

BIG LAGOON COMMUNITY SERVICES DISTRICT

Approved MINUTES of the Regular Monthly Board Meeting - Saturday, April 17, 2021 - 2:00 PM

Teleconference Via Zoom

with ~~deletions~~ and ~~corrections~~

OPEN SESSION

1. Chair's Call to Order (Bill)

The open/regular meeting of the Big Lagoon Community Services District convened at 2PM.

Board members in attendance: Bill Wenger, Chair; Gus Satein, Vice Chair; Dick Maier, Treasurer;

Chuck King, Director; Joey Blaine, Director

Staff in attendance: Mara Friedman, Board Secretary; Val Castellano, Water Operator

Guest Speaker: Tom Warnock

Community members in attendance: John Donohoe, Margie Adler

2. Invite Public to Address Item(s) on the Agenda (Bill)

There were no public comments.

3. Agenda for April 17, 2021 (Bill) Amend / Approval

There were no changes to the agenda.

Agenda is approved as distributed by Bill.

4. March 20, 2021 Meeting Minutes (Bill) Amend / Approval

There were no changes to the meeting minutes.

Minutes are approved as distributed by Bill.

5. Water System Improvements Project (Tom Warnock, Principle Engineer, PACE Engineering)

Tom Warnock, Principle Engineer from Pace Engineering, gave us a comprehensive presentation. He has significant experience with the California coastal area and is currently working with both Orick and Westhaven on updating their water systems. Bill and John took Tom on a preliminary tour of our current water system, starting at the school and visiting the neighborhood.

Tom's assessment of our current water system is summarized here: Our system is old and needs major improvements, such as (but not limited to), a new pump station, a new tank and a new well. We need to address our fire flow capacity, which is extremely inadequate. It's important to note that due to increased fire danger, some insurers are cancelling rural policies. When asked as to the life expectancy of our current system, Tom replied that we are living day to day.

Upgrading water systems is very costly and Pace is familiar with finding funding, through grants, as well as low interest loans. Funding is needed for planning and design, as well as construction. The state offers grants to small water districts if their issue pertains to water quality, which is not our situation. The fact that our water district serves the elementary school may help us in receiving funding. Tom's rough estimate for all the upgrades he suggests for our water improvement project is 3 million.

There is no one way to solve our water system needs. There are many options to consider, from top of the line to bare bones. A Preliminary Engineering Report (PER) is the driving document needed that outlines the entire project. The estimated cost of a PER report is \$40k, and it's possible to receive a grant for \$30k of that amount. The estimated time frame for completion of this project is easily 4 years. Additional detailed information is available by contacting the Water Work Group (Bill, Dick, John).

6. Roadwork completion and new ¼ turn valve install (Gus)

6.1 Scott Miller came out with his crew on March 30th. Their skilled bobcat operator spent 5 hours contouring our road, filling potholes and ditches and distributing 20 yards of gravel. The road turning radius was increased from 12 ft to 20 ft and will now accommodate almost any vehicle. Gus is very pleased with the work accomplished.

6.2 Val and John Morgan and were able to replace the valve without having to shut off the water for Oceanview residents. The new valve is smooth operating and can be turned by hand without difficulty. It can be locked if the district wants to do so, and it allows the homeowner to easily shut off the water. Val is pleased with this ¼ turn shutoff valve and would like us to purchase an additional ten more. Gus has not had time to evaluate if there is a better valve. He is so impressed with this particular valve that he endorses Val's recommendation. There are a few known locations in our community that are in need of a new valve. We will do a survey to see what other houses need their valve's replaced first. Gus is traveling a lot in April and will do the best he can to attend to this project.

7. Website 'biglagooncsd.org' is open for business (Joey)

Joey shared our new website on zoom. It is in full state [and WCAG](#) compliance. There is a long way to go to meet [SDLF-compliance](#), [SDRMA's full transparency checklist](#), but we will work together to make this happen.

Joey had a meeting with Streamline regarding their new online payment feature. If we decide to go with this option, we would be responsible for paying the 3.8% processing fee.

Joey brought to our attention this very helpful feature on the Homepage: click on the Board Meetings box and the agenda packet can be easily found by our community members.

Because the agenda information is now on our website, Gus asked if Mara still needs to send out the agenda via email? Margie commented that we need to encourage our community to use the website. This will be a gradual transition. Perhaps after 6 months or so, Mara will not need to send an email agenda announcement, although she does not mind doing this at all.

7.1 submit a Mission Statement – A mission statement is integral to our website. Bill submitted the following mission statement as a placeholder until we discuss and vote on the final:

Neighbors working together to ensure Big Lagoon Community Service District's water needs are met today, tomorrow, and into the future.

Both Joey and Gus think Bill's statement is very good. Bill and Joey are hoping that there will be more mission statement suggestions in the weeks to come. Perhaps at the next meeting we can vote on our final mission statement?

7.2 submit feedback - Val would like to include a link for the California Water Watch website, which has a wealth of information. Joeys says that this is possible.

