

FRAZIER PARK PUBLIC UTILITY DISTRICT
3801 Park Drive - Frazier Park, CA 93225
Frazier Park Area Water System Community Meeting
TRANSCRIPT FOR THURSDAY, FEBRUARY 18, 2016
Schoenberg/Garcia 5/0/0
Transcript Approved on April 14, 2016

CM = Community Member.
[...] = Words not audible on the recording.

Director Garcia: Good evening and welcome to the Town Hall Meeting. I'd like to open this Special Meeting of Frazier Park Public Utility District. Roll Call of our Directors: Director Durso.

Director Durso: Here.

Director Garcia: Director Schoenberg.

Director Schoenberg: Here.

Director Garcia: Director Neyman.

Director Neyman: Here.

Director Garcia: Director Gipson.

Director Gipson: Here.

Director Garcia: I am Director Garcia, President of the Board. We also have Jonnie Allison who's General Manager. We have Tiffany Matte who's our Administrative Assistant. Down at the end, Bob Stowell representing Lake of the Woods. We have Dee Jasper on my far right who's our Project Engineer and Dave Warner, who will lead off the presentation, who is from Self-Help Enterprises who are grant writers and generally a helping hand to all the small water districts in California, or in his central area of California. Obviously, we're here to discuss the possibility of the annexation and our system joining to become a regional water system or no annexation and staying separate. That decision hasn't been made yet. I hope nobody is coming here with some preconceived notions and we're 'gunna start from the very beginning so that any of you that may have missed our last public meeting won't be left out of the information. At this point, I would like to introduce Dave Warner to take us through the Pre-Planning system review, including both of our communities. Dave.

Dave Warner: Thank you Jerry. Can you hear me ok? Good. Can you folks see that alright? What I'm going to be doing is crouching down and jumping up and motioning to Dee and

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motioning to Jonnie to jump in, they're here to talk about their department. This presentation is written more for the people from Frazier Park. What's your part in this. Where as the ball has been hit into the other system's court, we've already gone up to those systems and met with them and held a couple meetings. Now it's back in your court so people who are systems and people are interested in annexing into a Regional Project. But this is to try and answer questions that people...It's more for answer questions people might have here, but there's people here that can answer other questions too.

Back in 2013 Frazier Park sponsored meetings to see if they could look at forming a Regional Water System. Lake of the Woods and Frazier Park were the only systems that were interested at that time. The District received State Pre-Planning money, it's a grant, to help interested area systems and themselves look at the option of a regional water system. If annexation is approved to start or authorized, approved by everybody who's participating, then there is Pre-Planning money, about \$95,910 used to pay for specific annexation costs. If there is some overage, some of those costs go over, there is a contingency of about \$18,000 that can be used toward, if like, engineering or surveying or something like that may go over. On the handouts, I apologize for the small, but each of these slides that's up there is on here so you can take it home for future reference or jot down notes. So there is money available if people choose to annex and the Board decides to annex as well as the people here, in Frazier Park, to move forward. If people decide not to vote and go forward with it, it stops. That's the question, annexation or no annexation. Poll the systems and individual well properties. So far, Lake of the Woods Mutual Water Company, the Mobile Home Park in Lake of the Woods, and 3 properties on private wells have responded saying 'yes', they want to participate. The deadline for the rest of the outside areas to decide, outside areas being outside of Frazier Park, is the 25th of February. If they don't respond, we assume that they are not interested in participating.

CM: That will be it for them if they decide not to do it?

CM: Would that be a 'yes' or a 'no' if they don't?

Dave Warner: It's a ballot 'yes, i want to participate' or 'no, i don't want to participate'. If they don't respond it's assumed that they would not be interested, although I can't say, it's up to the Board to decide if it's a dead end or not.

Director Schoenberg: I think it might cost considerable money to do it after the fact, so if people decide not to participate, and then we do decide to move forward, and then at the last minute, after we've run pipe or whatever, suddenly people think it's a good idea, I think that they would have to pay a substantial amount. It wouldn't be part of the grant money, they would have to pay on their own to hook into the system. I mean, we'd have to decide that, but that's probably where it would go.

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CM Dan Palilla: Those wells, off of the system up here, if you were to take Lake of the Woods and you adopted them, and then you had some private landowners decide, 'you know, I want a well. I got that, I just want one.' Will he be, obviously tapping into what we're trying to solve here. Is there any consideration for keeping that under wraps?

General Manager (GM) Allison: That type of thing would have to be addressed later on. Right now, what we have addressed is the fact that, if you have a private well already, if it was totally isolated from the system, then they could retain that well for irrigation because they already own it. Typically, like in Frazier Park, the way it's been, within the District, you cannot drill a new well and you cannot have a new well yourself.

Dan Palilla: In rural areas, out there in Lake of the Woods, they could. If you trust one, you would have to trust the other, it's still stealing from the refrigerator.

GM Allison: It would have to be somebody within our District because all the way around us, even right now, everybody's got private wells, there's nothing we can do about that.

Dan Palilla: You 'gunna have to.

GM Allison: Well, you can't. You can't dictate what somebody else is going to do on their private property.

Dan Palilla: So we have to take that into consideration when we think about your proposal then.

GM Allison: Well we just have to take into consideration, the wells are already there, the water study has already been completed that shows what we still have plenty of water, and a lot of those private wells that you're talking about are not very good water quality, nor do they have very much water left between us, so it's kind of resolving itself.

Dan Palilla: I'll stick with the facts. We're hoping that to be the best case scenario.

GM Allison: The mountain has survived since the early 30's with everybody having private wells and we still have water so, I'm not really concerned with what's happening outside of our District. I'm just going to focus on what's within our District and if we encompass Lake of the Woods, between here and there, than we'll focus on those areas but everybody on the surrounding areas, they still have every right to have their own well.

Dan Palilla: That's the problem.

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Director Garcia: Director Schoenberg

Director Schoenberg: My understanding though is you were also saying about, can they put a new well in if they're part of the annexed area, no, generally you wouldn't be able to do that after the fact.

Dan Palilla: If they're on private land they could legally do it and legally we would be doing this for naught because you'd have somebody in our refrigerator, unknown to us, taking our water. And then we go, why are we short? And you got somebody's drilled well, and when we're doing all this to prepare, kinda undermining us. So if you don't address that, which is tough cuz it's private, we have to take that into consideration for our vote, I would think, and that's all I'm saying.

GM Allison: One thing to keep in mind, is just about every property that's owned between here and Lake of the Woods already have wells on. They're already there. There's not a whole lot of space that does not have people with houses built on it with their own wells and it has not affected us to this point. There's not a lot of land where people are going to be sinking wells and stealing our water between here and Lake of the Woods.

Dan Palilla: Well what about Pinon Springs? That's pretty far away. They have their own wells, it is pretty bad, well how do we know that they're not affecting our water, or we're not affecting them? We all affect...everything's connected. So you gotta keep your eyes on everything. If you just open the back door that way, we're never going to get this problem solved or ahead.

GM Allison: Well that's why we hired Dee Jaspar & Associates and a hydrogeologist that has thoroughly studied this area right here, and before we even did anything else, so, you'll hear their study here in a little bit and they'll explain to you their water study.

Dave Warner: Just as an aside, I work with other water systems and the County of Kern has a regulation that forbids...the well driller has to come and get a permit if they want to drill on a property. If that property is within so many feet of the water line and within the District, they will not issue it unless the District says 'Hey we can't supply water' or 'We can't serve them'.

Dan Palilla: Right, in a perfect world your absolutely right but in a rural area a lot of things go unpermitted, and we all lived here long enough to know. So this is water. You can't drink money and you can't live without water, so I have to look at the human behaviour along with this vote, as well, since you're debating on a lot of humans to work with us. That's all I'm saying.

Director Garcia: Chuck, did you have your hand raised?

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CM Chuck Schroeder: I'm Chuck Schroeder. The three properties on private wells, do we know who those are or is that public information? Ok, let me restate my question. Is Shepherd of the Mountains one of those 3?

