

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

CM = Community Member.

[...] = Words not audible on the recording.

Director Neyman: Welcome to the Frazier Park Public Utility District Board Meeting for the Pre-Planning Lake of the Woods annexation possibility. Call to order of Directors: Director Durso

Director Durso: Here.

Director Neyman: Director Gipson.

Director Gipson: Here.

Director Neyman: Director Garcia.

Director Garcia: Here.

Director Neyman: And Director Schoenberg.

Director Schoenberg: Here.

Director Neyman: And Director Neyman. Thank you all for coming tonight. I wish we had more people, but we'll be good anyways. I'd like to let everybody know we got a podium, so that when there are questions, we'd ask that you come up to the podium and ask your questions here, so that we have it taped, so that we're able to capture any questions that the public has. We also have a draft of the transcripts of the last meeting which we'll eventually... once we proof it we'll have it online at our website. We also are instituting a 5 minute limitation on questions on comments and we have a timer that will be set for 5 minutes and at 5 minutes you'll hear it beep and then at that point we'd ask you to 'kinda wrap that up. We also, just for expediting this meeting, we also have arranged it so the first part of the meeting is going to be talking about the poll letters and annexation, and then when we get through those slides, then we'll take a 5 minute break and then the people that have listened to the previous meetings, have been here with all the same information, which we will still go over, but if you wish to stay you're welcome to stay but if at that break you can go. Tonight we have with us Rebecca Moore from LAFCo, and Dave Warner from Self-Help Enterprises and Dee Jaspar from Dee Jaspar & Associates, he's our engineer. So, what we would ask, if it's possible, if you really have a question, we have a comment/question period. If you really need to before that, absolutely have to ask it, come up to the podium,

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

however, we would ask if you could let our gentleman do the presentation because he'll probably answer most of your questions and you might wanna... Everyone has an Agenda and the slides presentation if you really have one that you think you might want to ask, you can write it down if you need to, but we'll get to it rather quickly because we're 'gunna do the polling part first and some general information with Lake of the Woods, and then at that point we'll have a break, and then we'll go into the actual information concerning water usage and the rest of the information. Dave.

Dave Warner: There's questions before the break.

Director Neyman: Yes, there's questions before the break, yeah. We have 2 question/comment periods. We have 1 just before the break and then when we go into the other information we also have another question/answer period during the end, so, and we have also at the beginning Public Comments, so, we'll get to that. So, at this point, are there any public comments before we get started? Ok, thank you. Jonnie, do you want to do the Manager's Report?

GM Allison: Yeah, all I really got... I've been fielding a lot of phone calls from people, 'cuz my phone number's been on the polling letters, and a couple of the questions that were brought up I thought I'd clarify. One is that if the State grants us money, will the State basically take over the water system and have the State start running the District up here? That's absolutely not the case. It's just a grant, they won't oversee us anymore than they do already. So that's not anything to be concerned with. Another thing is people want to know if the annexation would cost Frazier Park's rates to go up. And they absolutely will not go up because of the annexation, if we choose to go through it. But, we are doing a Rate Study. Right now we just started it and that's due to a year and a half ago we did a rate increase and a rate study and it was recommended that we do another one in a year to see where we stand. And, it's been a year and a half now since we did that and with the drought and the water tiering and consumption, everything's gone down. It's time to look at it again and see if we're doing ok or if we need to go up. But, the 2 have no relation to each other. They have nothing to do with each other it's just what we told everybody we'd do a year and a half ago. I just wanted to clarify those 2 points.

Director Neyman: Also Jonnie, weren't you going to talk about the State mandate?

GM Allison: Yeah, other people were worried about us having sufficient water supply to handle anything. Our engineer and our hydrogeologist had clarified that to a huge extent, but the simple thing is that people say, 'Well how come we can only water 2 days a week but we have enough water to give to Lake of the Woods?' And the reason why we're doing 2 days a week is not because we're out of water, but because the Governor's mandate of 25% reduction in water use. And the only way to achieve that when you have leaky pipes and everything and you have water

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

loss going into the ground, is to only water 2 days a week. So that's only so we're in compliance with the State, it has no bearing on our water supply at all.

Dave Warner: We have some pictures you sent me of the recent break. That was the waterline that broke you said...

GM Allison: That leak was right on Pine Canyon. When they went in to fix it, we had to put a 20" clamp on it and maybe 3 feet away we had another 12 ½ inch clamp that's been put on in the last year and then less than a foot or 2 away from that we had another 12 ½ inch clamp. So, that's how a lot of our pipes are right there, they just...they're leaky. You can see the root ball going around it where it's been leaking for a long time before it ever surfaced. But for the last several years we've just been playing catch up, being reactive to leaks rather than being able to replace those mainlines. Yes Ma'am.

Terry Kelling: My name's Terry. I was wanting to know, what do you mean by a clamp?

GM Allison: Oh, it's called a repair clamp and instead of cutting out a section of pipe and replacing the pipe, we have a clamp. It's metal with bolts on it and it's got a rubber sleeve in it and you wrap it around, you basically put a Band-Aid on the pipe and stop that pipe from leaking. And it's the only thing you can do when you don't have the budget to replace large sections of pipe. So, in the 6 ½ years I've been here, that's been the main story, is just reacting to the leak, fixing it, and then move on to the next one. Which is why we're hoping for all this grant money so we can replace a lot of that and we don't have to do it like that.

CM: Is the grant 'gunna be enough to allow us to fix everything that needs to be fixed?

GM Allison: No. It's 'gunna take us a long way towards fixing things it's but no where near 'gunna be enough. But, the last grant that we had... We had a grant/loan, it was \$3.1 million and we got 4 water tanks out of it and possibly 2 city blocks of mainline pipe. We have roughly 25 miles of pipe in the District and so the money doesn't go very far.

CM: Ok, and is it all in this kind of shape? I'm new up here so I don't know a lot about...

GM Allison: All the metal pipe is in this type of shape. We do have a project that happened in, I think the 90's, where a lot of it was replaced with PVC, there's certain areas but there's also the majority of the town still has that in the ground.

CM: Thanks

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

GM Allison: You're welcome.

Director Garcia: There's a sample of the clamp that...

GM Allison: Here's the repair clamps. It's a big 'ol Band-Aid.

CM: What would it take to replace all the piping in Frazier Park?

GM Allison: Well, we don't have any kind of dollar amount on that because it's been unrealistic to try and figure that out at this point and the dollar amount always changes on what it costs to put the pipe in the ground.

Director Neyman: Director Schoenberg.

Director Schoenberg: In 2004 we tried to figure that out and what we did is we applied for our first USDA grant and we thought at that time that we could replace everything that needed to be replaced at that time in 5 phases. Now we're realizing it's going to take much more than that. We've done 2 of the phases because the pricing keeps going up for things like tanks and our well was much more expensive than we anticipated. So, even though at one point, we thought we could do most of the town that really needed it in that amount, now we have to do a whole 'nother study. So one of the things that we'll be doing at some point is another study to try and figure that out, but it's really hard to get a handle on it because you can only replace so much at a time because we just don't have the money to... So far we've done 2 grant/loans. One for \$2 million, a million grant and a million loan, and then actually another \$400,000 we had to add to that to cover some things that we hadn't anticipated, and then the second one was \$3.1 million, a million grant and \$2.1 million loan. Plus, we got \$500,000 from the USDA for our well. And all that really has barely... it did replace some tanks that were really old, we replaced downtown, all the piping there. We've been able to replace some of our worst streets, but we still have a long ways to go.

CM: What's the total mileage of the main?

GM Allison: We don't have an exact mileage because every street has multiple pipes in it. Another thing that goes in with figuring it out is you have to have money for an engineer, and we just barely make it. So, you have to have somebody engineer it. Plus, we're running on only 3 men in the crew and since we've been in here since the 30's, a lot of the maps are inaccurate. You don't know what's in the road. You have to have time to pothole. You have to go out with the backhoe, dig down and actually visually see what's in that road. You 'gotta open it up from side to side and corner to corner to see what's in there. And then you have it engineered and then you know what it costs to replace it because some streets have 1, 2, 3 some have 5 or 6 pipes in it.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

And you don't know that until you get the leak and you actually dig down. So, it's difficult trying to save money for the District when you have to spend money to figure out stuff like this. And then, if you don't have a foreseeable way of obtaining that money, you're just wasting the money because you can't do the work. Now it's going to cost more down the road.

CM: Well, maybe it will be just better to just abandon the old one and just put new ones.

GM Allison: Well, absolutely. If we ever get the opportunity to get that grant, which is why we really like the idea of 13.5 million, because that's going to help us do some of that.

CM: Would that cover everything?

GM Allison: Oh no, not even close. But, it could get the streets and the trails that are the worst right now, that we historically go into all the time to fix leaks.

CM: Thank you.

GM Allison: You're welcome.

Dave Warner: This is a part of the ballot that you received. A copy, but that's the focus of the meeting is to... Folks should have 'gotten a ballot in the mail and the District is asking people for people to fill... read the information and then respond with the ballot to the District. Now I'll look at Option 1 and Option 2. First, the purpose of the polling, how it will be done. The Board wanted to talk about this and the reason for the polling.

