

Big Lagoon Community Services District

PO Box 847 Trinidad, CA 95570 biglagooncsd@gmail.com

REGULAR MONTHLY BOARD MEETING AGENDA

The regular meeting of the Board of Directors of Big Lagoon CSD will be held Saturday, August 20 at 10:00 a.m. in the Big Lagoon Elementary School Community Room. This will be a hybrid meeting that allows members of the public to participate remotely via Zoom as authorized by Government Code 54953 until January 1, 2024. The link to join the meeting via Zoom:

<https://us02web.zoom.us/j/88178908610?pwd=RTduekpYR2x1c01QZGtIZnNDbnZvUT09>

Please note that due to potential technical difficulties, the quality of the Zoom component of the meeting cannot be guaranteed. If you have public input to provide on an agenda item, it is recommended you attend in person at the school library, or submit written comments as outlined in the following paragraph. In the event of a technical disruption the board cannot continue further action on the agenda until the issue is resolved (CA Government Code 54953 (e)(2)(D).

The public may submit written comments or questions on any agenda item to the Board at: biglagooncsd@gmail.com up until noon on Friday, August 19, 2022, or comment on an agenda when the Chair invites public comment. The Information Packet for this meeting is attached to this emailed Agenda. You can also request the Packet by emailing biglagooncsd@gmail.com.

1. Chair's Call to Order (Bill)

Please address all public comments to the full Board. Per the Rules of Parliamentary Procedure members of the public do not engage in discussions or dialogues with the governing Board. The purpose of public comments is to inform the Board about your views.

Unlike previously, the public will be invited to address the Board at the start of the meeting, and at the start of every Agenda Item. There will be a time limit of three (3) minutes per person per Item. Any discussion of an Agenda Item will involve Board members only. Having the public comment before an Agenda Item gives a

Board or Staff member the opportunity to incorporate the public's concerns in their report if they choose to do so.

Due to the challenges of running a hybrid meeting, the Chair will recognize those individuals attending in person first, followed by recognizing those individuals participating on Zoom.

If there are issues that demand more public input, or dialogue with the Board, then the Board will schedule a Stakeholder's Q&A at a future date. Thank you for attending and sharing your thoughts with us.

2. Agenda for August 20, 2022 (Bill) Comments / Amend / Approval

3. Public Comment: Any member of the public may address the Board on any item that is not on the agenda at this time.

Per the Brown Act, the Board does not act upon, respond to, or comment on the merits of any item presented.

4. Recognize Public Correspondence received by noon on August 19th (Bill)

5. July 30, 2022 Unapproved Minutes (Bill) Comments / Amend / Approval

REPORTS (The public may comment before each report is given)

6. School Pipeline Project Update (Bill)

6.1 Audits required for 2019, 2020, and 2021

6.2 RCAC will fund audits, but funding may not be available until the end of the year. This will delay the project approval process.

6.3 Big Lagoon CSD must select the auditor

7. Vice-Chair's Report (Gus)

7.1 Meter Box Project update

8. Treasurer's Reports (Dick)

9. Water Operator's Report (Val)

10. Meter Reader's Report (Dana)

11. Storage Capacity & Fire Suppression Update (Bill)

11.1 Discussed application with Plan West Partners and West Coast Watershed management, and GHD water/funding engineer

11.2 Recommended district consider annexing school, the 3 homes across the street, and the parcel on which our well site is located

12. Drought Emergency Conservation Measures Update (Chuck)

13. Safety-related supplies update (cones, vests, etc.) (Joey)

14. 1st Strategic Planning Retreat will be on August 27 from 9 to 1

14.1 Objective: How do we move forward as a special district?

a. Going it alone with aging infrastructure may be untenable

b. Demands on board members are a major burden

14.2 2nd Planning Retreat to build on August 27 outcome(s)

15. Handling billing and finances after Dick leaves office (Bill & Dick)

15.1 RVS billing software 4-month free trial starting _____?

15.2 Who maintains the General Ledger?

15.3 Move to monthly billing after new are meters installed?

15.4 Hire a part-time contractor to manage financial matters?

16. Communicating with the landlord when a renter is in arrears.

16.1 Do we have up-to-date information on all out-of-area landlords?

16.2 Does new billing policy address landlord water-related concerns?

16.3 Awaiting legal opinion from law office (due by August 19th).

17. Future agenda items from board members.

18. ADJOURN

Meeting Packet Documents

Agenda Item 4: Community Correspondence submitted by noon Friday, August 19th, and distributed in a separate email by 1:00 PM on Friday.