Dave Warner: No

Chuck Schroeder: Ok, I would formally like to say we are ready to annex into the system.

Director Garcia: Beautiful. Thank you. Excellent. Ok Dave, go ahead.

CM: One more question, how many private properties are there, is it 5, 6? In Lake of the Woods [...]

Dave Warner: On single wells, there's 20.

CM: What happens to all that water in their wells?

GM Allison: Like I said, they can choose to continue to keep that well as long as they only use it for irrigation. A lot of these people got acre, 5 acre lots, they have their well. As long as it's separated from the water district they can still pump water and use it for irrigation on their land.

CM: Are they still going to use our water?

GM Allison: They would use our water for domestic uses, if they chose to keep their well.

CM: And if by some miracle we get an abundance of rain, and all these wells are filled, what happens then with all that water?

Dan Palilla: At the owner's discretion.

GM Allison: No, if we run a meter there, and they're part of our District, if they were to ever tie their well back into their house, they would be in violation of the Bylaws of this District right here. They would not be allowed to do that. If people are living there and they're no longer using water from the system, we know it's coming from the well, and we would get to the bottom of that. The County Health would dictate that a backflow preventer and a check valve, at the minimum, would separate their well from their house. Otherwise, they wouldn't be allowed to do it. It would stop that.

CM: I think we should get all their water. Frazier Park.

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GM Allison: Well, the thing is, we do get a lot of their water, but a lot of their water isn't water that we would use for our District. A lot of that water is high in nitrates, it's high in fluoride, it's high in Boran, any number of things around here because their just private wells and we wouldn't want their water coming out of their well anyway.

CM: How you doing Jonnie? So there's a planned prohibition then on any water that comes from our aquifer, to be used for irrigation or [...] or anything like that, is that correct?

GM Allison: No, there wouldn't be a prohibition against that. Whatever water restrictions we had as a District would apply but there wouldn't be...you have to use your own well for irrigation and our water just for the house, I mean there's plenty of people that say, 'look, my well is not viable and I want to tie into your system', and they would use their water just like any other property owner would. We wouldn't dictate that, just if you have an operating well and you don't want to give it up cuz there's money invested in that well, we wouldn't take that from them, we would allow them to still use it for irrigation.

Director Garcia: Director Schoenberg.

Director Schoenberg: The only thing that would dictate that is if it was a time of drought where the State was mandating that we do a particular thing, then we may have to ask people not to use as much water like we've had to. So I'm saying, it would all be metered. So unless it's their well and they're using it for irrigation and that's not on a meter, anything on a meter we would know what they're using and the State...What's happening right now is the whole reason that we've had all the restrictions we've had is the State mandated us to cut water use by 25%. So that's why we've been on people to not fill swimming pools and do all kinds of...

CM: So in all likelihood, right now they're not using their well water to irrigate anything.

GM Allison: Exactly, and if I might just add something real quick, a lot of these questions that are being asked, just like all of the rules and bylaws that the District here has formed over the years, it would take time to work through them and see what was working and what wasn't working. Right now, we're not even in the Planning stage, we're just in the Pre-Planning, but as we get further along, with the help of the Engineers, and the Board of Directors and everybody, then they'll be nailing down more of the fine-tuning things. We just need to get the general idea out there.

Director Garcia: Director Schoenberg.

Director Schoenberg: I think it's also important to remember that we're a Public Utility District and so you, as the public, can at any time come to meetings and help us to create bylaws. So it

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wouldn't just be something that we're just coming up with as a Board. We would hope that you participate, and if this does happen, that we would together work and figure out exactly what we need to write that.

CM: Ok, so, point being, they're not going to expect some windfall of water, now they can start irrigating and growing crops.

GM Allison: No.

Dan Palilla: It's at their discretion because the backflow device does not stop the water being pulled out of the aqueduct through their wells. If you still let them use that water in that well, we're cutting off our legs off at the ankle.

GM Allison: Well, it's kind of like we can't be dictators on people's private property either. I think what he's referring to is if they're hooked up to the water system, can they just start irrigating as much as they want to, which they cannot. Like I said, they would fall under the Frazier Park water guidelines which is twice a week, and that's it. And if you're a gross water waster, your going to be paying a lot more money for your water and even at that if you get too much, or any runoff, or any of the rules that apply to Frazier Park, it would be enforced on them as well. No different.

Dan Palilla: Enforcement as in money.

GM Allison: Well, it could be enforcement all the way up to shutting off their water supply.

Dan Palilla: Well that's when you get the business done, is saving the water because if they're abusive, like the [...] brothers, they'll just spend money. It's cheaper for the utility than it is to do the right thing.

GM Allison: Well again, see, we're kinda putting the cart before the horse here and seeing problems that I don't foresee as a problem because, generally, when people are paying huge amounts for water, they're not going to be wanting to do that. We've seen it work effectively in Frazer Park. Also, it's like any other law, if you own something outright, and the government decides he's going to change that, don't you feel like you have a right to retain that property? Just because the rules have changed a little bit, you should fall under some grandfather clause, and they should not be able to dictate what you do with your private property. Same thing with a well, we can dictate it as far as public health is concerned, you can't put your well to contaminate our water source, but we can't dictate what they are doing with their private property.

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Dan Palilla: Right, so when you go into our system and you have... a person joins us, we accept them as brothers, and they have a private well. There's a backflow device of course, for domestic and industrial, it's not metered, that well. We will never know. You'll never be able to prove that he's abusive, assuming he might be because he's human, or not, that means...

GM Allison: What I'm telling you is, that's not our concern what he does with his own well.

Dan Palilla: Well sure, it's our water in the ground.

GM Allison: No, it's not ours, it's still theirs. It's still their private property.

Director Garcia: I'd like to terminate this discussion and let Dave get on with the presentation because everyone is giving up their time to be here so it's not fair to just let 2 people take, you know...Dave please take the floor.

Dave Warner: There is stuff, we'll go through it, try to digest it, there's questions and answers.

Director Garcia: We have another meeting next week, by the way, next Thursday at the FPPUD office, so I'll expect to see you there. All of you are welcome.

GM Allison: Every 4th Thursday there's one.

Director Garcia: We might be needing you on our team, you never know.

Dave Warner: State Pre-Planning funds, special grant money that the District has to look at annexation. It's paid for engineers and a water study, a review of legal steps for annexation, the pros and cons of regional versus separate system options, identify what system improvements are needed. Well, it didn't have to pay for that. Community outreach and meetings with systems and people on private wells. That is going on now, this is one of those meetings. Poll area systems on forming a regional system, do people want in or not. If approved by a vote of the annexed area, and the District and subject to any conditions, Pre-Planning money can pay for annexing interested areas to the Frazier Park Public Utility District. If it not approved by the District... right now it's been approved by 3 water systems and 3 private well owners. So that could make it go, but if they didn't approve, it would stop. If the District didn't approve it, it would stop. Engineering/Water Study, did you want to cover this Dee?

Dee Jaspar: I can cover that.

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Director Garcia: This is Dee Jaspar, he has the floor, he's our engineer and would like to go over the studies that he's done.

Dee Jaspar: We looked at 2 things, the supply and demand first. We looked at Lake of the Woods and Frazier Park and at the time we did the study which was April of last year, Frazier Park had about 1,303 connections and Lake of the Woods had 401, for a total of 1,704. So that's how many connections, if we combined the systems, that they had. What we did is, we looked at 6 years of records. We have production records for both Lake of the Woods and Frazier Park. So we know how much water was used in each of those 6 years for both of these entities and we discovered a couple of things. One thing was that the water demands in Lake of the Woods and Frazier Park are pretty darn similar on a per connection basis and that is about 23 acre feet per connection per year. An acre foot is 43,560 cubic feet or 325,000 gallons.

CM: Quick question, without meters, how hard was it to tell how much water was being used?

Dee Jaspar: They had meters on their production wells.

