

BIG LAGOON COMMUNITY SERVICES DISTRICT

APPROVED MINUTES of the Regular Monthly Board Meeting

Saturday January 22, 2022 at 10AM in the Big Lagoon Elementary School Cafeteria, including participation via Zoom

1. Chair's Call to Order (Bill)

The open/regular meeting of the Big Lagoon Community Services District convened 10:04 AM.

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

Dick Maier, Treasurer (Zoom); Chuck King, Director; Joey Blaine, Director

Staff in attendance: Val Castellano, Water Operator; Dana Hope, Meter Reader;

Mara Friedman, Board Secretary

Community members in attendance: Louise Minor

Community members in attendance via Zoom: Margie Adler, John Donohoe, Greg Sidoroff, Rob Wilson, Catherine Munsee, Cindy Maier

2. Recognize Public Correspondence received by noon 12 PM, January 21 (Bill)

Public correspondence was received by Greg and Franya Sidoroff, Lei and Dale Winget and Louise Minor. Reminded community members to send all public correspondence to Bill (only) at: biglagooncsd@gmail.com (preferred), bill@biglagooncsd.com, wkwenger@gmail.com.

3. Agenda for January 22, 2022 (Bill) Amend / Approval

There were no changes to the agenda. Agenda is approved as distributed by Bill.

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

There were no changes to the meeting minutes. Minutes are approved as distributed by Bill.

STATUS REPORTS (Public may comment after each report is given)

5. School Pipeline Project Update (Bill)

Everything is on track. RCAC is working on the technical package that should be completed by March 31st. Then a proposal will be developed to determine costs for the project.

6. Vice-Chair's Report (Gus)

6.1 Update on replacing meters and valves

Back-flow devices are not required unless: residence has a private well connected to our public system; new construction; fire sprinkler/irrigation system. Humboldt County does not require a permit if we go forward with replacement of meters. There is no additional info from Kathy Richards (KR) regarding the five houses with inadequate cell service. She feels that the radio transmitting system is the best solution for our community.

Gus agrees with this assessment. Despite price increases, KR will honor the estimate she gave us last year. If we go forward, Badger will do a final inspection on the installation to make sure everything is functioning properly. Microsoft Windows 10 will be fully supported until October 2025, then we would transition to Windows 11. There was a discussion re: the pros and cons of the three types of Badger meters. Gus strongly feels that radio transmission is the best way to go (pro: reliable, accurate, reduces personnel requirements; con: more expensive). Gus is a proponent of having secondary shut-off valves on the property owner side of the meter. The radio transmitting system cost is minimum \$34K and maximum approx \$50K if the secondary shut-off valves are installed. Currently some customers have a shut-off valve at the house itself, but do not have a way to turn water off from the meter to the house. A separate utility box will house the shut-off valve on the owner's side of the meter. One of the benefits of this is that owner's will no longer have to maintain the CSD meter box. The estimated cost of installing owner shut-off valves to 38 customers is \$14K (approx \$380 per house). Dana inquired who is responsible for payment, the district or the owner? Gus answered that there are several options, but he thinks the CSD can afford to pay for all the owner shut-off valves. Bill proposed that we include an attachment to the February meeting minutes regarding the pro's, con's and other pertinent information about the meter and valves options. After discussion, this will be an action item to vote on. Greg asked what will we achieve/resolve by implementing new shut-off valves? If the answer is reducing lost water, he thinks we need to do a cost analysis. Joey feels there are many benefits to implementing shut-off valves. In addition to reducing water loss, we would reduce volunteer time, increase volunteer safety, save time with billing, more accurate billing and the ability to identify a leak much quicker. Gus noted that we encountered a big challenge at 191 Oceanview when there was a plumbing problem in the house and the owners were unable to shut off the old valve. The CSD was ill-equipped to handle the problem and the repair took approx 3 weeks to resolve. In reply to Greg's question about the Badger power-point presentation, he was told that Kathy Richards gave a verbal presentation only because we lost wifi and were not able to Zoom. In answer to Louise's question if the RT system has direct interface with billing software, Joey replied it is possible. Currently, Dana and Dick do manual data entry.

6.2 Call for volunteers to monitor well site 3-4 times a week between TBD (weekly, biweekly or monthly); D1 water operator visits

Val has previously let the Board know that he is intending to retire as Water Operator (WO) in June 2022. Subsequently, Gus and Val have discussed other possible approaches regarding the WO duties. One idea is with the support of community volunteers, the WO would only need to go to the well site a minimum of once a month and up to several times each month. Val is willing to continue as WO (with volunteer support) as long as he is able, for which Gus is thankful. Gus will reach out to the community to seek volunteers who can then be trained by Val. For this strategy to work, all volunteers need to commit to consistent support. Gus ultimately wants to identify a minimum of three WO volunteers.

Dana recommended that Gus clarify his expectations and Val be clear as to his needs. She advised that volunteers need to commit to specific shifts. Val and Gus have also discussed developing an Emergency Response Team, which will require training. Together they will develop a training protocol. Val has provided Gus with a list of potential volunteers. Gus will reach out to the community regarding this opportunity and Joey will post on our website.

