

BIG LAGOON COMMUNITY SERVICES DISTRICT

APPROVED MINUTES of the Regular Monthly Board Meeting

Saturday October 16, 2021 - 4PM in the Community Room at Big Lagoon Elementary School

1. Chair's Call to Order (Bill)

The open/regular meeting of the Big Lagoon Community Services District convened at 4:03PM.

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; Dana Hope, Meter Reader

Community members in attendance: Louise Minor; Margie Adler; Cindy Maier; Mary Coakley

2. Recognize Public Correspondence received by 4:00 PM, October 15 (Bill)

Public correspondence was received and distributed. Bill verbally acknowledged John Donohoe for his much appreciated contributions in helping to clean up the defensible space at the well site, as well as for his valuable input to the fire suppression work group.

3. Agenda for October 16, 2021 (Bill) Amend / Approval

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

4. September 18, 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 (Bill)

This is a long project and Bill is still waiting to hear back from RCAC.

6. Vice-Chair's Report (Gus)

6.1 Survey findings of meters & valves with John Morgan: On 9/25, Gus and John Morgan inspected all the utility boxes in our water district. This enabled John to compile a detailed list of all plumbing components needed to install new water meters. Gus has developed a price quote list from this information. He was able to add the information received thus far to a summary report. We are still waiting to receive information from Kathy Richards (Badger Co.) regarding cellular viability and he is hoping to have that information by our November meeting.

6.2 Meter update: All meters except one were looked at. Our oldest meter was built in 1966 and our newest in 2014. Half of our meters are from 2000 or newer. Gus has requested a price estimate for 38 backflow devices. After this information is received, we will have a good picture of the many different cost options and possible ways to fund this project.

A phased installation program is a good possibility. Wahlund Construction wants to visit and provide a separate, rough estimate for installation of water meters and backflow devices. The school needs to be looked at separately from the rest of our water district.

7. Treasurer's Report (Dick)

7.1 Past-due accounts update: We have three properties that make up 70% of the outstanding arrears (non-covid related). When considering a lien, a notification that we might take steps to issue a lien must be sent out first. This letter does not require an attorney.

MOTION made to send a notification 'Letter of Intent to Lien' to homeowners in arrears for non-covid reasons.

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

Margie is concerned that we do not penalize customers experiencing hardship, to which Dana asked how do we access the difference between hardship and neglect? Louise responded that the money in arrears would only be recovered when the house is sold, so it does not present a hardship to anyone.

7.2 Future rate increase: The process of creating a new Water Billing / Water Policy has begun and Dick is seeking feedback from the board. He noted that we currently have approximately \$148K in our account and estimated that the combined costs of the water meter replacement project with the water storage project will use about 60-70% of our available funds. We can decide when we want to increase rates to fund these projects. Dick thinks our overall operating costs are going to increase due to inflation. He pointed out that our base water rate provides 70% of our funding and actual water usage 30%. Gus noted that if the base monthly rate was increased 15%, it would generate approximately \$5700 income annually. Another possibility for funding projects and maintaining all or part of our reserves is through taking out a loan. We have developed a good relationship with our bank and currently have a \$28K line of credit. If we apply for a larger line of credit, lots of information will need to be provided. Dana inquired about the possibility of tiered billing and Dick replied that he can look into the option of eliminating the base rate and billing for water usage only. Mary feels that some form of base rate needs to be maintained and Joey agreed, adding that the base rate "keeps the lights on". Val added that if there is not a base rate, we would have to make sure that our meters are calibrated and reporting water usage accurately. Bill noted that we would need to do a 218 process for a rate increase, which involves a vote by property owners and requires a 50% plus one constituent approval for the rates to be raised. In answer to Louise's question, Dick thinks \$75K is an adequate cushion to maintain for our reserve funds. Margie added that we should revisit the option of a USDA grant as another path for funding our projects. Chuck agreed that we need to look at grants and Margie noted that we could reach out to people who specialize in this field to help us.