Director Schoenberg: So it's counting any water that's lost too, in his study. So it's what's coming out of the ground, not what's actually being used, per say.

Dee Jaspar: [...] It could be less potentially. The water that's coming out of the ground, and then goes in the pipes, if there's a leak, that water is already accounted for. So we've got all the water, if some of it is wasted, we've accounted for that too and so there has been, on both systems really, we've had pipe breaks, we've had issues with old lines, and we can get into that I think maybe...Dave, you might be talking about it a little bit later about the grant that Lake of the Woods has, maybe some of the conditions regarding their connection to this regional system, some of the pre-qualifiers that have to happen before connection is made. [...solidified]. Let me see if I can get back to my train of thought here. We noticed, as you pointed out, that there are a number of connections and a number of water users between Frazier Park and Lake of the Woods and so we arbitrarily added 300 more connections, just to make sure we account for a major part of the possible water use that can come on the system, if indeed they decided to come on the system when the regional system comes together. So then we had around 2000 connections that we accounted for and we developed... A couple things that we look at with respect to supply and demand and that is we look at the peak hour demand. Can we meet the water demand at the peak hour of the hottest day of the year. Can we meet the average water demand in the highest water use month of the year. Can we meet the average water demand on an annual basis with the wells and storage that we have in place. So we did the study. We compared the demands that we have tabulated from the 2 systems. We compared those to the Kern County Development standards. Kern County has a set of development standards for water systems and

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their minimum standards, we have to be able to at least meet those standards, the minimum standards, and we found that they do. In fact, both of these systems fall within the middle or lower range of those demands and that is what we would expect from mountain communities. Down in the valley, demands are higher because there's more lawns, there's a lot of landscaping around the houses that generally you don't have as much of in mountain communities. And so it makes sense. So we found that from the standpoint of supply and demand, we're ok. Both systems, when we combine them, when we tested those systems with their current capacities with respect to the standards, they do meet the standards. That was one thing that we did. To give you an idea. These systems, when you combine them, they have 2.8 million gallons of storage. Most of it's at Frazier Park. 2.8 million gallons of storage in tankage up on the hills.

CM: Is there an estimate of how many cubic feet are measured in the aquifers themselves?

Dee Jaspar: Yes, I'll get to that. You're getting ahead of me. The second thing that we did is we looked at the available information for the aquifer. We looked at...we divided the Cuddy Canyon. This is called the Cuddy Canyon Basin, and it begins basically at Lake of the Woods and it goes all the way down to Lebec. The water in this basin comes from several different sources. One is stream flow, which is the principal source of recharge in Cuddy Creek. In any aquifer water comes down the creek, and percolates down through the sands and replenishes the aquifer or the sands below the surface of the creek. That's what we pump out of. The other source is what we call mountain front flow which is...comes off the mountains as underflow and it's probably maybe in range of priorities or amounts, is probably number 3 and I'll get to number 2, I skipped that one, but number 3 is mountain front recharge and water falls on the mountainsides and percolates down through that top layer that's overlying the rock that's underneath it, mostly the middle. That water starts coming down the mountainside underground and it ends up feeding Cuddy Creek at the bottom. That's called mountain front recharge. The other one which is more significant, we call them side streams, when it rains, there's a number of streams that come off the mountains that also contribute to Cuddy Creek. And that water, if it doesn't flow out on the surface, percolates into the groundwater basin, which is basically sands. And they are in the creek bottom and around the creek. Generally, about 600ft wide on the surface, up in the west end, and about 1200ft wide or so on the east end, on the surface. I'm going to call this an aquifer and I hope that...let me just define that. An aquifer is a groundwater source. And in our case, it is the soils over the sands, that are underneath the creek. And so, we put a well into those sands, we're able to draw groundwater out, and that's what we're doing with our wells. And so when I talk about an aquifer, I'm talking about sands, basically, in the creek bottom, underneath the creek about 600 feet wide at the west end, about 1200 feet wide on the east end.

CM: [.....]

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Dee Jaspar: Up in the upper end... You're getting ahead of me again, doggonit. That's a good question. We divided the basin into 3 segments and we called it... the most westerly, the West Subbasin, and the Middle Subbasin is the one that we're mostly concerned with, the West and the Middle, and then the East Subbasin. The West Subbasin starts at Lake of the Woods and it's about 8,500 feet long, the deposits in it are raised from about 170 to maybe 200 feet deep and around 600 feet wide or so. The edges of it, generally follow the slope of the mountains, so if you can kind of imagine when you look at the mountain slope, they're coming down about like this, and down about like that and when you hit the creek bottom, they pretty much follow the same slopes on down. So it gives us a pretty good idea of what the capacity of the aquifer is. That one on the west end is 1,300 acre feet. Again, an acre foot is 43,560 cubic feet or around 325,000 gallons. The Middle Subbasin, around 1,200 feet wide at the surface, 10,500 feet long, and deposits there vary from around 200 feet at the upper end to around 500 to 600 feet at the lower end. That basin starts at about 8,500 feet east of Lake of the Woods, and it continues for 10,500 feet along the straight channel to just east of Frazier Park. And then, from that point, the East Subbasin goes from that point down to I5. And that one's I think around 17,000 feet long and it's amount of storage, it can carry about... let me check my numbers, I don't want to give you a wrong number here. 11,300 acre feet in the East Subbasin. What we found and what others have found is that the West and the Middle Subbasins are pretty much hydraulically connected. The underground, the sands are pretty much continuous from the top down to the east side of the subbasin, which is east of Frazier Park. At that point, there's a bit of a restriction underground and it's caused by the confluence of the Garlock and the San Andreas faults. And what it typically does, and we've been able to prove this by looking at well water levels in Frazier Park and Lake of the Woods, is that it forms a kind of an underground dam. And water goes through it, but it does through slowly. And so what the effect is, is that it keeps water in the Frazier Park area and in the Middle Subbasin at higher levels because it's kind of damming up the water underground. And any excess water that goes through, underground now I'm talking, goes on down into the East Subbasin and eventually ends up at, let me say this correctly, Castac Lake. Yes, Castac. I got jumped on last time.

CM Susanne Green: So could you repeat, the deposits for the West Subbasin, are those also 200 to 600 feet deep?

Dee Jaspar: They're about 160 to about 200 feet deep in the west. That's an average.

Dan Palilla: Is that [...] the pool or what's in it?

Dee Jaspar: That's how deep the deposits are. What it can hold is about 1,300 acre feet in the west, about 7000 acre feet in the middle. Ok, so the amount of water that can be stored in the aquifer, between those 2 subbasins, is about 8,300 acre feet, something like that. Our demands on an annual basis, when I look at just Frazier Park and Lake of the Woods, for Frazier Park it's

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about 360 acre feet per year and for Lake of the Woods about 117 acre feet per year. Now that is a 6 year average. If you were to look at the last several years it would be quite a bit less because of the drought and because of water conservation. Our numbers averaged peak demands from 2013 back 6 years. So we included 2013, 2012, 2011, 2010, 2009, 2008, 2007. So those are the years that we used to develop the average demand because we didn't want to take demands from a time when, for instance, Lake of the Woods was hauling water and didn't have any well production, or very little. And so we wanted to make sure we looked at the case what would normally prevail, and we're hoping that it will, now that [...]. We ran those 2 together, 360 and 117, adds up to 477 acre feet per year. Now on top of that we added an estimated demand for the 300 connections, and that was 84 acre feet per year, and that brought us to a total of 561 acre feet per year total demand for Lake of the Woods; an estimate of the intervening water use between Lake of the Woods and Frazier Park.

Patric Hedlund: Dee, would you just repeat that very last number? The cumulative demand?