Director Schoenberg: I'll say something to that. So, I know myself [...] the rest of us felt really uncomfortable making a decision. You know, we really answer to you the public because we're a Public Utility District. So, we felt very uncomfortable making an absolute decision without having input from the town. As far as annexation goes, Frazier Park doesn't really have a vote because the people who usually vote would be the districts annexing in or whoever would be annexing into the system. But we wanted to have, even though it's not a legal requirement and the vote's not legally binding, but it was really a vote for us to get a consensus of what the town really feels about this. We're hoping that people are informed enough because we haven't had a lot of people at the meetings. The newspapers been really great about putting information out in the newspaper. But we really felt that we needed to collect the votes and try to see if a majority of the town felt a certain way or not. So, we are asking... we sent them out to anyone who gets a bill in town. So it's going to both renters and owners. And then we actually erroneously sent out some more for people, and we're going to have to figure out all that stuff because some people are getting them that shouldn't get them because the address changed or whatever. So the main

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

reason for the polling was to get a good consensus of what Frazier Park actually feels about this as opposed to what Lake of the Woods or anyone else who's interested in the annexation. Do you want to add anything to that?

Dave Warner: This is just a summary of... The ballots were mailed off March 15th, how when the ballots should be returned. They have that information with the ballots, but you can drop them off at the office or they need to be postmarked by April 14th.

Director Neyman: We sent a self-addressed stamped envelope with the polling so that people didn't have to pay for 'em, so that they could hopefully... people would take advantage of that and send back their polling information.

Dave Warner: When and how the ballots will be counted. I understand it starts after April 14th and that the reporting will be done at the April 28th Pre-Planning Meeting.

Director Schoenberg: Yeah, we're going to do the whole count at that meeting.

GM Allison: Yeah, we'll ask for a couple members of the public to help us open them. Tabulate 'em so somebody else besides us is doing it.

CM: Will that meeting be here?

Director Neyman: No, that will be at the water company and you're all welcome to come.

Director Schoenberg: What we have thought about doing is just for the public to know. We don't want to say how specific people voted, because I know some people are really leery about that. But we're going to try to do sort of a spreadsheet that lets you know how many renters as opposed to how many owners. So, we're going to try to do some sort of spreadsheet as we open them. Just so people have an idea of how we're making the decision.

Dave Warner: Now a little of the details on Option 1. The ballot Option 1 is: Yes, I want the Frazier Park Public Utility District to annex the interested Lake of the Woods areas and obtain funding to build a Regional Water System. Which would mean you annex the interested Lake of the Woods area into Frazier Park Public Utility District and you'd form a Regional Water System that would qualify the District for 100% grant funding. Annexation and a Frazier Park PUD owned Regional Water Project would bring at least \$13,150,000 in grant money. It depends how many people want to participate. You've got Lake of the Woods, that's \$5 million grant. You've got Frazier Park, that's \$5 million for them. You've got the Mobile Home Park, that's \$3 million for them. \$50,000 per connection, maximum of \$5 million per community. You've got the Lutheran

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

church, that's one connection, that's \$50,000, and you've got, so far, 2 people on individual wells and that's \$50,000 each, so that's \$100,000. So, that's where I come up with the 350. I understand that more people may be interested in coming on. That would increase the eligible amount you could apply for and get as 100% grant. There's 100% grant for Regional Water Systems because the Lake of the Woods area is severely disadvantaged. They are very, very poor in the last round of the census. You folks are disadvantaged, not quite as poor. So, you don't qualify for as much grant money. You have to take some loan money, but, if you annex them, you get the same benefit as they do in a regional consolidation. The State wants bigger systems to take over smaller systems.

CM: Is that guaranteed money?

Dave Warner: You get it, it's yours. Yeah, it's there.

CM: Is there proof that if you annex them, that same money will be counted on? I heard it was still iffy.

Dave Warner: It's there. It's Prop 1 funds. And I'd be happy to go over... this is the regs. And I have a slide at the very end which details... it shows disadvantaged, how much you get and your rates. I'm going to go into that. That money is available, but, if you wait, it's going to be used up at some point, but it just became available this last fall. It's 100% grant funding for regional project and it would be no loan, unless you want to take more loan than \$13,150,000 grant.

Director Neyman: Dave, she had a question.

CM: No, I was going to have him come up.

Director Neyman: Oh yeah, sorry about that. You need to come up to the podium. Thank you.

Director Schoenberg: It makes it much easier when we try to transcribe. She was having a heck of a time.

CM: What will be the cost, I'm Richard Panek from Frazier Park. What will be the cost of interconnecting the 2 systems?

Dave Warner: That would be part of the \$13 million we get.

Richard Panek: What exactly would be...?

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Garcia: We haven't designed it yet. We don't have those numbers yet.

Richard Panek: Oh, ok.

Director Neyman: We have to have... Once the annexation starts to go forward, we go into what they call the Planning Stage. We'll get funds from the State for planning, and at that point, we'll have engineers come in and they will go through and map it out and give us costs of what it will cost to put it up through Lake of the Woods. And then, at that point, we'll know where we stand. And at anytime during the project, if we don't get the funding, we can stop the annexation process.

Richard Panek: Ok, thank you.

Dave Warner: And that could be a condition of annexation?

Rebecca Moore: It could be a condition of annexation.

Dave Warner: The question was, if we don't get the money, can the annexation stop? And Rebecca Moore from LAFCo...

Rebecca Moore: It can be a condition of annexation and you can't just stop an annexation. Once the commission has approved it, if they've approved it without that condition, then you can't stop it. It goes through the vote process. But if you have a condition in there, then you have to wait 'till that condition is met in order to go forward with it.

Dave Warner: Regional improvements would include work in both communities such as: New wells that would serve Frazier Park and Lake of the Woods; Fix existing wells such as the Monte Vista well in Frazier Park that has high florides; New waterlines in Frazier Park and the annexed area; New meters where needed, like in Frazier Park. Lake of the Woods will be getting some meters this summer with some new lines. So, they won't need new meters, but, you can use new meters here like radio read...

Director Neyman: Lake of the Woods has already received a \$1.4 million grant to put in new meters and fix some of their lines so I think they're supposed to break ground this month, or start...

GM Allison: This summer.

Director Neyman: This summer. Ok, new information. It changed. But anyhow, they will have meters in before we even go through with annexation.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

CM: So does that mean that if they're getting meters, then it's already approved? We're already... we're 'gunna...

Director Neyman: That's separate money that they've already are receiving...

CM: Are the meters for connecting...

Director Neyman: The meters are for Lake of the Woods.

CM: Oh, not for connecting to Frazier Park?

Director Neyman: No, it's just meters for Lake of the Woods.

CM: And then, one other question, when will you absolutely know? Say we say, 'Yes, we want to merge.' When do you know that the grant money is 'gunna be there? All that \$13 million. Do you know you're going to get it once we say yes?

Dave Warner: Well, the first thing you apply for is planning money. That's \$500,000 grant money, or it could be more because your annexing other areas into the system. You have to go through that. It's about an 18 month Planning Phase that looks at... it comes up with a design. After the design and cost estimate is built, of what you're going to build. The environmental work is done. You know the numbers of what and where you're going to build it. Then you would apply for grant money to build the project.

CM: Will it still be there in 18 months, the money?

Dave Warner: I would think it would still be there. The State says it plans to get the money spent within 5 years. And it just started... it just passed... This is their intended use plan on how to spend that money. Who would qualify for it. So, they just started taking applications and they're spending some of that money right now.

CM: So Lake of the Woods is not going to get any water for 18 months?

Dave Warner: They have water from their own wells.

CM: They're still ok? I thought it was like they couldn't drink it or something.

Dave Warner: They have nitrate. They can drink it. They're trying to work on a blending station with their existing supply.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Linda Robredo: I did some basic quick math here. If Lake of the Woods has \$1 ½ million, is that correct? To install the smart meters and repair some of their leaky lines, and that's for about 400 water users. And we have 1,200, that would be \$6 million to do the same thing. Did I do the math wrong?

Director Schoenberg: It's just not that simple because, first of all, they're not actually replacing all of their lines, they're only replacing a certain amount of lines and it's not necessarily dealing with some of the other issues that come up like the service connections and things like that. I think it's maybe too simplistic.

Linda Robredo: The numbers here, is if they have \$1 ½ to provide smart meters for 400 servicing positions and some of their lines that are leaky, if we were to do the same math here, that would be \$6 million to achieve the same thing, maybe it's \$5 million. But I'm wondering if there's maybe too many things on the wish list. I'm a little bit concerned about that. If you could respond to that?

GM Allison: Really, the way we would do part of it would be, we would figure out what was the most necessary. When you get the grant, some of the biggest cost was going into smart meters is getting the main program and getting things started. So, if you decided that you didn't want to spend all the money on smart meters, you'd buy the program and you'd buy a certain amount of meters and you get started on one little section. Then you'd spend the rest of the money on everything else that you need and then down the road, you just have to add meters. As we do meter changes, we do 10 - 20 a month typically, when we have a full crew. Then, at that point, we would change them over to the smart meters and the biggest expenditure of the program would already be bought with grant money.