Agenda Item 5: Unapproved Meeting Minutes July 30th, 2022

Agenda Item 8: Treasurer's Reports

**BIG LAGOON COMMUNITY SERVICES DISTRICT
UNAPPROVED MINUTES of the Regular Monthly Board Meeting
Saturday July 30, 2022 at 10AM in the Big Lagoon Elementary School Library,
including participation via Zoom**

1. Chair's Call to Order (Bill)

The open/regular meeting of the Big Lagoon Community Services District convened at 10 AM. Board members in attendance: Bill Wenger, Chair; Gus Satein, Vice Chair; Chuck King, Director; Louise Minor, Director; Dick Maier, Treasurer (zoom) Staff in attendance: Val Castellano, Water Operator; Mara Friedman, Board Secretary Community members in attendance: J. Blaine, M. Adler, S. Cruson, Boone, J. Donohoe (zoom).

2. Agenda for June 18, 2022 (Bill) Comments / Amend / Approval

Louise wants to address the issue of landlord's rights as customers of BLCSD. After discussion and unanimous agreement, the Agenda was amended to add this topic as item #16 (items #16 & #17 are now #17 & #18). The agenda is approved as amended.

3. Public Comment

There were no public comments.

4. Recognize Public Correspondence received by noon on July 29th (Bill)

No public correspondence was received as of noon Friday 7/29/22.

5. June 18, 2022 Unapproved Minutes (Bill) Comments / Amend / Approval

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

REPORTS *(The public may comment before each report is given)*

6. School Pipeline Project Update (Bill)

6.1 LACO submitted a revised SOW and Fee Estimate

The project is proceeding. LACO was asked by SWRCB to revise the statement of work and fee estimate. The new estimate of planning/design phase is now \$142K, triple the initial estimate. LACO said this estimate is high and should come in lower. We expect SWRCB will fund the project in full.

6.2 District must be audited, or submit 3 years tax returns

Per SWRCB, our district needs to be audited or must submit 3 years of Federal tax returns. The State Controller suggested to Bill that the district contact the Humboldt County Auditor Controller regarding the need for a financial review. Chuck noted that Humboldt County has a new Auditor Controller and they are better staffed and organized than previously. The Board has to unanimously pass a resolution to request a Financial Review. SWRCB will advise us if a Financial Review satisfies the requirement for an audit.

7. Vice-Chair's Report (Gus)

7.1 Meter Box Project update

Gus and Bill assembled a storage shed located behind Dick and Cindy's property which will securely store all materials for this project. September 28th is the revised target date to receive the new water meters. Instead of digital gauges, the new meters will have a LCD screen (at the same cost). Keenan Plumbing Supply hopes to receive items next week. Once all the plumbing supplies are received, John Morgan advises that we create a schedule for installation, rather than wait for all the materials to arrive. Gus has released a 'draft schedule' which gives a framework to help us imagine how to structure the project, which is scheduled to begin the week of August 8th. Initially, we will not do full excavation, but instead ease soil around the old boxes to make removal easier when the new plumbing equipment and boxes arrive. We will have safety apparatus in place to protect the excavation areas. Joey is expediting getting safety cones. We anticipate John Morgan will help with the installation of the new meters, as well as local contractors. We will be installing the new meters slowly over time, approx. 4 meters a week. Dick noted that the initial payment to Badger has been made. He added that we must be sure to get good meter readings when we pull out the old meters. Gus arranged for Brad Dugan to do brush cutting along the access road to the well site.

8. The Treasurer's Report is moved to August 20th board meeting

9. Water Operator's Report (Val)

Our water table is stable and we are pumping approx. 5K gallons/day with no salinity. We have ramped up the chlorine due to a leak in the main. During the repair, a section of galvanized pipe was dug up and found to be nearly closed up with deposits. All of our galvanized pipe is 60 years old and Val expressed concern as to how long it will last. He is also concerned about the required 2024 survey of lines from the meters to each house to determine what types of materials the lines are constructed of. Gus assured him that we can inventory all the pipes and connections when we are replacing the meters. Chuck noted that the recent leak repair bill from Hooven will inform us of the potential cost of repairing our old pipes/connections. Val said that we will need a grant to deal with the issue of replacing our pipes. In answer to a question regarding bids for the water leak repair, Val said we didn't get bids because it was an emergency situation. Bill added that competitive bids are not required when projects are under a certain cost, as this one was. Val suggested community members who regularly walk on the beach look for saturated wet areas on the face of the bluff.