Dee Jaspar: The cumulative demand is 561 acre feet per year. We then looked at the recharge. I didn't finish. I didn't finish explaining one other thing. I talked about mountain front recharge, I talked about streamflow and I talked about side streams, and then underground, because it is a continuous aquifer, we do get a little bit of water underground into the very west end of the West Basin. Not very much, it's estimated about 50 acre feet per year. So it's not a lot but it is a contributor to the water that is in the aquifer in the West, in the Middle and I mentioned the East Subbasin. We then looked at approximations of what the annual recharge is in a normal year and those amounts vary from about 1,500 acre feet. We looked at those demands and then we looked at the recharge, the estimate for recharge, and they vary from about 1,500 acre feet per year to about 4000 acre feet per year. Estimated amounts of recharge for the entire basin. We took...we ratioed that amount by basically the amount of linear feet along the channel. They're about 50:50. When I say they, I mean the East Subbasin versus the West and the Middle Subbasin because of the restriction at the bottom of the Middle Subbasin. So what we did is we decided to be pretty conservative and we took 1000 acre feet a year as the recharge...1050 actually, as the amount of recharge on a normal year. So you can see in a normal year our demands are about half of what a real conservative estimate would be of recharge in the basin. And if we're lucky it's more, and if we're not lucky, it's probably not going to be much less, but it is just about that. So we have 561 acre feet per year of demand and about 1000 at the very minimum amount of recharge in those areas. What we did then is we applied to that a 5 year drought. So we said, instead of the 1000 acre feet per year recharge that we get in a normal year, we're going to go with the first 2 years at no recharge, which we know doesn't happen, and then in the next 3 years we're going to add 180 acre feet per year to those and see what it does to the storage. Assuming, at the beginning of the drought, the basin is full at about 8,300 acre feet. And you can tell that, with a full basin, and you're expecting about 560 acre feet per year, without

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any recharge at all, you're going to go quite a ways before you actually dry the thing out. And we know that's not the case. We know that we get recharge even in years that are really, really bad because we get a little bit of rainfall even in a drought. So that's what we did and at the end of the first 5 year period, our basin was down to 7,400 acre feet, if we started at 8,000. When I applied that to the basin, we're taking this much out, we're getting this much recharge. Every year taking this much out, getting this much recharge. In the first 2 years, no recharge, then the next 3 years a very minimal amount of recharge, and so we looked pretty good. But then I thought, 2015, what if this thing went on for another 5 years? Hoping it doesn't, but if it does, a lot of people are going to be in trouble. But we won't be too bad because I then applied again that amount of recharge for another 5 years, and starting with the basin where it was at the end of the first 5 years, and I got to the end of the second 5 years we still had about 5,600 acre feet in the basin. Most of it in the middle. Because what we know, is we know in the West Subbasin, water flows downhill even underground, and so we know that the West Subbasin is pretty much dewatered right now because we drilled a well there for Lake of the Woods going down 500 feet and we found that the base of the alluvial deposits was at about 160 and we decided that we're just going to go right down and see if we could intercept some fractures and see if there was a significant amount of water or maybe not, in the fractures. And what we found out, at least for the ones that we hit, we're not very lucky and we'll probably get about 12 - 20 gallons a minute on that well. So it is not a big producer now, but we also know that when we finally get significant amounts of rainfall and recharge in that basin, that the alluvial deposits will then start watering back up but we need rain and we need water in the creek in order for that to happen. When it comes up, we perforated the casing so that we can also intercept that water there. And so when it does come up, we should have a fairly good producing well, in that condition.

CM: My question is, if we have average rainfall, how many years of average rainfall is it going to take before we see the...see it go up to a significant level?

Dee Jaspar: Well, the answer to that is that depends on a number of things. What has been found is that the aquifer recharges pretty fast. If we get 2000 or even 1000 acre feet per year in a basin that contains totally about 8,300 acre feet, then if it's coming in at 1000, you're taking out 500, then it's 500 net recharge and that's about how fast it's going to fill itself back up to its normal level. Now, remember we're only starting at 5,600 so we only have about 2,400 acre feet to go to be at full so we're in pretty good shape and it'll take a few years and the answer is it will really depend on how good the rainfall is, with an average it will probably take 5 years to really hit that, but that's just my guess.

CM: I have a question Dee, since the water runs from the west down to the east and all those are connected, if in fact Frazier Park pumps water up into Lake of the Woods, all the water that Lake of the Woods uses, other than evaporation, ends up back in Frazier Park?

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Dee Jasper: Yes it does, it goes back in. What we have found is that, whatever goes is the house, domestic water, really gets 60 - 75% of that water goes back into the environment through the septic system. So, you know, if you take 100 acre feet into your house, let's say, you're going to be flooded. But if you took that much, you would use probably about 25 - 30 acre feet a year and the rest of it would then go out through the sewer system and that would be recharged into the aquifer. On plants, on landscaping, it depends on how efficient you are, and how much you have of course, but if you were to estimate it, you would say that maybe 25% of the water that's applied to the landscaping goes back down into the groundwater basin. And that does go back into the basin, if it's up in Lake of the Woods then it starts flowing down towards Frazier Park.

Dan Palilla: Would an earthquake... the obstruction between the center aquifer, and how they're connected, with all the planning going on, does an earthquake shift, obviously, could just throw the whole thing out, a new game would be created?

Dee Jasper: Yes, yeah it could, and that's something that we've been through, a few earthquakes, and we're on the San Andreas, and everybody's got earthquake insurance right? Unfortunately we can't buy that for free. And so we think probably the main effect would be structurally on the wells, what we would find probably, is that some of the older wells that have been corroded and the casing is pretty weak, would probably break and they would sheer. And then that demand then would probably then be met with a new well or would be met with a connection to the system, but that's probably the biggest risk. The aquifer basically would stay like it is, the restriction might change, it might get worse, it might get better, we don't know.

CM: Can they insure a well?

Dee Jasper: Not for earthquakes, unfortunately.

CM: Ok, we had some rain yesterday. How fast does that water percolate into the ground?

Dee Jasper: It depends on how dry the soil is around it, how much of that will run off. Some of it just goes in to replace the water that is normally in the soil, but I've heard different estimates. If we really get a wet year, and there's a lot of float in the creek bottom, within a month you would probably see that. With ½ inch rain, I don't know. We got probably ¼ inch rain down in the valley, about 1 inch along the east side of the mountains there around Bakersfield, but ½ inch, I'm not sure that you're going to see much effect for that. If that ½ inch were to fall over a wide enough area, that you would then get... and long enough, then you would get run off into the creek, when you see run off in the creek, then it's starting to recharge the aquifer, a major part. Otherwise you got mountain front recharge that's coming down all the time and we also have some underflow from up in Cuddy Creek and some side streams...

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CM: But isn't most of that from snow?

Dee Jaspar: It can be from snow and it can be from the rain, so...

GM Allison: Dee, if I might add, Frazier Park appears to be recharging pretty fast. Over the summer for the last few summers, our static level has been about 35 feet, Billy checked Well 4 in the yard and it's at 32 feet so, it's already recharged just over this winter, with very little rain, and it's probably up 2 feet, so it's good.

Dee Jaspar: We see the effects. It's not like we have an aquifer that's...like in the central valley. The central valley, that groundwater basin, the deepest parts are around 30,000 feet deep. Fresh water is at about 2000 feet deep. Below that we call it conic water, it's salt water, it's from the old marine sediments. So on the west side of the central valley, as deep as... those deposits are deep, very, very deep. And they're watered all the way down, but they're salty and you can't use them unless they're treated. But the upper aquifer, 2000 maybe 3000, we've seen a few areas where it's been 3000 feet of fresh water, so that gives you an idea. Here, we've got on the west end, 160 feet, down here about 500 feet, and there's granite underneath it, so, you know, we fill up pretty fast, where it's relatively... compared to the central valley, it's shallow.

CM: On a scale of 1 to 10, do you feel confident that all the information you've given us, all the studies that you've done, and all the facts are working out?

Dee Jaspar: Yes, our name's on the report.

CM Bill Hopper: Is the results of this study available? Can I get a copy of that?

Dee Jaspar: Yes, the District has that. That's all I have.

Director Garcia: Thank you Dee. Dave?

