

# IMPROVEMENT DISTRICT #1

## aka ATLA ACRES WATER DISTRICT

### An Overview of Who We Are

The purpose of this packet of information is to acquaint you with the water district, its services and the delivery of the water to your parcel and home. The most important thing for all of us to understand is that your district is managed and operated by volunteers from within the water district. The only functions that are hired by the district are the labor of maintaining the system and, increasingly, some of the regulatory procedures to measure and maintain our water quality procedures that are imposed by the county, state and federal government.

Although our water district is run solely by volunteers we are a part of the Three Rivers Community Services District (CSD). We are the only water district in Three Rivers that is a part of the CSD. The impact of this relationship affects our operational activities. The governance of the district is overseen by the CSD. We were formed by action of the County of Tulare at the time the Three Rivers Community Services District was formed. **As a result, we are a semi-public body governed by the Brown Act.** The terms of our creation stipulated that our finances and infrastructure are owned and control by the water district and we are not allowed to deliver water outside of the District boundaries. But we have learned that the CSD controls whether or not we can expand our service area. The CSD also controls the nature and scope of our governance procedures. When we were reformed as a part of the CSD in 1973, the CSD appointed a manager of our district. Since that time we have been a self-perpetuating board subject to the approval of the CSD. The board of the district constitutes itself by appointing volunteers from among the parcel owners (some of them may reside outside the district) within the district. This board is known as a committee and reports to the CSD. The board also appoints volunteers to certain sub-committees that are responsible for the day-to-day activities of the district. Attached to this memo is a list of the current management committee members and the sub-committees and their members. As the committee members change we will update this list.

A brief history of how our relationship with the Three Rivers Community Service District came to be might be helpful in understanding our current status. June 10, 1947 was the date the original part of the Alta Acres development was created. The original track comprised what is now the lower part of the water district centered around Alta Acres Drive. This tract was expanded on September 11, 1961 when the upper part of Alta Acres was added centered around Skyline Drive. During the early years of our operation we were organized as a mutual water company. Later we applied to the county to become a community services district that operated as a quasi-governmental body under the authority of the County of Tulare. When the greater community of Three Rivers wanted to become a community services district the fact of our existence as a community services district prevented them from doing so. So the Alta Acres

Community Services District voluntarily agreed to cease to exist as a community services district and became an improvement district under the Three Rivers Community Services District. This happened in 1973.

Improvement District #1 brings to its parcel owner and resident users a number of advantages that are unique within the Three Rivers area. We are the largest water district in Three Rivers. The advantage of size will become increasing greater as all water users feel the weight of the increasing regulation of water quality from the county, state and federal government. Our size has allowed us to deliver water more inexpensively than can smaller water districts and, especially, those property owners that must rely on their own source of water from hard rock wells or river wells. Our ability to draw upon volunteer laborers and committee members – and their willingness to serve – is critical to the ability to deliver water as inexpensively as we do.

Our unique relationship to the Three Rivers Community Services District has its advantages as well. We are, in effect, a governmental agency – or part of one. As such we have some income and property tax advantages. They are not great but an advantage nevertheless. We also have the advantage of coming under the insurance coverage of the CSD, which again, is a slight cost advantage.

But, as in life in general, for every advantage there are disadvantages as well. Although our size is an advantage we might find that as the regulatory environment becomes more cumbersome and complex our size may not be great enough to spread out the cost of compliance sufficiently to keep it from becoming a burden. Also the fact that our volunteers have given us a great advantage over the years we have come to rely on too few people for far too long. We need to greatly expand our volunteer base so as not to create burn out among our volunteers. **We need your participation if this district is to continue to provide low cost service.** Finally, even though our unique relationship with the Three Rivers Community Services District has been beneficial to us and to the greater community of Three Rivers, it has its potential risks. Our actions can potentially create liability for the entire community, which the board of the CSD needs to protect against. As they might do so, it could negatively impact upon our discretion and flexibility as managers of our water district. The financial needs of the water district cannot be addressed independently of the CSD. If we need to receive grants or loans to rebuild and upgrade our system, the CSD must approve all such actions and become indirectly liable. Also the CSD must approve and control all of our governance procedures. They have, up to now, taken a “keep us informed”, hands-off approach except with regard to the annexation of an additional parcel to the district in 2002.

Looking to the future, Improvement District #1 is facing five substantial issues that will greatly impact each of us as parcel owners and residential water users. Each issue has been touched on already in this memo. They are discussed below in their order of magnitude:

1. Governance of the District: As discussed already we are governed under authority of the Three Rivers Community Services District. The advantages and disadvantages have already been mentioned. The management committee has decided that it is not prudent to pursue independence from the CSD at this time. However, it is an issue that is constantly before us. Our alternative is to become a private corporation and to operate as mutual water company. That too has its disadvantages, which the management committee believes outweigh its advantages at this time.