10. Meter Reader's Report (Dana)

Dana was not present to provide an update. Dick noted that the next meter reading is September 1st. He added that the July meter reading was an estimate based on the prior year usage and that the July through September 1st period will be adjusted accordingly.

11. Storage Capacity & Fire Suppression Update (Bill)

11.1 Submitted Application for Project Development Technical Assistance (PDTA) to North Coast Resource Partnership

This application pertains to increasing water storage capacity. Independent experts will determine how much storage is warranted, and the type of tank given our coastal environment. Bill submitted an application for a PDTA study grant ranging from \$5K to \$15K.

11.2 Per NCRP and DWR, Big Lagoon CSD is an Economically Disadvantaged Community and a Severely Disadvantaged Community.

This is expected to open up funding opportunities.

12. Drought Emergency Conservation Measures Update (Chuck)

There was nothing new to report. The last meeting was in May and the workgroup had not scheduled the next meeting.

13. Volunteer Safety Program (VSP) update (Joey)

Ordered the safety cones, which should arrive this week.

14. Strategic Planning Retreat – When, Where, Who

Gus advanced the idea that we hold the retreat in September and that we obtain a trained facilitator to lead the retreat. Bill will look into that possibility. It was suggested the retreat be in 2 parts, with the initial session in August. It was also suggested that the retreat's primary focus be on how can we be a sustainable water district into the future. Gus stated that Steve Madrone should be presented with the reality that our current water district configuration may not be viable and we need to look at a new model of how our district is structured. We need to investigate the long-term sustainability of being an all-volunteer organization going forward, and relying on board members to undertake traditional management roles. We are an aging community and being a board member is a huge commitment. Chuck emphasized that because we are losing 2 extremely valuable board members in December, we must look at this issue immediately. He does not think we can have less than a 5 member board. If we are unable to find enough new board members, we may need to consider other options for our district.

NEW BUSINESS

15. Handling of finances after Dick leaves office (Bill & Dick)

We need to figure out how we will handle our finances after Dick leaves. This is not an easy process that we are about to undertake and it is vitally important to research this now before Dick leaves in December.

15.1 Billing software & integration with Badger Beacon SW

The RVS software billing system is used by Orick and Westhaven. This software is offered at a free 4 month trial basis. The upfront cost of RVS software is a very reasonable one-time cost of

\$1850, plus a small annual maintenance fee. There is an additional fee for software support. RVS is fully compatible with Badger Beacon and there is a \$1500 integration fee. We will need to purchase a Windows laptop to be dedicated to the district finances and billing. Dick thinks we can move forward and purchase the new laptop and RVS software.

15.2 Who maintains General Ledger?

Learning RVS requires a steep learning curve. Will someone in our community volunteer to take this responsibility on? If not, we will need to hire someone trained in working with this program. If we do hire someone part-time to operate the RVS software, the cost passed down to our customers could exceed \$50/month. Dick estimates that the cost to hire a bookkeeper is anywhere from \$400 to \$800/month (\$5K to \$10K/year). It would be much more expensive and complex to hire an employee rather than an independent contractor. If we hire an independent contractor, we need to be very careful. Mckinleyville and Westhaven won't be able to work with us. Orick may possibly be able to help us.

15.3 Move to monthly billing once new meters installed

With the new Badger Beacon software, perhaps we can bill monthly (instead of bi-monthly)? Our current billing statement does not indicate past due amount or finance fees, and this needs to be added to billing statements going forward.

16. (added) Landlord Concerns (Louise)

Louise noted that landlords are responsible for the water bill if their tenants do not pay. She feels strongly that landlords should be notified if bills are past due. We need to research landlord rights and tenants rights, as well as our requirements as a district. Chuck recommended these questions and concerns should be explored with our attorney. It was noted that typically renters pay the water bill. Bill asked Louise to email him her specific concerns and he will forward them on to our attorney. On the advice of our attorney, all potential revisions to our new water policy can be discussed and voted on at our August meeting. It was suggested that we reach out to landlords in our district, and that they also need to educate themselves as to their rights and responsibilities.

17. (was 16) Future agenda items from board members

- Dick wants to include the topic regarding landlord rights as part of our billing policy.
- Bill wants to include the topic regarding LAFCO's suggestion that we hire of a part-time general manager to support our board members. Currently our board members are taking on time consuming managerial tasks in addition to their board duties.