Patric Hedlund: Can I [...] Dee with one question? One of the things that we hear over and again is people asking, 'Why should we give our water to Lake of the Woods?' And you've been pretty clear from time to time to say, that actually, the amount of water isn't changing. And I was wondering if you could just answer that question, if you will.

Dee Jaspar: We either take out that water up at Lake of the Woods, and it doesn't come down, or we take it out of here, it comes down because we don't pump it, and we pump it back up. So it's the same water supply, pretty much. If we take it out up there, it's not going to flow down in the aquifer underground into the middle basin. If it does flow down, we take it, we put it back up

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there, and the cycle repeats. So we're not adding demand, in that sense... I lost my train of thought.

Dave Warner: Will Lake of the Woods still be pumping...

Dee Jaspar: Oh, that was my train of thought. Lake of the Woods... when the aquifer comes back, and when we have some wet years, then Lake of the Woods will recover and it will be able to pump probably as much water as they need. So it may not be... it may be that we end up not sending too much in a really wet year.

Dan Palilla: Just a hypothetical. Everything is peaches and cream in 5 years, we've been battered with water, you know what I'm saying all right, victory, it happens. At that point does Lake of the Woods get an opportunity to say, 'You know what? We really don't need you anymore.' Do they have that option or not? (Many mumble "no") Has anybody thought about maybe with all that, and you say it's good stuff, if you had a pipeline, from another district down yonder, a 20 mile-er, would you not be subject... an earthquake wouldn't bother us, our investment is solid, the 4 birds with one stone, everybody's happy, we just raised our rates a little bit, and maybe Lake of the Woods came in a little late. At that same time, would it percolate and we be getting forced with the bird and stone of being piped in? Piping the water here solves a bunch problems and less risk. Has that been like thought about? Did I lose you hun? Piping a water line from another water district...?

GM Allison: I can field that one for you. One, the closest water supply that possibly could, would be the Aqueduct. There's countless problems with that, for one there's no available water through the Aqueduct, people that have water rights now don't even get water. In addition to that, to use any surface water it has to have to a full conventional treatment plant, which is millions of dollars, plus...

Dan Palilla: But the problems solved.

GM Allison: Yeah but we can't get water from it, so it's not solved. They won't even give it to farmers that've been taking water out of it forever, so we can't do it.

Dan Palilla: State of Emergencies do allow this to take place.

GM Allison: No

Dan Palilla: Lebec did it, but Keen County Water District, when they were in trouble 5 years ago...

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GM Allison: Lebec?

Dan Palilla: Yeah, they were absorbed 5 years ago by the [...]

Gm Allison: No, Lebec... if you talk to Bill right here, he's on the Board, they don't have...

Dan Palilla: (Directed to Bill Hopper) You didn't have a problem where you had to get bailed out 10 years ago or less?

Bill Hopper: I was on the Board maybe 6 years ago, and actually we did not get water from down the road.

GM Allison: There's no water pipes running up this mountain to us. And, the only water districts on the hill that could have joined would be Lebec, and Lebec chose not to be a part of this process. They were invited like everybody else but they didn't want to be included, plus...

Dan Palilla: They didn't need to be, they're part of another district.

GM Allison: There is no other water.

Dan Palilla: OK, I guess due diligence... I have to do some investigation because I believe what I've been told is pretty accurate, so...

GM Allison: There is no water pipes running over this mountain from another district that we can tap into.

Bill Hopper: At this time.

GM Allison: At this time, yeah.

Bill Hopper: Tejon Ranch has plans on putting that...

Dan Palilla: That's a different story now. I'm talking about Lebec Water Company. Please don't bang that thing, I'm telling the truth here.

Director Garcia: Well, we're getting off base here. Let's move on, we have a program to present the information. Dave will you take the floor? You can field a question if you'd like.

Dave Warner: Susanne's raised her hand a couple time so...

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Susanne Green: I have a question for Dee also about pumping the water. It's very costly to pump water electricity wise and cost wise, and it's even more costly to pump it up hill, how much water do you anticipate will need to be pumped to Lake of the Woods over the next 5 years and what is the cost of pumping water uphill like that?

Dee Jaspar: Well, here's a couple things about Frazier Park, and that is, they already pump uphill to the tanks that are way up there, so for the head that these pumps are pumping is the pressure, is almost equal to the pressure that we would supply to Lake of the Woods. So what I'm saying is, the difference in lift, there is a difference, but it's not the difference in elevation from here to Lake of the Woods, because we're already lifting water here to the top of the mountain, so that lift we have figured. To answer the other part of your question, I can only say that the demand at Lake of the Woods, we figured that it was about 117 acre feet per year, that's the total demand. So in a normal year, if they met $\frac{2}{3}$ or $\frac{3}{4}$ of their demand because we've had good water years and the aquifer was full up there, then we would be pumping maybe 25% of their water needs uphill. And maybe if it was a long term wet period, we might not be pumping any water uphill to them. They still have to pay a bill, and they still would be part of the District but we may not be pumping their full demand. In a really, really dry period, like it is now, we'd be pumping probably 90% of their water uphill to them. Now, how you figure energy use, there is a simple formula for it but you 'gotta know the difference in elevations that you're lifting it to. But there's a simple formula that you get kilowatt hours per acre foot. And when you do that, then at 13 cents per kilowatt hour you can kind of get an idea of what that would be and we haven't run those studies yet, those studies will be run if there's a decision to go ahead with the project.

Dan Palilla: Before the decision is made, we 'gunna get that answer? Like if Lake of the Woods used 400 gallons a minute to supply all their people...

Dee Jaspar: Let's say it was...now I'm going from the top of my head. You're forcing me to do some math. Let's say it was 30 acre feet per year, that was the difference on average. That's 'gunna use, maybe, if we had to lift it an additional 200 feet, 100 feet, let's say it's 100 feet. That makes it easy. That would require...

Director Schoenberg: I just wanted to add a detail in case people didn't know, while he's doing this figure, but right now everything on the sunny side of town is pumped. We don't have any water source that we currently use on that side of town and our normal electrical bill in the winter is about \$4,800 a month, and our normal bill in the summer is about \$6,000.

CM: Would Lake of the Woods end up having to take [..], the residents that get the water, are they 'gunna be the ones who are actually going to have to pay for the electricity to get pumped?

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Director Schoenberg: Yes, they would be billed differently than Frazier Park, we would have to do that in order for it to be equitable, so I'm not sure what that difference would be, but we would have to figure out how much more electricity we were using and that would have to be part of... We're currently going to be doing a Water Rate Study, but we would have to do another Water Rate Study once this happened in order to really figure out what the difference is and then try to add that to their bill without making their bill so outrageous that people...

CM: So they would bear the cost of that, spread equally amongst all customers?

Director Schoenberg: It would not be spread equally amongst all the customers because that wouldn't be equitable.

GM Allison: Dee has a figure for you too.

CM: They'll be getting all new pipes?

Director Schoenberg: They're getting it right now, they got a grant. Not all new pipes, some new pipes.

CM: What about Frazier Park? I mean we're giving them our water. Our pipes, I have on the street I have to go down, those pipes, everytime it rains, the street washes out and you can see the pipes. We have to run over them all the time with our cars in order to get down the road, so that's not fair.

Director Schoenberg: That's part of the incentive for us doing this is, that we can get some extra money.

Linda Robredo: I have a basic question, so far we're on 2b on this long Agenda. We spent over an hour reviewing the stuff that's already been presented to the community for the entire time that we've been here. So, how long is this meeting going to last when we have 7 more parts and a lot of it is brand new?

Director Garcia: This is an open ended meeting.

Director Neyman: We're trying to answer everyone's questions, and if people could just hold off on some questions, because we keep rehashing things and there's other parts that we're trying to explain that might answer your questions before we get to a lot of questions and answers.