Dee Jaspar: Dave, do you have the breakdown?

Dave Warner: I have the numbers I stole from the other engineer's breakdown. I'm not an engineer and I'm not ashamed of taking other numbers that people create because I'm too dumb to create it myself. I'm not an engineer. The engineer had, for the smart meters installed at Lake of the Woods, they had them at \$900 a meter, and that would be installed. And I took that number and I multiplied it times 1,300. That's probably a low ball for here because you probably have 1,350 connections?

GM Allison: Around there, yeah.

Dave Warner: 1,300 meters comes out to \$1.17 million. That's a chunk of change and you pointed out that you might have too much to spend all the money on. And that is something that

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

comes out during the Planning Phase. Here's the amount of funds we can qualify for, where do we spend it?

Director Neyman: What's the priorities?

Dave Warner: And that's something the engineer works with the Board on, looking at those options.

GM Allison: One thing that should be noted with the smart meters is, it seems like kind of a small thing but, the smart meter, or any really accurate meter, helps us a lot because, for one thing, we lose a lot of revenue because the meters aren't reading correctly. We lose a lot of man hours because you have to spend too much time digging up the gopher dirt to be able to read it. People get injured because they're down on their hands and knees and they're digging with their hands and everything. So, meters are a little more important than what you may think initially. So, it is a wise expenditure of money if you can do it.

Dave Warner: I'm sort of getting ahead of myself here. There's about \$13,150,000 that would come into the project. That includes over \$3 million in connection fees that Frazier Park would charge as a part of coming into their system. Those connection fee money can go actually toward infrastructure. So you, Frazier Park, could get \$5 million in grant from the State, but the connection fee money can be used towards infrastructure.

Director Neyman: So that's an additional \$3 million, so...

Linda Robredo: Can you please explain what that connection fee money is?

Dave Warner: Go ahead.

GM Allison: I was just going to ask Linda to come up to the podium, then I'll let you answer it.

Linda Robredo: Would you please explain what the \$3 million of the connection fee money is, please?

Dave Warner: Sure. It was based on 475 connections...

Linda Robredo: New connections?

Dave Warner: Well, there's connections for houses, for properties that have units on it, whether it's business or a house and it's based on a ¾ inch connection and it's called a connection or

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

capacity fee. Connection doesn't mean it's money what would connect them to the water system, it's money that they pay to connect as part of the new water system they would annex to. It's also called like a capacity fee, and that money pays for... If I'm coming new onto a system and it's already been built, and I say, 'Oh, I'm 'gunna build my house so I'm just 'gunna run a line out there.' The District would come up and say, 'Well wait a minute. People here have paid for all this stuff. Tanks, wells and all the other infrastructure you're connecting to, and you're supposed to be paying a fee that will bring you on par with what people have paid in the past.' And that's what this connection/capacity fee would do. It's a rate that the District charges...

GM Allison: And just to clarify, last time there was a misinterpretation to that. That's not what people in Lake of the Woods would pay. That's what some people thought last time when we said that. That Lake of the Woods, everybody there is 'gunna have to pay that amount of money. That's not the case. The State's giving us the money for each one of them to be connected.

Linda Robredo: So, this was brought up at an earlier meeting, that the \$8,000 for a new connection, which is what Frazier Park Public Utility District currently charges if someone were to, as you say, build a new house and they need a connection. They go out, they see whether or not it's feasible to get the A ok on being able to get the building permit to be able to construct a house on their lot. That's a new connection fee. That, times 300 new potential water...

Director Schoenberg: Linda, these are for existing. So, this money that he's talking about, these are the existing connections that already are in Lake of the Woods, not new connections. Existing connections have to pay a certain amount to Frazier Park Public Utility District because we've charged our customers... If you're building a brand new house, you would have been charged actually \$4,000 originally, then it's gone up over the years. But basically that's taking into account they're coming into a new system. So it's not talking about 300 more houses, it's talking about the existing houses...

Linda Robredo: That are over there, the 400.

Director Schoenberg: Right. The new houses that would be coming on, that would be something that we could address completely separately. That has nothing to do with this.

Linda Robredo: Thank you for that clarification. So, I want to make sure I, like a rock, understand this. This \$3 million would be something that Lake of the Woods or...

Director Schoenberg: The State.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Linda Robredo: ...the State is going pay Frazier Park for accommodating these 400 connections to cover the existing houses for health and welfare of those people that live there that have been struggling for water for... right?

Dave Warner: No, it's money that goes to the District, that the District could use to pay for infrastructure. All the larger districts, or many districts that I work with like public districts have a fee. Any new user, whether you're an existing house that's connecting on to the system and you're a new user to them, they have to pay a capacity fee or a connection fee. And that money goes to the district, into usually a pot of funds that they can only use to pay for infrastructure on their system. So, what I'm trying to say is, that that money is money that's paid by the State on behalf of Lake of the Woods, that goes to the district for the district to use on infrastructure. They can't use it for operation and maintenance.

Linda Robredo: Can they use it to pay down loans that we...?

Director Schoenberg: No.

Director Neyman: No, we addressed that last time.

Linda Robredo: Ok.

Director Schoenberg: No, but, it means we don't necessarily have to take any new loans for hopefully a while and that will help us to pay down the loans we already have.

Linda Robredo: Ok, so that other thing might still be a consideration to... Ok, thank you for the...

Director Schoenberg: Yeah, the other issue with connection fees period is completely separate for brand new homes that haven't been built yet.

Linda Robredo: Thank you for that clarification.

Dave Warner: I apologize for miscommunicating some stuff.

Linda Robredo: This is the place to get our questions answered. Doing good so far, thank you.

CM: The question's been pretty much answered but, I just want to make sure it's crystal clear. Last year I went into the Frazier Park Utility District to look into connecting up a piece of property I have, they said it would cost me \$10,000. It may have changed, I don't know. Lake of the Woods is coming in, each household is not paying a dime, and I would have to pay \$10,000?

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

GM Allison: No, it's been \$8,000. If you came in last year it was \$8,000 a connection...

CM: Ok, I was told 10 but that's...

GM Allison: But no, that's what he was just explaining. The State would pay \$8,000 per connection.

CM: So Lake of the Woods residents, which is great for them, they are getting in and they don't have any money out of their personal pockets?

Director Schoenberg: But what happens is, if you've already owned a house in Frazier Park, you don't pay \$8,000 to come into the system because whoever built that house originally, paid that money.

CM: I understand that, but this is on a vacant piece of land that I have that I want to connect to Frazier Park.

Director Schoenberg: Right, so if it's a vacant piece of land, if Lake of the Woods had brand new vacant pieces of land, that would be a whole separate thing. That would be a connection fee that they personally would have to pay us after this whole annexation takes place. But the already existing homes aren't being charged that money to come into the system.

Dave Warner: And I understand you have the \$8,000 is based on a ¾ inch connection, and I understand there is a \$10,000 charge for...

Director Schoenberg: For a larger connection.

Dave Warner: ...and it goes up from there.

CM: Once this is done and Lake of the Woods has their meter, and they're getting the water from Frazier Park and they still have their well, and it rains a lot and it fills up their well, does that water go through the meter? Are they charged for that?

Director Neyman: Yes. Everything goes through the meter...

CM: Even their own personal well?

Director Neyman: They'll continue to use the current wells that they have and the only time that we'll be pumping...

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

GM Allison: No, actually...

Director Neyman: Did we change that?

GM Allison: No, nobody... All of Lake of the Woods' wells would become our wells.

Director Neyman: They're our wells...

GM Allison: So they'd become our wells. All of Lake of the Woods becomes ours

Director Neyman: Thank you Jonnie.

GM Allison: The infrastructure.

CM: So all that water is...

GM Allison: Is ours, is the District's.

Director Schoenberg: Shared water.

CM: So they can't use that water for free.

Director Neyman: But we'll still operate those wells.

GM Allison: We'll still operate the wells that the water quality meets our standards. And then the private well owners that may have a well, they're going to be allowed to keep their well, but they can't have it connected anywhere to our system. It has to be totally separate and it would only be for irrigation. So, that's the exception to the rule.

CM: So they're going to use our water also and their well?

Director Schoenberg: Correct.

GM Allison: That's the way it would work as a grandfather clause but, most of them that are interested, don't have really viable wells anyway.

CM: But I'm just saying if we should happen to get a lot of rain, and all these wells are...

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

GM Allison: Then the whole District is just better off because now that water is controlled by the Frazier Park Public Utility District...

CM: But the private wells, they still have use of their water without going through the meter you said.

GM Allison: No, not for any domestic... Well see, we have to differentiate. The Lake of the Woods District, their wells become ours. They wouldn't be using that, we would be doing that. Only private well owners, the few that are interested, they would totally have to disconnect from their homes and from our system and it could only be used for watering trees, or whatever. They would still use their well for that, but all the Lake of the Woods is ours.

