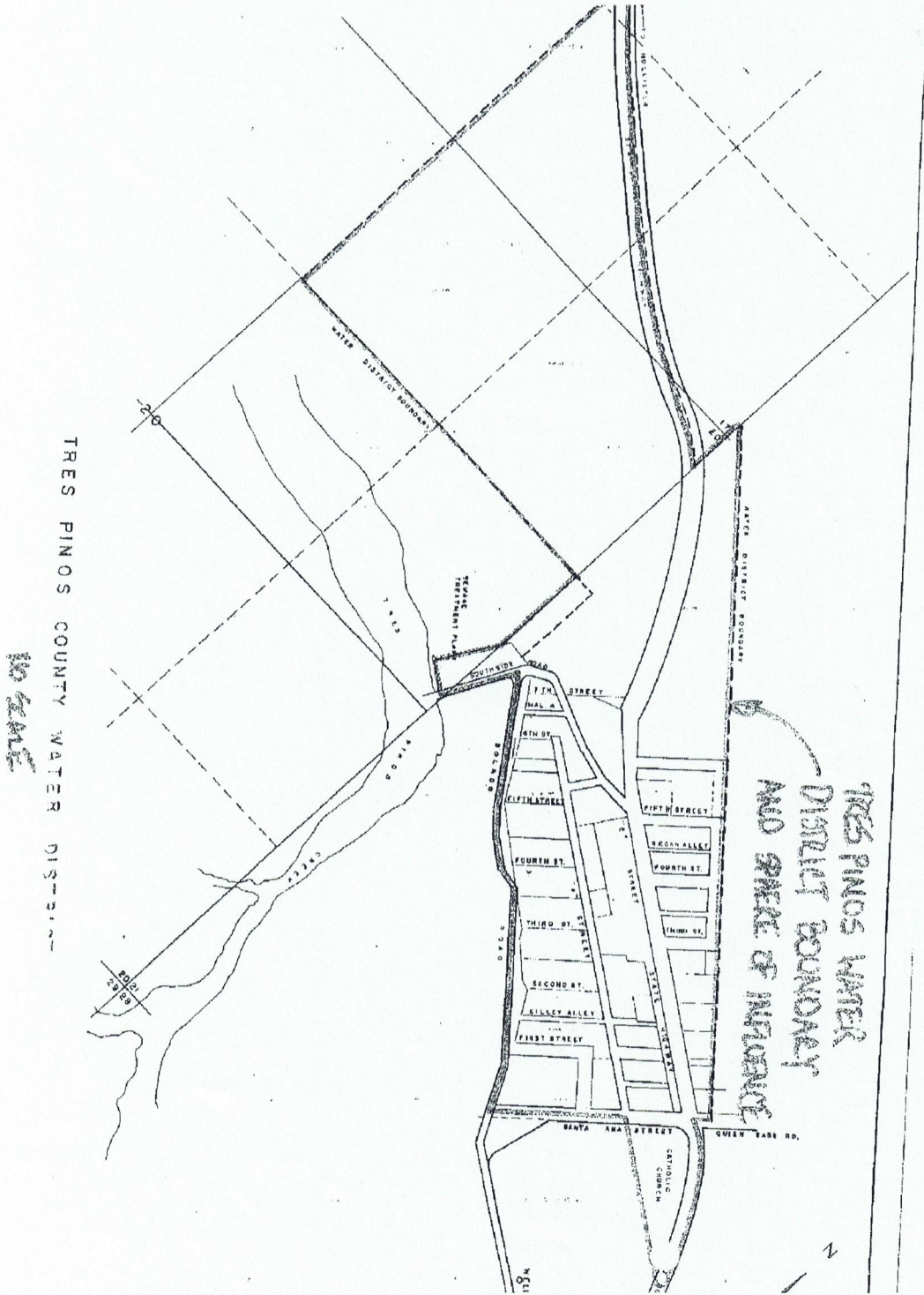
8.1 Overview

The Tres Pinos Water District (TPWD) was formed in 1962 to serve the unincorporated Tres Pinos community in the eastern portion of San Benito County. The District provides water for domestic use and fire suppression as well as wastewater services for approximately 113 customers. The District's sole source of water supply is groundwater, and increased storage and service capacity is needed. The District is planning to expand its wastewater treatment plant. TPWD's profile for water and wastewater service is shown in *Table 8.1*, and a map of the District's current boundary and SOI are shown in *Figure 8.1*.