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Dee Jaspar: There's a lot of things that go into a water rate, and not just power. But at the risk of putting a number out, the power which, may or may not be accurate because I'm figuring it right here on my... I'm not that good about figuring things on my feet. The power component, if we had a difference in lift of about 200 feet, that is, we lift it to about 5,000 up on top of the hills here and Lake of the Woods is about 5,100, 5,150, something like that. So figuring about 200 feet of lift, 75% efficiency, power at 15 cents per kilowatt hour, we're 'gunna look at a power cost, PG&E, Southern California Edison, of about 10 cents per 100 cubic feet. It's off the top of my head, and that's... Jonnie, can you give us a comparison to how that matches some kind of a water rate that we have around here?

GM Allison: I don't know what the power cost is...

Dee Jaspar: I mean what's our water rate for cubic feet?

GM Allison: \$38.82? That's the base rate. The rate per 100 cubic feet is \$1.01 per 100 cubic feet. Well no, see now we just changed to gallons, that's the problem. For 10,000 gallons its \$1.01 per 10,000 gallons. That's what it costs. So I don't know in cubic feet what that would change to now. We're going to go back to the old way of doing things at the next study.

Director Schoenberg: That's what's called our consumption fee right now so there's a base rate that people in Frazier Park pay and then there's a consumption fee for how much water you actually use.

GM Allison: It's \$38.82 for just having the meter there, and then its \$1.01 per 10,000 gallons thereafter.

CM: What's the basic again?

GM Allison: Basic is like \$38.82 I believe right now for a regular ¾ inch residential meter.

CM: Will that be going up at all? I know it went up last year.

GM Allison: No, I don't believe so. I mean, it's a little different topic but the Rate Study that we did last year, or a year and a half ago, we said that we would revisit it and do another rate study in a year to make sure that we didn't overshoot it, didn't undershoot it, whatever that may be but it basically raised it to where the average bill is about \$45 a month, that's with consumption and basic water use. The rate study that we do will take all that into consideration and see where we stand, if any changes need to be done, and then we'll know at that time what's going on.

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CM: There's a lot of seniors in Frazier Park that... it keeps going up and up and we're not using any more water.

CM: It's like an extra gallon of milk, and you drink a lot more than a gallon of milk a month, so it really didn't go up that much.

Dan Palilla: Every penny counts when you're poor.

Director Schoenberg: One thing that's really important to understand too, we are going to need to do another water rate study before we ever even consider Lake of the Woods, so the next water rate study we do is because we had that tiered water, and we have to go back to a flat system so we're 'gunna be having to look at everything again. When we did that the state said you could and now they're sort of changing their minds so, however, we would have to do a whole 'nother water rate study for Lake of the Woods and that would have to incorporate how much it actually costs to... and it's more than just the pump power, like Dee was saying, it's maintenance and pump power and you consider a whole lot of different things in that water rate study and then they come up with... this time we're going to be hiring a company to do even more than we did last time so that they're really giving us a good idea so that we're not making mistakes and having to raise your rates every year because somebody made a mistake or we did something we didn't know we couldn't do. So hopefully this next water rate study will be even more accurate than the last one.

GM Allison: In the interest of saving time, I know from experience that both of these topics are real hot topics, the rate study, maybe we can table that for our next regular meeting of the month because we will be talking about that again, but since they're 2 totally separate issues but emotional for everybody, by the same token, we probably should separate the 2 just to help save time.

Director Schoenberg: I just brought that up so that people understand that whatever we do right now has nothing to do with Lake of the Woods, until we actually incorporate them.

CM: Water storage, do we do any extra for fire protection?

GM Allison: Our fire protection is definitely covered by our storage. Frazier Park has been blessed by having a lot of water storage. 2 million plus gallons of water in storage in Frazier Park, so we have sufficient... more than enough for fire protection as well as for domestic use.

Director Schoenberg: A few years ago we actually installed a valve at some of the tanks so that they can actually hook up to the tanks for fire protection and also a couple of fire hydrants right by

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the tanks, and then we're slowly trying to improve all the pipes so that there's fire hydrants all through town that work. Right now, they don't all work, but we definitely have... we've done some extra work to try and make sure that it's a little easier for the fire department to get water if they need it.

Dave Warner: Can I go to the next slide?

CM: Can I just make a suggestion to try and speed things up here, that the regular type questions like that get hung over, like you said, for the regular board meeting where you'll cover it, what, next Thursday? And that he can get a chance to speak so that they can get to work and field a lot of other questions that I know are in your head like dollar amounts and how this all ties in to [...]

Dave Warner: If I could go through the slides and then if people have questions I can go back to a particular slide that they may have questions on, that way people... I think you might be getting antsy and I have stuff in here that would then answer some of those questions. This is the Frazier Park Public Utility District water system. You can see some of the colored lines, green, red, yellow, some of those lines were replaced in the past years. There's a lot of lines, as the lady explained, that need fixing or replacing. There's some issues with the water system. Jonnie did you want to talk about that as they come up?

GM Allison: Yeah, in the 70's they did a bunch of water replacement but it was only part of the town. We still have a lot of old steel pipe in the ground. Due to budgeting and due to not raising our rates for 12 - 15 years 'till the last time, we've had to be reactive instead of proactive with all of our pipes. We have tons of pipes that just have clamp after clamp after clamp. Elm Trail for instance, if you dig up 30 feet of it, I guarantee you that you're going to see 10 clamps on that pipe. There's a lot of trails like Lomita and Santa Rosa, San Miguel, Manita, North End, Elm Trail, Logan Trail, Texas, Kansas, it just goes on and on. We need mainline replacement. We're hoping that, if we do the annexation, that a lot of that main line can be addressed and through grant money can be replaced. Because even with raising rates, it's an astronomical amount of money to replace these lines, but we're spending a lot of money on clamps and trying to just repair them and keep them going. We have other issues like pressure reducing stations that, throughout the system that need to be maintained and fixed and repaired and they're all over the District. Most of them don't operate, it causes more mainline breaks. It's so costly to try and fix them that on the current budget we're unable to do that. We're going to try and squeeze a lot of that stuff in on this grant money, if the annexation goes through. Some of the 13 million dollars Dave's going to talk about. Some of it could apply to those repairs that we need desperately to do that. We have a lot of stuff that we know we have to do but we just can't do it right now.

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Dave Warner: And this page just summarizes, you got the well that's high in fluoride that could be tied in and used but it needs to be tied in and blended with the other water to make it usable. You've already got 2 USDA projects and replacing the tanks and some water lines, you're paying

loans on those, but you got grant money with that too. You have old wells and one of those wells is being replaced with a \$500,000 USDA grant and District money and that brings you up to a new well there. Then you have 3 other wells that are more than 40, 50 years old. Money is needed to make other system improvements like Jonnie explained, new wells, new water lines and meters. Here's some pictures from Frazier Park. These are photos taken from the last waterline upgrade. That's an example of a line that was just rotted out. There's some old lines that are being pulled out. This was a pile of lines that was pulled out. You got all different sorts of sizes that were put in many, many years ago. Over time they rust out and lose water. A major supply line...

GM Allison: This pipe right here came out of Alcot Trail. The bottom of this right here, you can actually grab it with your fingers and can move the pipe because the wall of the pipe is so thin from the sand and just the erosion from the water cascading over it.

Dan Palilla: We got our money's worth out of that piping.

GM Allison: We certainly got our money's worth out of that piping. As a side note, that was one house up above my house at the time. All the pipes are in pretty bad shape. And, all the pipe that they're showing pulled out is only about 2 blocks, maybe 3 blocks of the town of what we could replace in the last project. We replaced Glendale Trail, and a couple blocks right down Mt. Pinos, and that's all the mainline that we could replace with the money that we had at the time.

Dan Palilla: The \$4.5 million loan we got years ago replaced just that?

GM Allison: No, I believe it was a \$2 million loan and a \$1 million grant, but we replaced 4 water tanks that were in desperate need. One of them was springing so many leaks it was blowing water out through the fence and water storage was our critical key at that point. We had to get our water tanks good, because if you don't have good water tanks, good water storage, the pipes ain't 'gunna do you any good.