7. Treasurer's Report (Dick)

7.1 Past-due accounts update

There has been much discussion regarding past-due accounts. Reviewing previous minutes, it looks as if we have not finalized and approved of the new policy that was discussed in September. This needs to be finalized at the next meeting. In answer to Louise's records request, Dick noted that CA Code 6254.16 states exclusions regarding providing utility billing information. Bill is concerned about our customers maintaining their anonymity. Louise stated that she is not concerned with 'who' is in arrears, but 'how' the CSD can identify ways to recover past due bills. Chuck strongly suggested that we consult an attorney for advice regarding this matter. Gus concurred that the proposed 'lien letter' to recover arrears should be reviewed by an attorney. After receiving the attorney's feedback, the Board can move forward with discussion and then proceed to vote on a written policy. Dana stated that our CSD needs to develop 'rules and regulations' and she suggested that we review policies from other districts (such as Westhaven and Mckinleyville) as well as obtain legal advice.

MOTION made to engage our attorney to create a past-due accounts policy.

Motion: Chuck, Second: Gus – Motion Approved: 5 ayes, 0 nays

Based on the above motion, Louise withdrew the Request for Information.

7.2 Future rate increase update

Dick noted that outside sources suggest we should be increasing our rates. Currently 70% of our billing comes from our monthly fixed cost, while 30% comes from water usage. Greg suggested exploring the possibility of a tiered billing system. Dick said this is possible, but it will take time to develop and implement. Greg also suggested that we develop a 5 year analysis of the Board's overall goals to help us develop a potential rate increase. Dick and Greg will discuss options. Catherine noted that it is very difficult to follow the discussion when there are so many interruptions. She added that in regards to delinquent accounts, there are other options to consider instead of liens. She feels that the Board should be empowered to make it's own decisions.

7.3 Financial Statements

On 12/31/20 our bank balance was \$135,020. On 12/31/21 our bank balance was 152,774. Our total cash revenue increased apprx. \$20K in 2021. We have the capability of paperless billing, although it has never been implemented. In answer to Dick's question regarding adjusting of the budget, Gus said that we will need to increase the capital improvement budget to cover meter replacement. Dick noted that \$75K would be a good reserve to always have in our bank account. Dick announced that the Board received a most generous donation of \$1000.00 from Dale and Lei Winget.

8. Water Operator's Report (Val)

8.1 Average daily consumption

Dana reported for Val. We are pumping 4-5K gallons day. All is well. Gus added that he and Val sounded the well and the water level was 92 feet 8 inches.

9. Meter Reader's Report (Dana)

Dana thanked Rob for his assistance. She reported that only one household had an overgrown/buried meter.

10. Storage Capacity & Fire Suppression Status Report (Dick)

Dick received information regarding CSDA financing possibilities. There was no further activity to report. He suggested this topic be revisited at the next meeting.

11. Drought Emergency Conservation Measures Update (Chuck)

Chuck reported the first meeting of this workgroup included himself, Catherine M and Margie A. Erik M will also attend the next meeting scheduled for February. There is much to discuss and findings will take time. The two main goals of this workgroup are:

1. Water Conservation: Identify simple things we as a community can do to conserve water.
2. Water Shortage Contingency Plan: In the case of an emergency, identify what actions the Board can take to ensure delivery continues.

12. Volunteer Safety Program (VSP) from SDRMA

12.1 Adopt VSP as written, revise, or disregard?

Gus is in favor of adopting the VSP with minor changes. Joey offered to manage this program.

MOTION made to adopt the Volunteer Safety Program with necessary revisions.

Motion: Gus, Second: Joey – Motion Approved: 5 ayes 5, 0 nays

13 Public Comment

- There were several comments regarding the difficulty of hearing during a Zoom/hybrid meeting, both by the Board and the participants in the room and at home. Mara may research the documentation requirements regarding holding 'Zoom only' meetings.
- Greg encourages the board to do a Loss/Recovery Analysis. Also in regards to past due accounts, he is interested in exploring other alternatives, such as creating a relief fund.
- Louise suggested that when we consult with a lawyer, we should find out if we are obligated to take action with customers whose water bills are in arrears. It was noted that there is no longer a Covid moratorium regarding the hold on turning water off due to unpaid bills. Dick added that our past due accounts are not due to Covid and we were not able to take advantage of funds dispersed by the government for this specific need.
- Dana asked if the revised version of the Volunteer Safety Plan will be sent out to the community for review, to which Bill answered yes.

14. Future Agenda Items From Board Members

- Joey wants to add a Loss Study action item per Greg's suggestion. Bill concurs.
- Gus would like to Board to have an executive meeting to discuss a '3 Year Strategy Plan'. Joey suggested a Board retreat would be a good idea, to which Chuck agreed. Chuck noted that we need to create a charter of all of our BLCSD policies and feels it would be a good idea to use Mckinleyville CSD as a template to guide us. Dana thanked the Board for the great job they have done and she agrees that a board retreat is a good idea. Margie noted that in order to create a strong and sustainable system, a long-term strategy session is a good idea to allow the Board to strategize and prioritize a 3-5 year plan and possibly even a 5-10 year plan, to which Gus concurred. Greg also agrees with Margie and in addition feels that the Board needs to reach out to the community to hear about their priorities.
- Dick wants the approval of the 2022 budget to be added as an agenda item.
- Bill is concerned about lack of continuity from one board to the next. CSDA told him that continuity is established by the General Manager. Bill noted this is his last year on the Board.

15. Adjourn

With no other business, the Chair adjourned the meeting at 11:49 AM.

The next regular meeting will be Saturday, February 19 at 10:00AM in the Big Lagoon School Library and will also be accessible via Zoom.

Submitted by Mara Friedman, Board Secretary