

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
MINUTES FOR THURSDAY, FEBRUARY 18, 2016
Schoenberg/Neyman 5/0/0
Minutes Approved on March 10, 2016

1. Call to Order: 7:15pm.

FPPUD Roll Call of Directors: Durso, Gipson, Neyman and Schoenberg.

LOW Roll Call of Representatives: Bob Stowell.

FPPUD Director Garcia present as the chairperson.

Also Present: Jonnie Allison, Tiffany Matte, Dave Warner, Dee Jaspar and about 20 members of the public.

Director Garcia opened the meeting and explained that the purpose of the meeting is to discuss the possibility of annexation and our system joining with Lake of the Woods (LOW) to become a regional water system or no annexation and staying separate. All the information will be given from the beginning so anyone who missed the first public meeting won't be left behind.

2. Pre-Planning Regional Water Supply & Separate System Review, Including:

- a. Look at Frazier Park, Lake of the Woods and Other Water Systems & Needs.**
- b. Engineers Assessment of Water Demands, Supply, Source evaluation and Supply Options.**

Dave Warner opened with a Powerpoint presentation; It read as follows:

In 2013 Frazier Park met with other water systems in the area to see who was interested in getting State funds to evaluate forming a regional water system. Lake of the Woods Mutual Water Company (LOWMWC) and Frazier Park Public Utility District (FPPUD) were the only systems interested. Frazier Park PUD received a grant to help interested systems and private well owners evaluate the possibility of forming a regional system by annexing to the FPPUD. If annexation is approved, then \$95,910 (with an additional \$18,388 for contingency) in State money could be used to pay for annexation costs. So far, the LOWMWC, the LOW mobile home park, three properties on private wells and one church (ballot given at this time) have chosen to annex to Frazier Park and form a regional water system. The deadline for the rest of the outside areas to decide to join is February 25th.

State Pre-Planning funds can be used for: Engineers and water study, a review of the legal steps to annex, the pros & cons of a regional vs separate system options, identifying what system improvements are needed, community outreach and meetings with systems and people on private wells, and a poll on forming a regional system.

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Dee Jaspar took over and gave a presentation of his Study of Water Supply/Demand and Groundwater Availability. At the time of the study (April 2015) the FPPUD had 1,303 connections and LOW had 401 (total of 1,704 between the 2). He looked back 6 years to the production records for both entities to see how much water was being used. The average usage per connection per year was about 23 acre ft (325,000 gallons). 300 extra connections were added to the total to allow for growth and infill between the systems, bringing the total to about 2000 connections. Finally, he took the data from peak hour demand as well as peak month demand for both systems to see if the FPPUD would be able to meet the combined demand and still be in compliance with Kern County standards. He found a regional system would be able to do so. Dee Jaspar then went over the details of the local aquifer describing its geography, geology and capacity. Based on his research, he calculated the sub-basin under the Frazier Park area can hold about 7000 acre feet of water. Given a drought period that has occurred for about 5 years, and allowing for another 5 years of severe drought, the groundwater levels would only be reduced to about 5,300 acre feet of water. He concluded the aquifer does have enough water to provide for the needs of a regional system.

3. Where and How to Get Money to Fix Things For:

- **Individual Systems**
- **Regional Systems**

Dave Warner continued the presentation. He showed a map with an overview of the FPPUD water system; Which lines have been replaced and which ones still need replacing. FP General Manager (GM) Jonnie Allison described the District's aging water system and how grant funding is needed to keep the old pipes functioning. He also discussed the need for smart meters (at a cost of about \$300,000). They could be read in any weather condition, would need fewer workers to read and would reduce potential employee injury. There is also a need for new wells that, during times of drought, cost up to \$800,000 to build and connect.