Table 8.1
Tres Pinos Water District

Service Area / Financial Summary	
District Office:	6850 Highway 25 - PO Box 529 Tres Pinos, CA 95075 (831) 628-3319
Service Area:	(not provided)
Population:	500 est.
Operating Budget (FY 2007-2008):	Revenues / Expenditures: (not provided)
Net Assets 06/30/2006:	(not provided) (from 06/30/2006 Financial Statement)
Water Service Data	
Services	Water for domestic use and fire protection
Number of Service Connections	113
Wells/ Water Main / Pumps	1 well / 2 miles of pipeline / 1 pump
Capacity	210 gpm
Storage Capacity	55,000 gal steel reservoir
Wastewater Service Data	
Services	Wastewater collection, treatment, disposal
Number of Service Connections	113
Treatment / Capacity	(information not provided)
RWQCB Region	Region 3 – Central Coast
Orders	Order No. R3-1999-0101 – Waste Discharge Rqmts Order No. 2006-0003 – Statewide General Waste Discharge Requirements for Sanitary Sewer Systems

Figure 8.1
Tres Pinos Water District Boundary



8.2 Growth and Population Projections

The unincorporated Tres Pinos community is located in the eastern portion of San Benito County, southeast of the City of Hollister. The primary land uses are vineyards, farms, orchards, and cattle grazing, with rural residential development. The District serves 113 accounts, with an estimated population of 500.

The Association of Monterey Bay Area Governments (AMBAG) has adopted population projections through 2030 for San Benito County. Projected growth within the unincorporated area of the County is negligible, increasing from an estimated 18,099 residents in 2005 to 19,773 in 2030.¹ However, the *Tres Pinos Agricultural Watershed Plan 2005 Annual Report* notes that anticipated changes to the watershed include continued pressure for rural residential development.

Current land uses and County policies regarding preservation of agricultural lands will limit population growth within the District's service area.

8.3 Infrastructure Needs or Deficiencies

The Tres Pinos Water District provides domestic water service and water for fire suppression. The District also provides wastewater collection, treatment and disposal service. TPWD contracts with an outside firm to operate and maintain the systems.

8.3.1 Water Supply and Demand

The District's sole source of water supply is groundwater extracted from the Tres Pinos Creek Valley groundwater basin. Tres Pinos Creek recharges the basin, although the creek can be intermittently dry in the summer months. The Paicenes Reservoir, a San Benito County Water District (SBCWD) facility, lies between the San Benito River and Tres Pinos Creek, approximately 5 miles south of Tres Pinos. This reservoir has a capacity of 2,870 acre feet (af) and is filled by water diverted from the San Benito River. The diversion includes natural runoff and redirection of water stored and released from Hernandez Reservoir. Water stored in the Paicenes Reservoir is released into Tres Pinos Creek and the San Benito River for percolation to recharge the groundwater basin. In 2005, the Paicines Reservoir had inflows of 3,706 acre feet and outflows of 3,474 acre feet. The SBCWD's *Annual Groundwater Report for Water Year 2005* notes that the bottom of the Paicines Reservoir has a highly permeable bottom, and

¹ Association of Monterey Bay Area Governments, Projections adopted by the AMBAG Board of Directors April 14, 2004.

approximately 80 percent of the outflow is attributable to evaporation and seepage. Detailed information on the groundwater basin and subbasins is included in Appendix A.