CM: Are there a lot of those private wells?

GM Allison: No, there's only a few.

Director Schoenberg: Maryann, Can I answer...

CM: Oh ok.

Director Neyman: Director Schoenberg.

Director Schoenberg: I think there's a misunderstanding. What happens with Lake of the Woods if we suddenly got bountiful rainfall for a couple of years, all it means is that, we're going to have to build a transmission line somehow that goes from Frazier Park to Lake of the Woods. It means that Frazier Park's not going to have to send as much water up there, so our bills will be lower. I mean, it's all us at that point but the bills would be lower in terms of us not having to pump water...

GM Allison: The power bill.

Director Schoenberg: The power bills would be lower and whatever other things incurred from having to pump that water up to Lake of the Woods, because they would be able to supply most of their water or all their water at that point, for a limited amount of time.

CM: And those will be our wells, so they're going to be charged for it.

Director Schoenberg: Right, so they're all going to be our wells and the meters are all going to be ours, so they would be charged.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

CM: Thank you.

CM: I would like to find out... I understand with the water. I understand but I want to know with these roads, how do you know which road, like your road, they're going to decide they're going to pave yours. I want to know why mine doesn't. Who decides that?

GM Allison: You mean the paving of it?

CM: Yeah.

GM Allison: Kern County Roads would do that but, typically, they don't pave any roads anymore. Typically, the only roads that get paved now are when homeowners chip in and they all do it themselves, but that's the only way it gets done.

CM: Oh really, ok. Thank you very much.

Director Neyman: Dave.

Dave Warner: Here is the list of possibilities of things to fix. Additional storage if needed based on the design of the engineer, capacity fees/connection fees, paid to Frazier Park to be used on the water system. We discussed that. Project engineering and legal costs. Those costs that are involved in developing a project. You have to pay an engineer to design a project, surveys, supervised construction and your attorney to make sure that you have legitimate rights and so forth. That's all paid with the State funds. A Regional Water System would result in one larger water system owned and operated by the Frazier Park Public Utility District. Improved water supply and system improvements for all project areas in Lake of the Woods and Frazier Park. 100% grant funded improvements, as approved by State and other funding agencies. You may decide to match some of those funds with a USDA grant. We're at Lake of the Woods, we're trying to match the \$1.4 million with a \$1 million USDA grant. We hope we can get it but that's a possibility. Frazier Park PUD would still operate as before, but serve a larger area with more members. I have this map throughout the whole slideshow just in case you want to refer to it. Ballot Option 2: No, I do not want the Frazier Park Public Utility District to annex the interested Lake of the Woods areas and do not want funding to build a Regional Water System. If no annexation and no Regional Water System is formed, the District would not qualify for 100% grant funding. To get State Revolving Fund Prop 1 money to fix the District's water system, a loan must be taken and water rates increased before it could get any grant money. And I will talk in detail about this later on. No Annexation, Frazier Park stays separate. What funding would the District qualify for? The District would have to increase rates by taking loan funding to qualify for State grant funding. So you could get grant, but you would still have to raise your rates and take a loan.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Because you're a disadvantaged community, you're not considered quite as poor as a severely disadvantaged community. And when I said disadvantaged community, that means the area in Frazier Park, according to the latest census numbers, means that your below 80% of the State Median Household Income, but above 60%. If you're below 60%, then you could qualify for 100% grant funding. Then you'd be a severely disadvantaged community. Sure.

Linda Robredo: On that point, how long would the entire conglomerated new water district, the large water district, qualify as the severely disadvantaged. Once it's a done deal, how long... Is it 10 years out, is it 5 years out, because, I'm thinking that this is nice and just like you just mentioned that Lake of the Woods is going after additional grant funds, would that be possible later for Frazier Park to go after additional grant funds?

Dave Warner: I would recommend that they might want to go for USDA funds to match the grant. Because, if you go for, as the District has done in the past...

Linda Robredo: Which part of the grant? How much money are we talking?

Dave Warner: Maximum grant the USDA would make available would be \$1 million or if the District applied for it, there was no other matching funds because the State didn't qualify them high enough for funding, they had to take loan. So they qualified for $\frac{3}{4}$ of the project cost as grant, up to \$1 million. So the loans are larger because they had larger project costs. But that's what we're doing with Lake of the Woods is trying to get a matching grant. And you have to apply every year, you have to apply for that with USDA.

Linda Robredo: Ok, so back to my question. I'm thinking positive, the annexation goes through and the whole area now qualifies as... because of their economic situation. How many years would that last so that Frazier Park Public Utility District from time to time might be able to access more grant money?

Dave Warner: Every year that number changes. So, come December of this next year, they'll have a new calculation on what the Median Household Income is for Lake of the Woods, for Frazier Park. So, that's the... The only way to get around that, is you do an income survey. And if you do an income survey for a given area, than that income survey is valid for 5 years in getting funding. So you could do an income survey if the numbers ever go up.

Linda Robredo: So they did an income survey and they're qualified for 5 years.

Dave Warner: Actually, they started an income survey, I did, but the numbers came in so that they qualified as a severely disadvantaged community, and we aren't getting paid for the income

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

survey. I already wore out a pair of shoes and got a blood clot. I decided not to continue with the survey because they already qualified as a severely disadvantaged community.

GM Allison: Could you explain how the State or the Government goes through periodically and changes the numbers?

Dave Warner: Yeah. Every year the census does an update on the numbers and they take a five year average. So in... this is too much information, but, every year they'll come up with a new number for an area. They sample about 4% of the people in the census tract, or block group, or a census designated place, and they'll add those numbers that were recently sampled to the previous 4 years' sampled numbers and they'll come up with a new average Median Household Income. And what we've seen is that, since the recession, the numbers have dropped. The numbers could go up, it depends who they sample, but that's the thing. Every year the State looks at... they come up with a new State Metropolitan Median Household Income, which has gone up, but in most rural areas the numbers were real high 5 years ago because they were doing pre-recession numbers and now since they have gone into mostly the full recession numbers, the numbers have dropped in most of the places that they work with. For a number of years the numbers have gone up in some places, but rural areas like this, the numbers have dropped. People have left, incomes haven't gone up in most cases. But, every year, there'll be a new 5 year average which the State will use. So the State number has gone up, the State is now \$60,000 some-odd dollars, and then they come up with a new revised 80% of that is the new cut off for the disadvantaged communities and 60% is the cut off... so that number goes up, technically, not by a lot, but it does go up. Individual districts, they go up and down but it depends where you are really.

Linda Robredo: Ok, thank you.

Dave Warner: So every 5 years, they take a 5 year average of the previous 5 years. So every year they come up with new numbers. The problem with USDA is they're still using 2010 numbers, and those are big. Those are a lot higher. In 2010, Lake of the Woods had a Median Household Income of \$55,000 and now, their Median Household Income is \$33,750. Frazier Park was higher, and now it's lower. But USDA is a different funding agency. They keep using that 2010 number. They don't use the same numbers that the State does. You can get around that by doing a Special Income Survey. And I've probably bored you with all the... but that's a number you have to keep an eye out for every year. But if you apply for the money, and you get it, they aren't going to pull it and say, 'Oh, you're suddenly disadvantaged'. You've already applied and received the funding for it. And the project funding depends on the District's' Median Household Income, which right now is \$43,077. The water rates and the project costs. That's what the State takes into account on what you would qualify for as loan and grant. Because you're a

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

disadvantaged community, you don't qualify for 100%, and if the average water rate is between \$54 and \$72, some State grant money can be obtained. The District's average water rate is about \$45 per month. So rates must go up by at least \$9 just to qualify before you can get 80% State grant money. If you're below \$54 per month, which is 1 ½% of your Median Household Income, the State says you're not eligible for any grant money. If your rates are above that, then you're eligible for some grant money. And some places have higher rates than that, but, this is all based on your \$43,077 Median Household Income.

Director Neyman: Dave, we're still in Option 2. If we don't annex, then we are a separate entity from Lake of the Woods and continue just as Frazier Park Public Utility District.

Dave Warner: Yes, this is still Option 2. You guys went it alone, this is what you'd be faced in trying to get funding. This is not the Regional Project where you could benefit from another area's low income. If the average water rate is above \$72 per month, that's 2% of the Median Household Income, then you could qualify for a 90 - 100 % grant for project costs. And that's a lot of money. That's an average water rate. And that means you have to take loans to increase it and you'd still be limited to a \$5 million grant. That's the funding for, as Brahma pointed out, that's the funding for if you went alone. There's benefits to going as a Regional System. The State wants small systems to join together with a larger system, and they'll give carrots out. The carrots of the grant money. The letters by the water systems and individual well owners to annex and join the Regional Water System. The District has received, so far, interest from Lake of the Woods Mutual Water Company, Lake of the Woods Mobile Home Park Water System, Mobile Home Park and 3 properties served by that system, they sent letters, Shepherd of the Mountain Lutheran Church, 2 properties on private wells. Now I understand there may be more people who might be interested in coming in. That could still, I think, occur.