Dan Palilla: Do we pay Dee Jaspar to do our backflow or is somebody on our Board certified?

GM Allison: The backflow?

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Dan Palilla: That needs to be tested every 2 years, do we have someone on our Board certified to do that?

GM Allison: Actually, backflow has to be tested every year. I am a certified backflow tester but we have very few backflows in the system right now.

Dan Palilla: How many do we have on the hill?

GM Allison: Our system's got maybe 6 backflow devices. Let's see, about 6 or 7 right now on the hill. But the backflow is a separate issue, that's not distribution but...

Dan Palilla: I'm just wondering if we're saving money by somebody on the Board...

GM Allison: Absolutely. I'm actually General Manager. I'm not on the Board, but they did send me to be certified as a backflow tester, which I am, and which I do do. We do save money like that and they're going to continue to send me to school to be the Cross Connection Control Specialist to save further money so, that's always in the forefront of their mind to save money with available resources that they already have in play.

Gerald Garcia: Did you have a question Chuck?

Chuck Schroeder: I'm all open for open dialogue, but I think these are some questions, you sound like you have some water information and some knowledge, other people have emphasized that some of this should be better off at the regular district meeting.

GM Allison: Which is the second Thursday of every month.

Chuck Schroeder: I'm not trying to be rude, I'm just trying get this presentation going.

Gerald Garcia: Thank You. Dave.

Dave Warner: This is a well you're drilling with USDA money and District funds.

Gerald Garcia: Actually it's been completed and we're now going out to bid to do the electrical connections to actually get it online.

GM Allison: Well yeah, and actually just for the money aspect of it, we got the \$500,000 grant that a few years ago would have been enough to equip it and everything. When the bids came in initially it was \$800,000 because of the drought. So we managed to get the hole punched in the

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ground, and to equip it we're going to reuse the motor and bowls out of an old well and the District is going to tie in the piping from the well, at our cost, and we're also going to build the well house, more than likely, around it because there's not enough money in that \$500,000 grant to accomplish those things. So that's how much money's costing right now but it's already gone out to bid, it's been awarded to Sansone...

Dee Jaspar: We'll award it on Thursday.

GM Allison: Oh ok, we'll know then. So it's been narrowed down, and they're the ones that are going to equip the well, probably.

Dave Warner: Jonnie's expressed that there's a need for new and efficient meters.

GM Allison: Part of our water loss, we have the old meters, some of them have been in the ground since the 80's when they metered the District. We try to replace anywhere from 10 - 20 a month. They cost roughly \$80 apiece. But the problem is that they're not nearly as efficient and we lose a lot of revenue on the meters. So, ideally, you would try to go to smart meters. Smart meters are read whether it's raining, snowing, whatever. It's a lot less wear and tear on the employees and the District so you save money there. Less Workman's Comp issues, all of that but in itself we can't afford it as a District. I did a rough calculation recently, it's \$300,000 to switch over the 1,300 meters to smart meters. So we can't do it on our own but if we could get this in part of the grant money, that would be ideal. That would save a lot and help us get more with the future like everybody else has done.

Dave Warner: There's choices on this. There's no annexation, separate funding, get your own funds to make District water system improvements. You can choose no annexation. You can also choose the no project option, just repair things as you go along. Some places do that. They don't want to take out loans or other funds to fix the system. Those are 2 things that you can decide if you just want to stay separate and work on your system alone. I'll cover the financial part of no annexation, getting funding on your own. There's also the annexation which would include annexing interested water systems and properties on private wells and get funding to build a regional water system improvements. There's more pro funding on that. Right now your Median Household Income, the government uses that to figure out who's low income and who's very low income and this \$43,000 Median Household Income for Frazier Park means your low income, a disadvantaged community. So you qualify for money as a disadvantaged community.

Linda Robredo: How did you find that out?

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Dave Warner: This is U.S Census, if you go look up Census Designated [...] under American Fact Finder.

CM: It's 2010?

Dave Warner: It's 2014.

GM Allison: They just changed our numbers.

Linda Robredo: [...] a Census in 2014.

Dave Warner: It's American Community Survey. Every year they update the numbers. This is a 2014 number.

Director Neyman: And they just changed it because before we weren't even disadvantaged, we were considered like regular. So we didn't even qualify for the 80% grant - 100% grant.

Director Schoenberg: And we're still considering the possibility of doing a study ourselves. A survey which would possibly qualify us as a severely disadvantaged community but we haven't done that as of yet. But this at least changed us to a disadvantaged community.

CM: I'm on Social Security and Disability and I get a whole whopping \$10,000 a year, so I'd love to have \$43,000 a year income and there's a lot of people up here...

CM: But it's only a gallon of milk remember, you don't care.

CM: No, I do care.

Dave Warner: You could qualify for 80 - 100% state grant funding but it depends on what your average water rates are. The maximum grant is \$25,000 per service connection or \$5 million maximum grant per system. Some other state and federal grant and loan amounts also depend on system Median Household Income water rates. So it gets you in the ballpark of maybe getting some grant money, but it depends on what your rates are. Your Median Household Income, the average water rate and project cost. The average water rate is between \$54, is 1 ½ % of that \$43,000 number, that's a monthly cost. That's 1 ½ %. The state figures if you make... if your water costs between \$54 and \$72 a month you could qualify for up to 80% grant. The remaining 20% would be loan or other agency project cost, agency grants. If the water rate is above 2% of your Median Household Income, which would be \$72 a month, project funding cost could be

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between 90% - 100% grant for project costs. I talked to the District today, they said the average water charge is about \$45 a month. So, the State would say you're below the \$54. We're not going to give you any grant until you take a loan that brings you up to that \$54 level; 1 ½ % Median Household Income, and then you could qualify for a percentage of grant of the cost. So you have to add about \$9 in loan cost before the State grant money can be made. It's better than no grant at all. No annexation, no projects option, keep the system as it is. Repair or replace things as needed. Pay with District reserves, increased rates. That's normally how you do it, you don't go to the State or the Feds for money.

Director Schoenberg: It's really important to understand we already have 2 USDA grant loans we that we received and right now, just in interest alone on the loan portion of them... So we have 1 originally that was \$1 million grant and \$1 million loan and then we had the one that was about \$2 million, well one was \$1,400,000 and then this last one was about \$2 million loan and \$1 million grant. And on the loans that we've taken so far we're paying around \$105,000 in interest only. So the possibility of us to continue getting grant loans is not good because we're starting to not bring in enough without really raising the rates, which we don't want to raise them to some astronomical amount. We're starting to have issues in terms of being able to bring in enough to go forward with another grant loan. As Dave will go on and and tell you, it really is helpful for us to possibly join in with other systems which would allow us to get more grant money and not have to do a grant loan because I just don't know if we're going to be able to keep sustaining these grant loans that we get.

Linda Robredo: [...], if it's appropriate to ask you now, is within new millions of dollars, if we were to go in this direction, would we be able to utilize any of that to pay off those loans? It's a yes or a no.

Lisa Schoenberg: Not that I know of.

Dave Warner: One of the things, if Lake of the Woods becomes part of the District, anybody who becomes part of the District is charged \$8000 per ¾ inch service connection and that's a capacity fee. That does to the District. That's over \$3 million that goes into the District. I think, by law, you can use it for... you can't use it for operations but you can use it to pay for infrastructure. So, there's that money the District can use.

Linda Robredo: So the answer is 'no you can't'.

Dave Warner: No, that's not the answer, the answer is up to the legal... it's more of a legal question on where you can spend that money but you can't use it for operation/maintenance and the loan cost is not operation/maintenance, it's a loan cost. They pay for facilities.

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GM Allison: I do know, in the last grant loan that we had, the only money that could be spent would be if it could be tied into the project itself. You're able to get a little bit of equipment, heavy equipment because we can maintain the roads going to the new tanks that they paid for. But I don't think that the paying off of prior loans can be tied into the project itself.