Groundwater basins within San Benito County historically have been overdrafted; however, per the *Annual Groundwater Report for Water Year 2005*, none of the subbasins were in a state of overdraft due to water imports. SBCWD imports water through the federal Central Valley Project and provides surface water and groundwater management services. TPWD lies within three zones of benefit for SBCWD. Zone 1 (countywide) provides funding for SBCWD administrative expenses. Zone 3 provides funding for SBCWD groundwater replenishment activities and operation of the Paicenes Reservoir. Zone 6 provides funding for San Felipe water, a federal Central Valley Project facility, and related groundwater management activities.

Additional groundwater recharge occurs through percolation of municipal wastewater. For Water Year 2005, TPWD percolated 26 acre feet into the groundwater basin.

Groundwater quality throughout the region is impacted by historic agricultural land use. Water quality impacts are further exacerbated by wastewater discharge through septic systems, percolation ponds, and land application. The District's 2006 Consumer Confidence Report notes that Boron exceeds the action level; however, there is no Maximum Contaminant Limit (MCL) for Boron at this time. Total Dissolved Solids (TDS) and Specific Conductance exceed secondary drinking water standards. These issues are not health related, and the District does not provide water treatment. In August 2007, the District adopted a Groundwater Protection Plan that will guide District operations to protect groundwater sources.

Information on current annual demand for TPWD was not provided for this service review.

8.3.2 Water System Infrastructure

TPWD's water system consists of one well, a 55,000 gallon steel storage tank, and approximately two miles of pipeline. The District provides fire flow service to fire hydrants within its boundaries. The system is gravity fed; fire flow is provided at the normal operating pressure of the system. The well produces at an average rate of 210 gallons per minute. Information on the number of unmetered accounts, as well as average day demand and maximum day demand was not provided.

The District notes that it is in need of increased storage and service capacity. The proposed improvements, with an estimated cost of \$1.66 million, include two new 250,000 gallon storage tanks (plus land purchase), a new 800 gpm well, and 12-inch pipelines.

8.3.3 Wastewater System Infrastructure

TPWD provides wastewater services within its service area. The wastewater infrastructure consists of a wastewater collection system, treatment and discharge to evaporation ponds adjacent to Tres Pinos Creek. *Table 8.2* summarizes the District’s existing wastewater system facilities:

**Table 8.2
Tres Pinos Water District
Wastewater System Overview**

	Quantity
Collection Lines	(not provided) miles
Age of System	(not provided) years
Average Dry Weather Flow / Wet Weather Flow	(not provided) gpd adwf / (not provided) gpd awwf
Treatment / Capacity	(not provided)

The District’s wastewater infrastructure includes a treatment facility that discharges to a 1.8 acre pond area. In 2005 the effluent discharge was estimated at 33 acre-feet (af), of which 7 af evaporated and 22 af was estimated to percolate. The treatment facility has received several violation notices over the past few years due to effluent violations. In an October 2002 groundwater sampling from a nearby monitoring well, there were elevated levels of TDS (1,490 mg/L), sodium (580 mg/L), and chloride (510 mg/L). Per the Central Coast Regional Water Quality Control Board’s Basin Plan, the median groundwater objectives for the Tres Pinos subarea are TDS 1000 mg/L, sodium 150 mg/L, and chloride 150 mg/L.

The District is planning to expand the wastewater treatment plant; the details were not provided for this service review. In an April 2007 letter, the Regional Board is requiring the District to develop a Feasibility Study and Long-term Wastewater Treatment Management Plan. Both the Feasibility Study and the Plan must fully evaluate and compare the implementation of various facility improvements and treatment methods versus connection to the Hollister wastewater collection system.