Director Neyman: If they don't join, at this point, and we get into the annexation, we complete it, then they would have to pay the \$8,000 connection fee if later on they said, 'Oh, you guys are doing all this.' We won't stop them from joining the system, they would have to pay that extra money. So, if they're going to come on board now, they need to come on board with us now if we go forward with this project.

Dave Warner: And some people have done that. I've seen some projects elsewhere, where the waterline goes in, and people have reached out to folks and then somebody comes up, 'Well I want to connect, connect me.' And the District goes, 'Well you have to go through the whole process of annexing separately and you don't benefit from this money that these folks have all gotten together with the District on.'

Director Neyman: And they have to pay their own legal fees.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Dave Warner: So, it's better to join as a group. So this is another picture of Lake of the Woods. There's a Mobile Home Park in there. I have a rough idea of where the... the pink area is where the Bear Court Water System is. It may be incorrect on that, I'm not sure. I'm pretty sure that's it because it says Bear Court on the road. And then there's some properties that have individual wells. Questions, concerns and answers. This is the big question and answer period before we go on to the other stuff.

CM: Is this the only 2 options? And I'm not opposed to that, I like Option 1, but, we had a house up at Lake Isabella and Cal Water came in and they combined all the small districts up there. And the 100 cubic feet, is that they way they measure it? Went from \$2.50 to \$8.00. And the water rates went up \$300 a month in the summer to run your swamp cooler. So, I just want to be sure this is not something we're considering right? Having outside...

<The Board members all respond "no".>

Director Gipson: We're trying to prevent that.

CM: Ok.

GM Allison: Just to say, they did pass a law, the State, where they could force that issue, but Lawrence Sanchez was here from the State, and he said that since we're already proactive and working like this that there's no desire on their part to force anything at this point. But if we wouldn't have done this Pre-Planning Study then who knows, it would have been fair game for...

CM: I mean, they were further apart, it wouldn't have been, and I'm not saying this is going to be easy but, the towns up there are further apart but Cal Water came in and combined them all and there's a lot of retired people up there who can't afford water now. So I just want to be sure that...

Director Schoenberg: We're hoping that's not what happens.

Dave Warner: They haven't gotten them all. I'm working with 5 or 6 that are forming their own District to avoid being taken over, so, they haven't taken them all yet, but that's the fear.

Director Neyman: Any other questions?

Terry Kelling: If we do this annexation and we become a Regional Water District, I know right now, if you live in Frazier Park and you want to run for the Board, you have to live within Frazier Park. If we annex, do the other parts become...?

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Neyman: Yes, because they become part of our Water District. So if they own a house in Frazier Park, they are eligible to run for the Board and come onto the Board.

Director Schoenberg: Or in Lake of the Woods, or in the Mobile Home Park. Right. So basically anyone within that new District boundary. And we have the ability to decide if we want to stay a 5 member Board or if we want to increase the size of the Board to 7. I mean, I don't know, we haven't really thought about the advantages and disadvantages that much yet but that would be something that we would need to think about as well and have input from the public as well.

Terry Kelling: Ok, and then in the water study, Dee may have to answer this, he added an extra 300 connections. Now, is that going to take into account, because I think when he was looking at it, he was looking at Lake of the Woods and Frazier Park. That didn't include the Mobile Home Park what he was looking at, or the other people that have now asked to annex in, so that would be part of that 300?

Director Schoenberg: Dee, you looked at that Mobile Home Park right?

Dee Jaspar: What we did is we looked at the total number of connections at Frazier Park at the time, 1,301 and Lake of the Woods was 401, for a total of 1,702. We noticed... it became very obvious there were properties between Lake of the Woods and Frazier Park that likely would want to come on, and the Mobile Home Park is one of those properties and there are others. And so, that Mobile Home Park and the others would be part of the 300. We arbitrarily picked 300 in order to provide some capacity for those connections that are on wells now and may want to get off those wells. And so we picked 300 because we did a lot count and it looked like that number would cover it. And so, that was for the engineering study and that was to determine what the total demand might be in order to be conservative on our demands.

Terry Kelling: Ok, and then in regards to the nitrates in the wells west of us, would that affect our water?

GM Allison: It wouldn't because we either would not use it, or, from what I understand, they're trying to mitigate that right now with a treatment plant for their nitrates. So, that make it potable water.

Dee Jaspar: Another thing about that too, that particular well is... We drilled it in the alluvium and then we went on down to the hard rock. What we found when we drilled it was that the alluvium was dry. It was dewatered up there. And so we continued down to determine whether or not we could get some yield from the hard fractures in the hard rock. And we did, very little, but we did. That water does have nitrates in it. What our thoughts are, whenever, some day in the future, we

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

get enough water to really replenish the aquifer up there, that water will be mixed down. Those nitrates will be mixed way down. There's a very low yield down in that well and what we're anticipating is a lot more yield than what we're getting. And that would be fresh water and likely would not have the nitrate problem. So, it may resolve itself. If not, then it would be either through mixing with wells that don't have the nitrate problem, or a treatment.

Director Neyman: Ok.

Linda Robredo: To be back on that, is there any planning currently for a treatment facility to deal with clean up water that is obviously has problems right now at Lake of the Woods and for potential future problems that our combined District might face?

Dee Jaspar: There are a couple of things about treatment. Number 1 is, it's expensive.

Linda Robredo: That's why I'm asking.

Dee Jaspar: So we'd rather not do it. And the other thing is, if we had the alternative of treating or drilling another well, or drilling a well down here and then pumping water up there, and that was good quality, we would look at that and look at the economics of it and then make a decision as to whether or not we really wanted to treat. Right now, our thoughts are, for that particular well, that when the aquifer re-waters, that we're not going to have that problem.

Linda Robredo: Ok. I'm going to do the broken record again. Within either of the communities or the combined community, is there any plan during the Pre-Planning, to at least cost that out so that we have that information in case it becomes more necessary down the road?

Director Schoenberg: Yeah, that would be part of the Planning rather than the Pre-Planning, so we haven't addressed that yet. That would be something that we would address with Dee to try to figure out economically, is it more feasible to abandon that well, unless it's a really heavy rain year and not use it at all, and only bring it online if there's a lot of rain. And then, maybe, drill another well or we would blend it. Or, I guess we would have to ask Dee to consider, telling us in that engineering report for the Planning, what it would cost to do treatment so that we can decide. And at that time the public would be welcome to also help us in deciding whether we would want to go forward with that or not.

Linda Robredo: We have nitrates, we have fluorides, we have arsenic, we have a variety of things where natural to our mountainous region when you're pulling water from the ground. Then we also have the nitrates which are connected to the septic passing through and, I mean the plants might like it but, not so good for people. So, treatment might be a consideration and I'm

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

glad to hear that. Maybe that's Planning. Price tag so that potential grant money might come around for it.

Director Schoenberg: So far, in the past, we hadn't considered it because in Frazier Park we haven't run into that problem. The only time we've run into it is with one of our wells, Monte Vista. We took it offline. If we wanted to use it, because it has a fluoride problem, we would have to blend it. And so we haven't really considered treatment but, if we dug another well and it was also, had some kind of problem, we would be more likely to consider treatment.

Linda Robredo: So we have one problem well. They have multiple problem wells. Just thinking that may be an idea to price it. It's like, think ahead before the emergency.

Dee Jaspar: You know, I think that's a good point. During the Planning process we will actually drill some test wells. So, what we would do if we are considering drilling a well, we do a casing hammer test well. And that's something that we didn't have the opportunity to do up in Lake of the Woods, unfortunately. That well that was put in, was the test well. And we determined that we could produce it. But what we have found is that we do test wells and we look at every producing strata in the aquifer and then we determine whether or not we can actually put a well there that does not require treatment. So really, our goal in drilling new wells is to avoid the contaminants by housing the wells and perforating them properly. But we would consider that, certainly, in the Planning process but we may not do that now at this point.

Linda Robredo: Thank you.

Director Neyman: Ok, at this point I will entertain a motion to take a brief recess.

Dave Warner: There'll be more information. Dee is going to have a session on...

Director Garcia: I move we break.

Director Neyman: Do I hear a second?

Director Gipson: I'll second it.

Director Neyman: Ok, we'll have a brief 5 - 10 minute break. If you have been here before and already listened to all the information and you don't want to stay, you're welcome to go. If you haven't heard it before or if you have heard it and want to stay, please stay.

Director Schoenberg: And there's plenty of pizza and salad.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Neyman: And we are breaking at 7:47.

<Recess>

Director Neyman: We're going to resume the meeting. It is now 8:04 and we are resuming the meeting. We're going to start with number 9: presentation. The Pre-Planning water supply and separate systems review. Once again, if you could hold your questions till the end. We have a question and answer session. This is all information that we've done in the past 2 meetings that we have had public meetings. So, we'll let Dave do his presentation and, obviously, if you have to get up, please come to the podium. Thank you.

Dee Jaspar: I'll address the group here because it's probably a lot easier for you guys to hear me. This is information that we presented before. And so, if it's new, then certainly you'll possibly want to ask some questions. What we did, in April of 2015, we issued our first report on the 2 districts, Lake of the Woods and Frazier Park.