2. Volunteerism: The willingness of the parcel owners and residential users to volunteer to service the district is critical to our long-term operational success and our cost structure. Regardless of the outcome of any of other four issues this fact will always be true. **Improvement District #1 Needs You!**
3. Regulatory Compliance and Complexity: The district is increasingly impacted by a growing water quality (and quantity) crisis that is not only a local phenomenon but one that is being played out in the county, state and nation. Each level of government, from the top down, is imposing ever-increasing layers of regulations to protect the quality and availability of water. This is creating the inability of volunteers to comply with these regulations because of very complex and difficult licensing requirements imposed upon those who are certified to perform water quality tests and evaluate their results. Hiring out this function will be very expensive even for a district of our size. During the summer we are forced to access our river well which increases the layers of regulatory compliance and our costs. The district is faced with the need and cost of compliance that has yet to be resolved. One solution, or partial solution, is to become free of our river well. This brings us to the next issue.
4. Additional Wells: The district will need additional wells in the near future. All of our existing wells are on private land and all of our future wells will have to be on private land. Over the years just as we have all benefited from the services of volunteer labors and committee members we have also benefited from the parcel owners who have allowed the district to drill wells on their property for the benefit of the entire district. We will be identifying possible well sights in the future and look forward to the cooperation of the parcel owners on whose land these sights might lay. These new wells will continue our internal water independence and free us from the need to access our river well. This, in turn, will keep our increasing regulatory and compliance costs in check. This is a critical issue.
5. Rebuilding Our Delivery System and Infrastructure: Our pipelines, pumps, wells and storage facilities are all old and deteriorating rapidly. Some of the infrastructure is over 40 years old! It has been repaired and patched to the point of near exhaustion. If we had to pay for this out of our own pocket it could come to as much as \$10,000 dollars per parcel. We are hopeful that will not be the route we have to follow. We have applied for a grant from the State of California and been designated a Level D priority. This is a relatively high priority. We expect to learn in January 2003 whether we have been approved for funding. If so, we would expect to start rebuilding our system and drilling new wells some time in 2004. We will also know, at that time, what the direct cost, if any, will be to the district and, hence, each parcel owner.

The above five points center around the supply of water. However, this is just one half of a two-sided equation. The other side is demand. Demand can increase if each one of the parcel owners indiscriminately uses water, if the unimproved parcels within the district are built on and if the district is expanded. The committee is resolved to resist the expansion of the district and will develop guidelines that must be met in order for expansion of the district to happen. It is unlikely that the district through its committee can have any impact on the future improvement of the

unimproved parcels already within the district. Therefore the best way and the easiest and least costly way to control cost of supplying ourselves water is to control the demand. This means **conservation**.

The essence of our message to each of you is to **use but don't abuse** our water. Everyone has a different set of circumstances that impact their water usage. The size of the household, the size of the parcel, health care needs, etc., etc. But we can all be more prudent and careful in our water usage. We can only wash full loads, be it a dishwasher or clothes washer. We can plant more limited areas of our parcel and plant native, drought resistant plants. We can keep our water system in good repair by replacing appliances, when needed, with water saving appliances, keep leaks repaired and fresh washers in all our faucets – inside and outside. But most of all we can just stay aware and diligent when it comes to water usage.

As this is written we don't know what our historical water use patterns have been. Hopefully, we can go back to the time when our water meters were installed and learn what the volume and pattern of use has been over the years. If we have had an escalating use of water over the years we all need to take responsibility for controlling it. If any one parcel has had a sudden and substantial increase in its water usage we can work with the owner to determine the cause. When this study is completed we will send a report to all the parcel owners.

We hope this welcome memo has been helpful to you as a way to get acquainted with your water district. Our district has grown over the years and its operations have been increasing in complexity especially in recent years. Over the years our operations were conducted on a face-to-face, neighbor-to-neighbor basis. We hope to continue that spirit via our reliance on each of you as volunteers. But is also apparent that we need to become somewhat more formal as our relationship with the CSD matures and the involvement with other levels government increases as well. So we are beginning to codify and write out our historical operational rules and procedures. You will find attached those we have recorded and written out to date. As we formalize other policies and procedures we will mail them to you. We also have a "button" on the Three Rivers Community Services District web site. If you have access to the Internet this sight can be found at [3riverscsd.com](http://3riverscsd.com). Right under the picture of Alta Peak, click on Improvement District #1. We will be posting all of our policies and procedures on this site.

Ben Coombs,

Improvement District #1 Management Committee Chair