TPWD is within the jurisdictional boundaries of the Central Coast Regional Water Quality Control Board (RWQCB) – Region 3. In 2006, the State Water Resources Control Board adopted the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (WQO No. 2006-003-DWQ) and TPWD (as part of the Central Coast Region) must report all sewer system overflows to the California Integrated Water Quality System (CIWQS). The database does not list any SSOs to date.

In addition, the Order requires that the District prepare a Sewer System Management Plan (SSMP) with completion by August 2010. The SSMP provides a plan and schedule to manage, operate, and maintain all parts of the sanitary sewer system to reduce and prevent SSOs and mitigate any SSOs that do occur. The first phase of the Plan is to be completed by May 2, 2008; the current status of the District's SSMP is not known.

8.3.4 Summary

The Tres Pinos Water District provides domestic water service, water for fire suppression, and wastewater services. The District's sole source of water supply is groundwater from the Tres Pinos Creek sub basin. The groundwater is recharged through natural surface water flows as well as recharge activities conducted by the San Benito County Water District. The groundwater quality is impacted due to historic agricultural uses, wastewater percolation ponds, and septic tanks.

The District is planning for new water storage facilities, pipelines, and a new well, as well as expansion of the wastewater treatment facility. At June 30, 2006 the District had approximately \$211,000 in unrestricted assets. The District does not have sufficient revenue or reserves to fund the capital improvements and will have to pursue funding sources through rate increases, grants, and/or financing.

8.4 Financing Constraints and Opportunities

TPWD's primary sources of revenue are water sales and sewer service charges, as well as readiness to serve charges. The District has reserves and no long-term debt. *Table 8.3* summarizes the financial history of the District.

**Table 8.3
Tres Pinos Water District
Financial Summary**

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Projected	FY 2007-2008 Budgeted
Operating Revenues	\$76,443	\$78,194	Not provided	Not provided
Operating Expenses	\$94,426	\$105,936		
Depreciation Expense	\$16,890	\$15,497		
Net Non-operating Revenues / (Expenses)	\$10,116	\$14,466		
Capital contributions	\$6,163			
Change in Net Assets	(\$18,594)	(\$28,773)		
Beginning Balance	\$795,204	\$776,610	\$747,837	
Net Assets, End of Year	\$776,610	\$747,837		

At June 30, 2006 the District had cash and investments of \$213,318.

The District is planning for capital improvements as described in *Section 8.3* above. However, the District has limited financial resources, and the costs for the planned capital improvements are significant relative to the size of the district and its ability to generate additional revenue.

8.5 Cost Avoidance Opportunities

The District contracts for services to operate and maintain the systems, which has enabled the District to control costs.

8.6 Opportunities for Rate and Fee Restructuring

TPWD did not provide information on its current service charges and connection fees.

Should the District choose to pursue a low interest loan from the State Revolving Fund to fund infrastructure improvements, federal and state regulations require that the District prepare a water and/or wastewater revenue program to demonstrate that the District's rates and charges would adequately fund projected annual operating and maintenance expenses, including the costs of repairs and replacements as well as debt service and other financial obligations of the loan. In addition, the costs must be recovered equitably from TPWD's customers in proportion to the cost of serving each customer. It should be noted that the District would be legally required to raise rates as necessary to meet the contractual requirements of its loan in the event that revenue is lower than projected.

In light of the capital improvement needs, the District should evaluate its service rates and connection fees.

8.7 Opportunities for Shared Facilities

TPWD benefits from the groundwater management and recharge activities of the San Benito County Water District. Per the directive from the Central Coastal Regional Water Quality Control Board, TPWD will be evaluating the alternative of connecting to the City of Hollister wastewater collection system as part of the planning effort for the expansion of the TPWD wastewater treatment facility.

8.8 Evaluation of Management Efficiencies

TPWD has minimal staff and operates under the oversight of the elected Board of Directors. The District uses contract services for district operations and maintenance.