Dave Warner: We're not on your slide yet.

Dee Jaspar: Uh-oh.

CM: Have a seat.

Dave Warner: That's coming up. I'm sorry Dee, it's the latter part of it. I'm just going to go through some... What this part is, it's just... There's issues with water systems in Frazier Park and Lake of the Woods and other areas. I apologize Dee. I'm sorry. All area water systems, including Frazier Park, need new waterlines, wells, storage, tanks, meters and hydrants. Here are some issues in Frazier Park. Contaminants, old undersized, leaking waterlines. USDA projects have replaced some water tanks and some waterlines. Old wells need replacing. A \$500,000 USDA grant with Dee Jaspar & Associate's design, put in a new well. 3 other wells are more than 40 to 50 years old. Money is needed to make system improvements to new wells, new waterlines. Other system improvements: New meters; valves; pumps; hydrants; etc., as designed by an engineer and decided on by the District. This is a 10" pipeline from Frazier Park that was in the office. They need replacing. These are old lines that were dug up in the street during the last pipeline project phase. They leak water, they're patched, they're old metal lines. More old lines, and this is a pile of stuff that was taken out and it's a collection of all different sizes, shapes, that were put in over many, many years. And the District has used loans and grants for some waterline replacement but, this is the distribution system now, more new waterlines are needed.

Terry Kelling: Can you go back? Because you have a red line in that.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Dave Warner: Yeah, the red line is the... that was the last phase?

GM Allison: Yeah, that was the last phase right there.

Dave Warner: Where they did the downtown sidewalks and they did the...

GM Allison: It went, approximately, from the Tavern down to, almost Lion's Daycare.

Terry Kelling: Oh, ok.

Dave Warner: That's where a lot of that pipes from the previous picture were taken out of. This is a picture Jonnie sent me of a waterline leak and the line got repaired. And sometimes they break, they don't break at the most convenient times and I would not want to work on one that is broken and have to slosh around in the water trying to shut everything off and patch it.

Director Neyman: Our guys love it.

Dave Warner: A new water well was drilled at Frazier Park with USDA funds. 3 more wells are needed. They're older than 40 years and that's old for a well. New and efficient meters are needed. Water system problems outside of Frazier Park: Contaminants, nitrate and uranium; little or no water. And I'm collectively saying all areas outside, not just... anyways. Little or no water. Some systems do not have a backup water supply. Old undersized and leaking waterlines, such as in Lake of the Woods. No meters. Lake of the Woods will have new meters in 2016 and some waterlines. Some systems need storage tanks or tank replacement. Lack of or limited fire protection. Here's a picture of Lake of the Woods #7 being drilled. A water project that was funded from the State. Dee Jaspar & Associates, the engineer that was working on this, they've also worked on a USDA grant that tied Well 6 to the system and supplies water. \$750,000 in State emergency grants for water hauling, a new well, engineering, pump and connection to the system. \$1 million in Pre-Application funds application to USDA for money to replace waterlines. The application is actually under development. That would match \$1.4 million from the State Integrated Regional Water Management Plan application for funds to design, replace 4,000 feet of waterlines and install meters. That money has been received by another agency that Lake of the Woods is partnering with and they do hope to get it out for construction starting this summer. And that will replace 4,000 feet of pipeline and put in 401 meters. More money is still needed for additional waterlines, water supply and for more waterline replacement. This is a map of the proposed system. Some of the red lines are being replaced by the State and some of the... Yeah, some of... The red lines are ones that they are proposing to replace in this phase with State and USDA money. That's Lake of the Woods' system. How to fix these problems without taking a loan? Ballot Option 1: Annexation of the interested Lake of the Woods systems and areas can

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016

Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

bring 100% grant to Frazier Park and the annexed areas in the Regional System for water system improvements. Ballot Option 2: No annexation and staying alone will force the District to increase rates to take loan and funding to be able to qualify for some grant funding for water system improvements. I'd like to introduce Dee Jaspar from Dee Jaspar & Associates who I so rudely cut off. I apologize.

Dee Jaspar: You're forgiven Dave. So, in April of 2015 we did a study. What we did is we looked at both Frazier Park and Lake of the Woods. And what we wanted to do is determine what the demands would be for each system and then combined. What we were really looking for was really 2 things. One is, if the systems combined, is there adequate pumping capacity, adequate supply to meet the daily demands, the peak day demands, the fire demands, those kind of things. And number 2, what's the annual water use of these 2 entities put together, what are they separately. And we did issue a report on it and to give you the numbers, which some of you have already heard before. Frazier Park, with their 1,303 connections, has an annual demand of about 360 acre feet. An acre foot is about 326,000 gallons. Ok, to 'kinda try and put that in perspective. That's a lot of water. Lake of the Woods, with their 400 connections, has an annual demand of 117 acre feet. Again, if you multiply that times 326,000, it shows you how many gallons. When you combine them then, the 2 systems combined have a combined annual demand of 477 acre feet. And as we mentioned a little bit earlier, what we did is we looked at the areas between Lake of the Woods and Frazier Park and we determined there were a number of lots that were on private wells, and the Mobile Home Park which is on a private well but that well, it's failing. And so what we did is, we did a rough count of the possible additional services that might come on to the system, if we were to combine these 2 systems, and run a pipeline from Frazier Park to Lake of the Woods. So, we added about 300 more connections to develop their demand so that we would be conservative on developing the annual demand and also in developing the instantaneous demands, like peak flow, those kind of things. And so you can see, compared to the capacity of the systems, and see if the systems were adequate combined, to supply the water needs of the 2 communities combined, plus 300 more connections. What we determined is there's adequate capacity both in storage and in pumping capacity, when you combine the 2 systems, in order to meet those demands; Peak hour demand plus fire flow and those types of things we look at. What the systems don't have is adequate sized pipes, and that's 'gunna be one of the things that we're 'gunna be looking at, to try to get most of those systems back up into an adequate pipe size in order to supply fire flow demand throughout the community. And again, as was mentioned here, likely we're going to do the worst areas first, like the ones that have the pipes that are leaking and really worn out and breaking. We're going to replace those first, but the goal is to get enough capacity in the pipelines that could actually get the fire flow throughout the community and provide better fire protection. The total demand of the 2 communities combined, plus the 300 extra connections, 561 acre feet per year. And that's the number that we've been using in subsequent studies to determine how much water is available. Is that going to overtax

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

the aquifer? And does everybody here understand what I mean by aquifer? It's the water producing sands and gravels in Cuddy Creek Canyon that we pump from when we're pumping water wells. We call that an aquifer. What we looked at then, is with this demand of 561 acre feet per year, we looked at the annual recharge. What we looked at is the research that was done by other folks that have studied this; Ken Schmidt and the Galley Group that are the hydrogeologists and geologists. And we also looked at the State of California, their description of the Cuddy Canyon Valley Aquifer, which is that aquifer that starts at Lake of the Woods and ends all the way down in Lebec. We looked at that information and then we checked a bit of that information by doing some of our own calculations. And then having satisfied ourselves that the amount of storage that they had predicted was in the aquifer, is indeed a good estimate of the amount of storage in the aquifer. And the amount of recharge on an annual basis is a fair estimate of what the annual recharge is in wet years and dry years. We then did our own supply and demand study. And what we wanted to do was, we know that in our average years, the ones that we have plenty of water, there really isn't any water issue either at Lake of the Woods or Frazier Park. There's plenty of water in the aquifer, when you get a lot of rain, and the aquifer replenishes. We found that it replenishes pretty quickly because it's a real typical shallow aquifer, it's 5, 600 feet deep and about 600 - 1,200 feet wide. It's basically in the canyon. And we found that the recharge, that recharges this aquifer, comes from several different sources. One is from Cuddy Creek itself when it's flowing, that's an important part of recharge. But, equally important, is what we call mountain front recharge. When rain falls on the mountains surrounding the Cuddy Valley, a lot of it comes down directly into the canyons and then goes directly, as surface flows, into Cuddy Creek. That's pretty obvious. When it rains you can see it. But, what is not so obvious, is the underflow that comes down the mountains as well. The evidence of that, pretty much, on the south side and the north side, is the evidence of springs on the mountainsides. As evidence of this water being in the ground that's above the granite that's on the northside and the rock that's on the south side, nace, which is what we call a sedimentary rock, metamorphic, and that's a whole 'nother story but that's hard rock. And basically we have soil over the top of that, and when it rains the water goes into the soil, goes down and hits the rock, and then starts moving downhill, and it moves downhill into the Cuddy Canyon area. And it moves downhill, replenishes the aquifer in Cuddy Canyon. And that will happen whether or not there's flow in Cuddy Creek or not. But it's a significant contribution to Cuddy Creek and to the aquifer. Having looked at all that, we decided that in an average year there's no big problem, but what happens in a drought? So we applied a 5 year drought to the aquifer and we kept the demands the same; 561 acre feet per year. And we found out that after a 5 year drought, that the amount of water in storage, after 5 years... well, let me back up. Let's go to the other slide Dave. This is the aquifer. I was telling you about the research that's been done previously and what we had looked at. And what has been done in the past, and what we agree with, is that this aquifer has been divided into 3 general areas. 1 is what we call the West Subbasin, and it's from Lake of the Woods to west of Frazier Park, and it's about 8,500 feet long and the amount of water in storage in that, when it's full, is