In response to Dana's suggestion that the board access all our long term projects, Joey suggested that we broaden our community input by providing information about the benefits/risks of the 4-5 projects we are currently looking at and then conduct a survey asking them to prioritize the projects in order of importance. Bill suggested that we form a work group to develop this survey. Joey will head this work group and Mara will put out a notice to the community inviting them to participate.

8. Water Operator's Report (Val)

8.1 Average daily consumption: All looks good. We are pumping about 5K gallons a day.

9. Meter Reader's Report (Dana)

Dana thanked Greg and Dick for their help in reading the meters. She has noticed an improvement in the meter boxes. Rob and Matthew will be training with Dana to help with the meter readings.

10. Storage Capacity & Fire Suppression status report (Dick)

This item is on the backburner as we wait for the state agency reports to come in. Regardless if we get funding or not, we need to increase our storage, even if in phases. Dana noted that the Big Lagoon Park Co. is currently working on a fire suppression project. We could potentially benefit from their research and she thinks it would be a good idea to contact them. Louise noted that incrementally adding tanks might be advantageous. Dana added that Trinidad has a water conservation document that would also be a valuable source of information.

11. Drought Emergency Conservation Measures Update (Chuck)

An email was sent to the community and posted on our website and we have three volunteers for this work group: Catherine Munsee, Margie Adler, Eric Matson. The work group will use Mckinleyville's information as a template.

ACTION ITEMS (Public may comment by raising a hand after Board discussion and before the Board votes)

12. Background on Executive Order N-15-21: Meetings on ZOOM (Bill)

12.1 Shall BLCSD return to holding board meetings on Zoom? As of October 1, Gov. Newsom issued an executive order that discontinued the statute regarding holding public meetings virtually due to covid. Public meetings must be held in person unless a very complicated form is filled out each month. Dana suggested a workaround is to hold a 'Hybrid Meeting' that requires no paperwork. Zoom attendees are still able to participate. Bill likes this suggestion, and there is no need to vote on this solution.

12.2 If approved, ask for a qualified volunteer to complete paperwork
Because we will be doing hybrid meetings, this is no longer needed.

13. Volunteer Insurance Policy – two options (Dick)

13.1 State Fund & Alliant Volunteer Insurance Program: Dick reported that we received 2 bids for volunteer insurance - \$1200/year (State Fund) and \$250/year or \$350/year (Alliant). Bill proposed that we go with Alliant for \$350/year. Mary feels we need to purchase the best insurance available.

13.2 Shall BLCSD purchase an insurance policy to cover volunteers?

13.3 If approved, which policy?

MOTION made to purchase Alliant volunteer insurance for \$350/year.

Motion: Bill, Gus second – Motion Approved: 5 ayes 0 nays.

NEW BUSINESS (Public may comment by raising hand after Board discussion)

14. Upcoming Healthy & Safety Program through SDRMA (Gus)

Henri Castro (Safety/Loss Prevention Manager from SDRMA) will develop a volunteer safety program for our community. She hopes to have a draft available for our next meeting that Gus will distribute to the board for review. Once we adopt a program, we will distribute the information to the community and post on our website. BLCSD may provide some personal protective equipment.

15. Mutual Aid Agreement (MAA) between Humboldt County CSDs (Bill)

Bill said he would be hesitant to sign the agreement because it is very hard to comprehend. He hopes that the final agreement is written in plain English and not heavy in legalese. Bill will update as the MAA evolves.

16. PUBLIC COMMENT

There was no public comment.

17. Future Agenda Items from Board Members

Dick is going away in December and asked if the board is going to schedule a meeting that month. There hasn't been a December meeting before because of the holidays.

18. Adjourn

With no other business, the Chair adjourned the meeting at 5:39 PM.

The next regular meeting will be November 20 at 4 PM in person for all Board members, and accessible via Zoom.

Submitted by Mara Friedman, Board Secretary