4. Overview of Pre-Planning Project Options.

a. Option 1

- **Annex the interested systems and private well owners.**
- **Obtain funding to build a regional water system & fix regional system communities' water system.**

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b. Option 2

- **The water systems & private wells remain separate.**
- **Obtain funding & fix systems on their own.**

Dave Warner continued with the final part of his presentation.

For Option 2:

Currently, Frazier Park is eligible for State funding as a Disadvantaged Community. This would be 80% - 100% grant/loan ratio based on average water rates and median household income (MHI). If the average water rate was between \$54 - \$72, project funding could be up to 80% grant and 20% loan (or other agency grants). If the average water rate was above \$72, project funding could be between 90%-100% grant funding. Currently, the average monthly water charge for FPPUD customers is about \$45. That means the District would have to take loans until water rates were raised by at least \$9 a month before state grant funding could be obtained.

Director Schoenberg explained, the District already has 2 loans out that have sizable interest payments. The possibility of getting additional grant/loans would prove difficult as money coming in wouldn't be enough to make payments. The water rates would have to be increased significantly.

For water systems outside of Frazier Park, there are water system problems that need to be addressed: The water supply has contaminants (nitrate and uranium), little or no water, no backup water supply, old, undersized and leaking water lines, lack of meters, lack of or limited fire protections and lastly, the need for new or replacement storage tanks.

The LOWMWC has received grant funding to help their system:

\$500,000 for engineering, fixing and connecting Well 6, installing a water tank, pumps and to pay for some water hauling.

\$750,000 in emergency funds for water hauling and a new well (engineering, pump and connection to the system).

There are 2 applications in as well:

\$1,000,000 Pre-Application to USDA for money to replace water lines (currently under review).

\$1,421,000 State IRWMP application for money to design and replace 4,000 ft of water lines and to install meters.

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For Option 1:

LOW is considered a Severely Disadvantaged Community according to their MHI. Should the area water systems annex and become a regional system, project funding would be eligible for 100% State grant funding. This State money is given based on \$50,000 per connection or a maximum of \$5 million per community (whichever is less) included in the regional project. Improvements can include projects in both communities (FP and LOW) and could be used to pay for: New wells, new water lines, new meters, a water line that connects to the annexed area, capacity/connection fees, project engineering and legal costs.

The state has \$260 million in Prop 1 grant/loan funding available plus some Federal EPA money to help Disadvantaged and Severely Disadvantaged Communities with water system improvements. Dave Warner stated, now is the time to send in the applications for this money as it could be used up within 5 years.

- 5. Letters by Water Systems and Individual Well Owners to Annex and Participate in Regional Water System** - Addressed in Item #2 of the presentation.
- 6. Polling FPPUD Residents/Customers.**
 - **Purpose of Polling**
 - **How it will be done (when it will go out, how/when it should be returned, how/when it will be counted).**

LOW area systems and property owners have decided to join a regional system and confirmed that in writing to the District. Frazier Park must decide if it wants to either annex these areas, obtain funding and build a regional system or not to annex and get funding separately. The FPPUD will be mailing out polling ballots and information to customers in order to assess whether the majority is in favor/not in favor of annexation. This will give the Board the information it needs to make a decision on moving forward.

7. Questions, Concerns and Answers.

Attendees were given the opportunity to ask questions throughout the presentation which were addressed by the FPPUD Board and GM, LOW representative Bob Stowell, Dave Warner and Dee Jaspas. The question about whether or not regional project funding could be used to pay off previous loans will be researched and addressed at the next Pre-Planning meeting on February 25th.

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Another question was asked concerning who will be given the opportunity to vote; Just property owners or both owners and renters. The District will clarify with its attorney who should be included in the polling and have an answer at the February 25th meeting.

8. Adjournment

Director Garcia expressed his thanks to everyone who took the time to attend the meeting. He also thanked La Sierra and Falcon's Nest restaurants for their food donations.

Motion: Move to adjourn.
Neyman/Gipson 5/0/0, Motion Passed.
Meeting Adjourned: 9:53pm.

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

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