18. (was 17) ADJOURN

With no other business, the Chair adjourned the meeting at 11:41PM

The next regular meeting will be Saturday, August 20th at 10 AM in the Big Lagoon School Community Room and will also be accessible via Zoom

Submitted by Mara Friedman, Board Secretary

11:08 AM

08/15/22

Accrual Basis

Big Lagoon Community Services District
Balance Sheet
As of August 15, 2022

	<u>Aug 15, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
Umpqua Checking	148,842.84
Total Checking/Savings	<u>148,842.84</u>
Accounts Receivable	
Accounts Receivable	5,573.61
Total Accounts Receivable	<u>5,573.61</u>
Other Current Assets	
Undeposited Funds	858.63
Total Other Current Assets	<u>858.63</u>
Total Current Assets	<u>155,275.08</u>
Fixed Assets	
Water System	
Meter Project	12,819.92
Well Improvements	3,072.10
LP Tank	2,889.62
Fence	4,998.21
Pressure System 2011	10,038.00
2-5,000 Gal Tanks	19,700.82
Well 2010	18,647.44
Improvements	3,510.67
Chlorinator	2,627.00
Electrical System	9,931.00
Fire hydrants	8,520.86
Generator	13,998.00
Initial Purchase	75,000.00
Accumulated Depreciation	-158,180.35
Total Water System	<u>27,573.29</u>
Total Fixed Assets	<u>27,573.29</u>
Other Assets	
Start Up	
Start-up Expenses	6,666.84

11:08 AM

08/15/22

Accrual Basis

Big Lagoon Community Services District
Balance Sheet
As of August 15, 2022

	<u>Aug 15, 22</u>
Amortized Amount	<u>-6,666.84</u>
Total Start Up	<u>0.00</u>
Total Other Assets	<u>0.00</u>
TOTAL ASSETS	<u>182,848.37</u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	179,803.93
Net Income	<u>3,044.44</u>
Total Equity	<u>182,848.37</u>
TOTAL LIABILITIES & EQUITY	<u>182,848.37</u>

Big Lagoon Community Services District Profit & Loss Budget Performance July 2022

	Jul 22	Budget	Jan - Jul 22	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Non Compliance Fee	0.00	0.00	25.00	0.00	0.00
Base Rate - Monthly	4,138.82	4,138.82	16,555.28	16,555.28	24,832.92
Water Usage Income	1,443.14	1,832.98	5,605.23	6,414.74	9,950.69
Adjustment / Returned Check	0.00	0.00	-145.25	0.00	0.00
Donation	0.00	0.00	0.00	0.00	0.00
Total Income	5,581.96	5,971.80	22,040.26	22,970.02	34,783.61
Gross Profit	5,581.96	5,971.80	22,040.26	22,970.02	34,783.61
Expense					
Non-Cash Expenses					
Depreciation Expense	0.00	0.00	0.00	3,784.00	7,568.00
Total Non-Cash Expenses	0.00	0.00	0.00	3,784.00	7,568.00
Operational Expenses					
Supplies	0.00	150.00	0.00	1,050.00	1,800.00
Training	0.00		67.00		
Dues	600.00	0.00	650.00	275.00	475.00
Electric	0.00	300.00	1,436.79	2,100.00	3,600.00
Gas	0.00	75.00	0.00	525.00	900.00
Insurance	4,063.20	0.00	4,063.20	4,000.00	4,350.00
Maintenance	0.00	750.00	5,964.12	5,250.00	9,000.00
Office Supplies	0.00	0.00	1,102.71	149.90	200.99
Postage	0.00	50.00	0.00	350.00	600.00
Regulatory Expenses	0.00	0.00	500.00	1,000.00	1,000.00
Water Testing	305.00	180.00	1,075.00	1,260.00	2,160.00
Total Operational Expenses	4,968.20	1,505.00	14,858.82	15,959.90	24,085.99
Organizational Costs					
Legal Fees	0.00	300.00	4,074.50	3,300.00	4,800.00
Total Organizational Costs	0.00	300.00	4,074.50	3,300.00	4,800.00
Total Expense	4,968.20	1,805.00	18,933.32	23,043.90	36,453.99
Net Ordinary Income	613.76	4,166.80	3,106.94	-73.88	-1,670.38
Net Income	613.76	4,166.80	3,106.94	-73.88	-1,670.38