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

about 1,300 acre feet. The Middle Subbasin starts at the red line, and it's about 10,500 feet long and when it's full, about 8,000 acre feet of storage. Beyond that, we have the East Subbasin, which really isn't a factor in our water supply, but it is a factor for Lebec. And water comes down from Lake of the Woods, flows down the creek, and then it goes into the Middle Subbasin, and then it goes into the East Subbasin. But what happens between the Middle Subbasin and the East Subbasin is, there's somewhat of a restriction at the juncture of the Middle Subbasin and the East Subbasin. And what it does is it kind of pools the groundwater up behind it, in the Frazier Park area. So what we find is that through droughts and through pretty well normal years, the water levels in the aquifer that we pump from here at Frazier Park, stay relatively full because the water is coming down the creek underground, and it pools up right here next to Frazier Park. And so, those water levels there where the word 'Frazier' is in 'Frazier Park', stay very, very consistent. What we have found is that after that 5 year drought, that the West Subbasin is pretty well dewatered. And we know that because we drill a well there and there is no water in it, except in the hard rock. But the Middle Subbasin is partially dewatered at the end of that 5 year period. And the amount of water in that is about 6,500 acre feet, compared to 8,000, when it's full. And we decided that, maybe that's not a severe enough test. So, as most hydrogeologists would tell you, that that is a pretty severe test of an aquifer when you apply a 5 year drought to it. But we decided to go another 5 years. And we would assume that we are in the condition where we were at the end of 2015, which is water levels in the Middle Subbasin at about 30 ft level, which indicated to us there was about 6,500 acre feet of storage left in the Middle Subbasin. We said, 'what if the drought continues another 5 years? What if we have 5 more years of drought, then what happens?' And so we continued the study for the next 5 years and we determined that at the end of that 5 year period, the amount of water in that Middle Subbasin would have reduced from 6,500 acre feet to 5,640 acre feet. Not bad. A pretty good situation for Frazier Park. Not so good for Lake of the Woods because they're already dry. But the only way they're going to get water, in this condition, is for it to be pumped up from Frazier Park to Lake of the Woods. Let's go to that next slide Dave. Here's one that was prepared by the paper. There's Patric right there. What it does, it gives the results graphically, of what we just discussed. One thing that I've got to point out to you. We issued a report in the fall of last year that really reported on what I just told you. When I did the summary of that report, what I concluded was, the amount of water left in the Middle Subbasin, was 86% of the capacity of the basin. That was an error. It was 81%. And so we've corrected that. We're going to issue a correction to our report, but it's about 81%. The 5,640 acre feet is 81% of 8,000. And so that will be corrected, but still that's a lot of water. And what it indicates to us, is that this is a good place to be, number 1, in Frazier Park if you're going to be pumping water. And it is a really great place to be if your Lake of the Woods and you're connected to it. We have a real reliable water supply here, and the question is, do we want to share it? What advantage is there for Frazier Park? What advantage is there for Lake of the Woods in incorporating these 2 entities into 1? But from the standpoint of water supply, we're in really good shape, from that standpoint.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Dave Warner: Is that 68% of capacity at that very last line, right above Dee Jaspar in the yellow?

Dee Jaspar: That 68%...

Dave Warner: Is that incorrect? Is that the wrong slide?

Dee Jaspar: No, no, no, no, no. I screwed up again. The 5,640 is 68% of the 8,000 if you do the math. At 68% of the total capacity in the basin, is 81% of where we started at the beginning of that particular period, which is that 6,500 acre feet. I'm sure Patric is going to get on me for that one. It is at 68%, which is in really good shape for the 10 year drought period that we could experience. So it means there's a lot of water left, 5,640 acre feet in the basin. And that would carry us even longer, if we needed it to, if the drought went on for another 5 years, it would still carry us.

GM Allison: Can I ask you a question real quick?

Dee Jasper: Yes.

GM Allison: It just dawned on me, listening to your numbers, that in normal years when we're not in a drought, would it be safe to assume that whether we're supplying water to Lake of the Woods or not, our aquifer would still have the same amount of water as before or after. Because we can only hold 8,000 before it flows away. So, we would still be full all the time, whether we supply them water or not.

Dee Jasper: Yes, that's right. Exactly right. In normal years when we have an abundant supply of water, the West and the Middle Subbasins stay full. So there would be 1,300 acre feet in the West Subbasin, and 8,000 acre feet in the Middle Subbasin. So it would be full and you can't get it any fuller than 8,000, and when it gets to 8,000, it flowin' on down into Lebec and to the lake down there. Yes Patric.

Patric Hedlund: [...] Dee, I did wonder, I never felt very clear. Does it really just all hang in there until you get 8,000, then it squeezes out? If you've got 4,000 in there or 5,000 in there, isn't it continuously going down stream to Lebec anyway?

Dee Jasper: Yes. The thing is, not as much goes down because less of the aquifer is watered up, and so you got less sand lenses that are transmitting that water further down. So, the amount that will go down will be less than in a normal year. You would have the maximum amount of water underground going down, and of course above ground too.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Patric Hedlund: Right, so when we think of the image, that you've got this pool of water down there, that's really not correct at all. It is really just as you put it, saturation of the fractured rock.

Dee Jaspar: Actually it's saturation of the sands and gravel.

Patric Hedlund: The sands and gravel.

Dee Jaspar: Yes, and that's what we pump from, the sands and gravels. And like I said, we did drill in Lake of the Woods and we then went down into the fractured rock in order to find... Can we use this for a water supply? Because, in some cases, in some areas, you hit a nice fracture and you get a lot of water and good quality. There was one that we did, we got 120 gallons a minute out of 1 well, which is really great, very lucky. But here, not so lucky. So we're operating that well at a very, very low capacity. But it is built so that it will take advantage of the water in the alluvium and sands and gravel, when it does come up. So, the water that we're pumping is from sands and gravel, basically, not from hard rock. And in a normal year, there's excess water down at Castac Lake or Tejon Lake, whatever you want to call it, but I've seen both names. [...] is fine, when you see the water in the lake, then the Middle and West and the East aquifer are full.

Director Neyman: You had a question? Podium please.

Terry Kelling: Dee, when you did your study of the middle aquifer and you said that there's... where the 2 faults the Garlock and the San Andreas, where, and I don't know if you can give me a pinpoint, but where did you drill or how do you know it's stopped there?

Dee Jaspar: We look at water levels on both sides. And so, if you look at the water levels on the upper side, they're at one level, and when you look at the water levels on the other side, they're on a different level. They're much lower. And so you have to conclude that there is something there. We are not absolutely certain that it is the faults that are doing it, but that's the best answer that we have right now. In some cases, there are other factors that slow the flow of water through an aquifer and that could be a different water quality with more calcium in it, that would kind of clog up the aquifer with sands. And we think that's kind of a remote chance, but we do think is because of the presence of the faults... There's a good example of that in Death Valley, there's also one out in Ridgecrest, where 2 faults come together and there's a restriction in the underground flow in the streams there. And so we can conclude that it is likely due to faults there in the [...]

Terry Kelling: Ok, because I've done many of the fault walks that we've had up here, and they all say they meet more down toward the high school.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Dee Jaspar: That's a good point. There's a couple of things there. To actually pinpoint the actual location where they come together, that's a big zone. And one of the things about that particular restriction in that area, is that the canyon is very narrow. And so there's a couple things working for us in that area and it is a rather large zone, in fact, this whole area in the Cuddy Valley is under the influence of the San Andreas Fault.

Terry Kelling: I understand the San Andreas, but I thought where the Garlock Fault came in to the San Andreas was down closer to the 5. Down toward Lebec more than toward Frazier Park.

Dee Jaspar: Yeah, I don't think that that's been pinpointed exactly.

Terry Kelling: Ok, so the geologists that we've been following is not so...

Dee Jaspar: No, I'm not saying that. I'm saying that it is a zone and I don't know that anybody can put their finger on, 'This is the Garlock right here'.

Terry Kelling: Ok, so then where in the middle did you do your study to know that it's stopped up?

Dee Jaspar: Actually we looked at both sides of the...

Terry Kelling: Both sides of the red line?

Dee Jaspar: Both sides of the... yeah, in that area. Wells down below and wells above.

Terry Kelling: Ok, so the fish pond down here...

GM Allison: The old Tait Ranch?

Terry Kelling: Yeah, the old Tait Ranch. Now is that also part of the middle?

Dee Jaspar: I couldn't tell you because I don't know where Tait Ranch is.

GM Allison: The old Tait Ranch is just this side of the bridge.

Dee Jaspar: Can you point it out on the map?

GM Allison: Yeah.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Schoenberg: It's kind of right where you're saying the constriction happens, which is below Well 5.