8.9 Government Structure Options

TPWD serves the unincorporated Tres Pinos community in eastern San Benito County. The District is currently serving two parcels outside its boundaries: the Tres Pinos School and a private property. Government Code Section 56133 states that a special district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from LAFCO. (This does not apply to an extended service that a city or district was providing on or before January 1, 2001.) Out of agency service is intended as a temporary measure to remedy a public health and safety situation (e.g., failing septic system) and in anticipation of a future annexation. The District should consider annexing either of the properties if they are contiguous to the District's current boundary.

8.10 Local Accountability and Governance

The Tres Pinos Water District is governed by a five-member Board of Directors elected at large by voters within the District. The governance is summarized in *Table 8.4*.

**Table 8.4
Tres Pinos Water District**

Date Formed:	1962		
Statutory Authorization:	County Water District Law (Government Code §30000)		
Board Meetings:	Veranda Restaurant, 6881 Airline Highway, Tres Pinos 3 rd Thursday of each month at 7 pm		
Member	Title	Term Expires	Compensation
Greg Alvarado	President	November 2008	\$50 per month
DeeAnn Brown	Vice President	November 2008	
Robert Frusetta	Director	November 2010	
Edward Schmidt	Director	November 2010	
Janet Somavia	Director	November 2008	

8.11 Determinations

8.11.1 Growth and Population

Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.

The Tres Pinos Water District serves 113 accounts, with an estimated population of 500. Current agricultural land uses and County policies regarding preservation of agricultural lands will limit growth within the District's service area.

8.11.2 Infrastructure Needs or Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies in terms of supply, capacity, condition of facilities, and service quality.

The Tres Pinos Water District provides domestic water service, water for fire suppression, and wastewater services. The District's sole source of water supply is groundwater from the Tres Pinos Creek sub basin. The groundwater is primarily recharged through natural surface water flows as well as recharge activities conducted by the San Benito County Water District. The groundwater quality is impacted due to historic agricultural uses, wastewater percolation ponds, and septic tanks.

The District is planning for new water storage facilities, pipelines, and a new well, as well as expansion of the wastewater treatment facility. At June 30, 2006 the District had approximately \$211,000 in unrestricted assets. The District does not have sufficient revenue or reserves to fund the capital improvements and will have to pursue funding sources through rate increases, grants, and/or financing.

8.11.3 Financing Constraints and Opportunities

Purpose: To evaluate a jurisdiction's capacity to finance needed improvements and services.

TPWD's primary sources of revenue are water sales and sewer service charges, as well as readiness to serve charges. Although the District has reserves and no long-term debt, the District has limited financial resources to use for the planned water and wastewater capital improvements. The District will need to increase service rates, adjust connection fees, and pursue alternate sources of funding.

8.11.4 Cost Avoidance Opportunities

Purpose: To identify practices or opportunities that may help eliminate unnecessary costs.

TPWD contracts for operations and maintenance services to control operational costs.

8.11.5 Opportunities for Rate and Fee Restructuring

Purpose: To identify opportunities to impact rates positively without decreasing service levels.

In light of the District's capital improvement needs, the District should evaluate its service rates and connection fees.

8.11.6 Opportunities for Shared Facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

Per the directive from the Central Coastal Regional Water Quality Control Board, TPWD will be evaluating the alternative of connecting to the City of Hollister wastewater collection system as part of the planning effort for the expansion of the TPWD wastewater treatment facility.

8.11.7 Evaluation of Management Efficiencies

Purpose: To evaluate the internal organizational structure of the jurisdiction.

TPWD has minimal staff and operates under the oversight of the elected Board of Directors.

8.11.8 Government Structure Options

Purpose: To consider the advantages and disadvantages of various government structures to provide public services.

TPWD is currently serving two parcels outside its boundaries. The District should consider annexing them if they are adjacent to the District's existing boundary.

8.11.9 Local Accountability and Governance

Purpose: To evaluate the accessibility and levels of public participation associated with the agency's decision-making and management process.

TPWD is governed by an elected Board of Directors.