8. Leak Adjustment Policy (LAP) (Chuck) Amend/Approval

Chuck thanked Catherine, Rob and Greg for working together to create the very comprehensive LAP Draft, which is included in the agenda package for review and comment.

The LAP work group researched many districts around the state to compile their draft. Bill feels the document represents a lot of good info, but he would like to hear what other board members have to say. Gus thinks it's a comprehensive document that will serve our community well. He also thinks the document should be circulated within our community for feedback and Chuck concurs. All board members agree with the recommendation to hold off on a vote until our May meeting,

In response to Val's question, the agenda is posted at the school, but not the packet (which contains this document). To bring this document to our community's attention one more time, Dick will include the LAP Draft in the May 1 billing and Joey will make it more visible on our website.

9. Capital Improvement Funding (CIF) (Dick)

Bill is skeptical that we need to pay 40k for an environmental impact (EPA) report. He met with the Humboldt Planning Department and they said we do not need this. Chuck and Bill discussed that the EPA report may be necessary to open doors to possible grant money.

Bill estimated our needs for CIF are: 10k for PER report (to match 30k from USDA); 20k for the geotechnical report; apprx. 8k for coastal commission permit process. He said we have a lot of information to digest and that there is no need to make a decision today. He prefers we have a special meeting on this issue, giving the community 24 hours notice. Chuck agrees that we need to be very careful as to how we spend our funds. He questioned if we need the EPA report to get grant money funding, even if we don't need it to get the permits?

Regarding fire prevention at the school: Bill explained that just to run new 6" pipe from the well to the school (recommended by Pace) is estimated to cost \$150K. He thinks for roughly the same amount of money, we can continue to use our existing 2 1/2 " PVC pipe, with the addition of a new 100k gallon tank dedicated to fire water, a pump, a back-up generator and a couple of fire hydrants. This would benefit not only the school but the Rancheria and the Cabin Corporation as well. Linda, the school superintendant, and Dana both support having a new tank at the school.

If we can't get grant funding, then we have to put our heads together and determine our minimum water need requirements that we can afford using a long term, low interest loan. If we go the route of a loan, because of the benefit to their community, perhaps the Rancheria will be interested in partnering with us?

Dick estimated our cash on hand \$138k. Our annual cash operating budget is approximately 17 to 20k. If we set aside 2 years of funding as our reserve, we would have approx 95- 100k available for this capital investment. Setting aside apprx half this amount may be what is needed for the CIF?

If we do get a loan, a \$300k loan over 30 years is an \$1800/mo payment, which is well within our reach. If the loan is \$600k over 30 years, the \$3600/mo payment pushes our budget.

Before casting a vote on the CIF, Gus would like the Board to develop a cost benefit analysis that illustrates all the options that have been discussed. This would be a flow chart, laying out goals and estimated costs for each possible course of action. Chuck agrees with this suggestion.

Bill and Dick will work on developing a flow chart together. Dick said that this entire subject is extremely complex, as each decision tree is filled with many possible contingencies and associated lines of action/costs. Bill feels that we need to be highly engaged in this process and not simply turn it over to Pace.

MISC comments:

Val suggested a new well at the school would be a good idea.

The school's 'plate is full' and they don't have the time to pursue the fire flow issue at this time.

USDA rural development does fund projects concerning fire flow.

Dick gives Bill BIG kudos for all the time and energy he has spent on this subject.

Joey gives kudos to the past board for developing our considerable cash reserves.

10. Public Comment – Any member of the public may address the Board on any item that is not on the agenda. By law, the Board cannot take action on items that are not on the agenda.

10.1 Val noted that the generator was serviced yesterday.

This insurer told him that the reason we are rated 10 (lowest rating) on the fire exposure chart is because we are so far away from the nearest firehouse. He strongly suggests that we partner with the Rancheria and Corporation in creating our own fire fighting capabilities.

He will mail the consumer confidence report out to everyone and he expressed the importance of posting information at the school, as not everyone does email.

10.2 John Donohoe spoke with county ~~planner~~ supervisor Steve Madrone regarding the possibility that our fire station, Cal Fire just north of Trinidad, may become a seasonal station due to lack of funding. If that happens, we will only have Westhaven volunteer fire department to help us in an emergency.

He also noted that State Farm wrote his homeowner's insurance policy (over 30 years ago) only because of the proximity of a fire hydrant to his home. He does not think we currently have enough water available to put out a house fire and he feels that our community is in a bad situation regarding fire protection.

11. Future Agenda Items from Board Members

11.1 Decision Making Flow Chart (Bill and Dick)

11.2 Rate Adjustment (Bill and Dick)

Dick suggested it may be time to consider a water rate increase. Bill noted that our water district currently enjoys an extremely affordable source of water. It's been 5 years since we adjusted our rates and the state suggests rates be reset every 5 years. Bill is learning about and investigating how to legally and fairly set rates.

12. Adjourn

With no other business, the Chair adjourned the meeting at 4:44 pm.

Next regular meeting will be May 22 at 2pm on Zoom.

Submitted by Mara Friedman, Board Secretary