GM Allison: I believe this is Well 5 right here. So Tait Ranch is right at that red line.

Dee Jaspar: Yeah that's pretty close to it.

GM Allison: Right on the other side.

Dee Jaspar: Pretty close to it. The Monte Vista Well is also in the Middle Subbasin.

Terry Kelling: Well I don't know where that's at.

GM Allison: That's directly behind Lion's Daycare, but on this side of the creekbed. It's in between Frazier Mountain Park Road and Lion's Daycare, on this side of the creekbed.

Director Schoenberg: Directly across from the beginning of Tait, not where the pond is. Well, not the beginning but where the big field before you get to the houses there.

Terry Kelling: Right. Ok. Yeah, because I was trying to figure out on the maps how you figured out that we got this stoppage, and it's not going down to Lebec. And so I'm like...

Dee Jaspar: It is. It's not a stoppage, it's a slowage. The water still does flow slowly through that area, but much slower than it does below it and above it.

Terry Kelling: It would have to because Lebec has water.

Patric Hedlund: Can I ask a question about that? Because I think, that again, many of us have had the perception that may be completely misguided, that we could use something like sonar or some kind of measuring sensing device that would actually show you these configurations. But, since you're saying it's a zone, and its gravels, etc., it's really not that definitive.

Dee Jaspar: That's right. It isn't. And generally what you have is the juxtaposition of, say a gravel lens on one side of the general area, to the other side. And it might be lower or higher, or it might be partly displaced. And so, what you have is, you still have flow through, but in that area you don't have that complete depth of those aquifers to use to flow through because it's blocked.

Director Neyman: Director Schoenberg

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Schoenberg: I was just going to say, so Dee, you don't really know that it's for sure... I mean it could just be completely influxed by the San Andreas. I mean even though the Garlock is in that vicinity.

Dee Jaspar: It could.

Director Schoenberg: I mean, there's no way to know what shifted, but there's some shift that's happening in that area between the...

Dee Jaspar: That is what is postulated, why there is a blockage, yes.

Director Schoenberg: So I don't think it's specific to where they meet.

Terry Kelling: Yeah, because that's what I was... when he was talking before. So I've been doing some research, and I was like...

Dee Jaspar: When you find it can you let me know?

Terry Kelling: That's why I was like, ok, exactly where did you find this at?

Dee Jaspar: It's an indication based on groundwater levels. That's what it is. And then you can look at one side and the other side, and they're different.

Director Schoenberg: Actually the San Andreas, from what I've studied, runs directly up in that area, so it could be exclusively from the San Andreas.

Terry Kelling: Right, ok. That makes...

Dee Jaspar: Well that makes no sense but...

Terry Kelling: No, it makes more sense.

Director Neyman: Patric, yes.

Patric Hedlund: So, in that regard, one of the things that had been troubling me, you know, kind of wake up at... if I ever get to sleep. The point is that, the notion that if we did have our dislocation, which we're ready for any day, right? That it would precipitously change the carry capacity of this Middle Basin. So, what you were saying is, if it's over a larger zone, then it would

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

seem to me that in some ways, that's actually more favorable because it's not necessarily that one thing changing could actually cut it off.

Dee Jaspar: I don't see an earthquake making it better.

Patric Hedlund: Oh.

Dee Jaspar: I think it would make it worse simply because they're already displaced and a major earth movement is 'gunna do more displacement. So, likely if there were any effect, it would be that it would restrict it even more underground. But, I mean, when the flows came down on the surface, of course, it would go on down. But then there might be a further restriction of the water that goes through that area.

Director Schoenberg: At which point Lake of the Woods, I mean Lebec may have to...

Terry Kelling: Get our water.

Director Schoenberg: I'm just kidding.

Dee Jaspar: I think about that as I was driving up... every time I drive up, I'm looking at the houses up there, and I mean all along, you know, awesome views, just great views. But I'm thinking, man, if there's a major earth movement on that fault, I'm hoping these homes are built to stay because the homes are really in an area that I would say, would be maybe a little bit risky. You know, up on the mountainsides there.

Patric Hedlund: Are you talking about Frazier Park or Lebec?

Dee Jaspar: Frazier Park. But I mean, that's not part of my study but I was just looking at that. But a major earth movement, from the standpoint of water supply, would do more damage to the wells. That's what we find. You know, you have problems with the wells, and so you may lose a well and have to re-drill and have to do some emergency things with the wells that you do have left. The one thing about having new wells is that, of course, the casing is stronger and it's able to take more displacement and more shaking. When you get these old wells, and the casing looks like that pipeline that Jonnie's pulling out whenever he encounters a leak, that's not too strong and there's a good chance that those older well won't do as well as the new ones that have new, stronger casings in them. So another reason to get some financing, to drill a new well. You know there are old wells in both Lake of the Woods, there are old wells in Frazier Park. One of things that we're going to look at when we get into Planning, if we do get into Planning, and that is, where do we position another well down here. What we'll be doing is looking at water quality and

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

water production. And like I mentioned a little earlier, in a normal situation when we don't have a drought where all the drillers are tied up, we do a test well. We sample all the lenses, everything that we encounter. And we look at production and water quality. And having that information, then we can design the well casing to be blanked off in certain areas that have poor water quality and open in areas where we have good water quality. Whenever you drill a well, there's no absolute guarantee, as any of you who have drilled wells know. You know you're drilling a hole in the ground and in any particular place, particularly in an area where we have a shear zone, like we do here, where the fault has mixed all sorts of layers together. When we drilled the well at Lake of the Woods, we found clays and sands and boulders and gravels, and not in any particular lensing type of a pattern for what you would normally see in an alluvial plane, you would see lenses that were laid down. Gravels in times of really high flows, sands in times of a little bit lower flows. Silts and clays in times of very, very low flows. And you see that stratification in the aquifer where it's not disturbed as in a fault shear zone. And in a shear zone, everything gets mixed up, and that's what we saw in Lake of the Woods. Here in Frazier Park, not so much, and I think it may be because we're a little bit further away from the actual trace of the fault and we're down in the Cuddy Canyon closer to the center of it, but not at. But it seemed to be more consistent here than it did up in Lake of the Woods, which seemed to be pretty mixed up. So we drill a well, we do all the testing that we can, we design a casing and the perforations in that casing and the seals around that casing to accommodate the best water quality that we can find. And normally when we do that, we come out with a well that will give us good water quality. If we don't do that, generally, the risk is higher. The risk is much higher of getting water quality that's acceptable. So there we have it, the report that I mentioned to you, showing the graphs that show 68%, is the number that will be on the amended report, it's very close to 70%, or 5,640 acre feet of the 8,000 that's in that Middle Subbasin. There it is, the 68%. The chart that Patric put together, which is a really good demonstration, I wish I could make one that nice. Here on the left you have the capacity of the West and the Middle and the East Subbasins in acre feet. You can see the orange is West, and that's the 1,300, the Middle is at 7,000. When you add those 2 together it's 8,300. Then the East Subbasin is... that's got to be the combination, yeah. I'm sorry. That is the combination of the 2, the 8,300. So the blue is the 8,300, the Middle is the 7, and the orange is the West. That's what we have there. Then the annual demand, you see it at the bottom, the Lake of the Woods, the Frazier Park, then the combination with the extra 300. And you can see that that's a pretty small percentage of the combined capacity of the Middle and the West Subbasins. On an annual basis, when you extract 560 acre feet of water, and you use it in residences, part of it goes back into the groundwater basin as flow from the... waste flow from the sewer system. The other part goes back in because of possibly overwatering some of the plants that we have here, there's not much of that. But what happens is, when you extract 560, part of that goes back into the groundwater basin. And so your net demand in a normal year, is not 560. That's it.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

Director Neyman: Dave. You're up.

Dave Warner: I think it goes to the next Agenda Item.

Director Neyman: Oh, well, do we have any... anybody else have any other questions, comments, concerns, will you come up to the podium?

CM: I'd just like to commend the Board for their leadership on this issue. And Dave, Jonnie, and Dee as far as all the information. I think it's a no-brainer for this community and I think everybody is going to benefit. I've seen this type of thing before, and I'm not a big government guy as far as when the government gets involved in things, but when they want you to do something and they got their hand out with some funds, I think this is a good deal for the combined communities here. So, I commend the Board for their leadership.

Director Neyman: Well, thank you.

CM: Thank you.

CM: Here here.

Director Neyman: Anyone else? Ok. I'll entertain a motion to adjourn.

Director Durso: I'll make a motion to adjourn.

Director Neyman: Do I hear a second?

Director Garcia: I'll second that.

Director Neyman: All those in favor?

Directors Together: Aye.

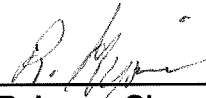
Director Neyman: 8:50.

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, MARCH 31, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

At every special meeting, the legislative body shall provide the public with an opportunity to address the body on any item described in the notice before or during consideration of that item. Taken from the Brown Act Statutes 54954.3(a)



Tiffany Matte, Clerk of the Board



Attest: Rebecca Gipson, Secretary

seal