Patric Hedlund: Just really quick, the \$105,000 that you mentioned that we're paying on an annual basis, do we also repay principal or is it just interest only.

Director Schoenberg: It's principal and interest.

GM Allison: Yeah, that \$105,000, I think it's actually more like \$53,000 in interest and then the rest is principal.

Director Schoenberg: I don't have the exact numbers, I'd have to look up the numbers.

Patric Hedlund: So that is principal and interest.

Director Schoenberg: One of the payments is interest only and one of the payments is principal and interest.

Patric Hedlund: But it's \$105,000 a year. I was just wondering if we had to add another big hunk of money into that. Ok thank you.

Dave Warner: Was that a 40 year loan?

Lisa Schoenberg: One of them, yeah. 40 year. Actually the first loan is not 40 year I don't think. I think it's 30 something.

Dave Warner: If you annex, you get funding and build a regional water system improvements. You annex interested water systems and properties on private wells and get funding to build a regional water system improvements. Water system problems outside of Frazier Park. Contaminants, little or no water, some systems don't have back-up, old undersized leaking water lines, no meters, some tanks needed or tank replacements, although some of the tanks in Lake of the Woods are fine. Lack or limited fire protection is some areas. They have problems too. This is a map of the District. The red lines, you can see some of the yellow lines, there's some red lines there, that shows where they're planning on getting \$1.4 million to replace, and another million from USDA, to replace water lines that have major leaks. Now it doesn't replace all their lines, a lot of their lines are 4" PVC that were put it some years ago that are doing ok. They went after the places that have major leaks. That grant will also give them meters on every property and

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they're going to put smart meters on so that they'll be able to record if the house side has leaks. Because a lot of times, it's not on the main, it could be in the house, the homeowner could have a leak on the property.

Dan Palilla: So he could start complaining about his water bill right away.

Dave Warner: Absolutely. They will be able to record it and can report it and they can fix that problem. Right now they don't have a meter on the house, they can't figure it out or know where

it's going. So they'll get that, they'll get meters. And current Lake of the Woods project funding, \$500,000 for State grant, connecting Well 6 to the system, that added some supply. \$750,000 for a new Well 7 and water hauling, and the other early USDA paid for some water hauling. There is a \$1 million pre application, that went to USDA for wanting to replace water lines and they are getting a \$1.4 million State grant to replace 4,000 feet of water lines and install meters. More money is still needed for additional water supply and more waterline replacement. They have issues. This is Well 7 being drilled. Annexation/Regional Project funding. Annexation can come with conditions such as: Project funding is required for improvements. If they can't get it, you can stop the annexation according to the LAFCO person, Rebecca Moore. That can be a condition. All participating systems would consolidate when the project is built. I understand from the Board, that people who consolidate, if they have a water system, they're going to have to give up their water supply permit and everyone's going to be regular customers of the Frazier Park Public Utility District. Lake of the Woods is now a severely disadvantaged community, their Median Household Income is \$33,750. That's the Census, 2014 five year average. All areas is a regional project would be eligible for 100% State grant funding, which, as a severely disadvantaged community, Lake of the Woods qualifies for. But if you take them in or those areas that are in this severely disadvantaged community area, Frazier Park would no longer have to qualify as a disadvantaged community because they're taking on these other areas that are severely disadvantaged. They could qualify for the same funding, 100% grant, maximum \$5 million grant.

CM: Everybody in the District?

Dave Warner: The District would qualify but it is \$5 million maximum, per community, whichever is less... Well you're way over those connection numbers, so it would be \$5 million.

Linda Robredo: Let's get that straight. So if you have one community that qualifies as severely disadvantaged and they were to hook up to the Beverly Hills of the hill, then the Beverly Hills of the hill would all of the sudden also qualify as severely disadvantaged just by...?

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Dave Warner: Yes. Yes they would. For projects, that's a carrot. Here's the State regs, it says, 'Incentives for consolidation may include, but are not limited to, using a financial assistance terms that the smaller consolidating entity would be eligible for. Funding to replace any capacity lost as a result of consolidation, other incentives may be considered and consolidating agencies are encouraged to discuss other potential incentives with Water Board staff.' So that's an open ended thing. We're consolidating these folks, we want the same, qualify for the same things so we can do stuff on our system.

Dan Palilla: Does Pinon Pines come into play at all here?

Dave Warner: They're doing their own water treatment. They opted not to participate.

Director Schoenberg: We invited all of the companies up on the hill and some people wanted to participate and some didn't.

Dan Palilla: Some companies didn't want to give up the power, I get that.

GM Allison: Well it's not just that, but part of it is that the cost. This grant money is feasible when you're in tighter area. Pinon Pines is a lot farther up the road and a lot farther up the mountain. Now you're trying to spread a lot of money to go greater distances and there wouldn't be enough money to run the pipeline and all the improvements that you need. It could go farther up the mountainside.

Dan Palilla: So if they took \$5 million and dug a well in Pinon Pines and it goes to the middle of the Earth to get the most water of everybody, we'd be [...] over here.

GM Allison: Just so you know, they already have a 500 gallon per minute well up there. They're pumping just fine but you gotta look at the geography between us and them.

CM: It would be going down hill.

GM Allison: Whatever they don't pump out comes down to us too. So we're still winning, and you keep on bringing it up, but the point is there's only so much area that you can build on and to my knowledge, I'm not seeing any big acreage of alfalfa or hay or there's really not a bunch of areas that people are 'gunna do a bunch of farming. You 'gotta remember we live on a rock mountain. There are some areas, but most of it's hillside. Most of the areas like Pinon Pines is already developed, there's very few lots that's still available. Frazier Park same thing. There's not a whole lot of areas to be developed. Lake of the Woods, same thing. That's why Dee is confident in... He added a number of 300 new connections which, in my personal opinion, is way

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more than they're ever going to put between us and Lake of the Woods. If you look at a map and you start counting available spaces to build, that's a good comfortable number.

Dan Palilla: I thought that 10 years ago but now look at us. I thought the way you thought too.

GM Allison: Personally, in 10 years we've had very few added residences and in Frazier Park alone, in the last 6 ½ years, we've had one new water connection, that's it.

Director Garcia: Ok, Dave, go ahead.

Dave Warner: Regional funding depends on who decides to join. That's why private property owners, private well owners, water systems, have been asked to decide. A severely disadvantaged regional water project is 100% grant eligible, subject to the grant limitations. Frazier Park could qualify for a \$5 million grant, Lake of the Woods could qualify for a \$5 million grant. It doesn't matter what your rates are. You're a severely disadvantaged community. Lake of the Woods Mobile Home Park estimates 60 mobile homes. That's times 50, that's \$3 million. That goes into the regional pot for the regional water system. Bear Court Water System, 4 homes, and I could be wrong on the numbers...

CM: There's 9 homes up there.

Dave Warner: On the water system?

CM: Yeah, well some of them sit on a private well, some of them share a well, but there's 9 homes in Bear Court.

Dave Warner: I was just counting the ones on that one well.

CM: There's 5 wells up there.

Dave Warner: There's 2 churches, they could get \$50,000 per connection. Properties on 1 well, I assumed 5 properties that come in and say, 'Hey we want to join', that's 5 times \$50,000, that's \$250,000. These are estimates, we don't know until we get the response from people who want to participate.

Linda Robredo: I have a question with those numbers. Lake of the Woods is a ¼ the size in connections as Frazier Park, and why would Frazier Park be eligible for \$5 million where Lake of the Woods is eligible for \$5 million. Is there a cap of \$5 million?

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Dave Warner: There is a cap of \$5 million. It's \$50,000 times the number of service connections...

Linda Robredo: Thank you. You answered the question.

Dave Warner: Regional project improvements can include work in both communities. A new well that can benefit both Frazier Park and Lake of the Woods areas. So where would a new well be drilled? Probably in Frazier Park area, which you can use. That can be sized... that your capacity needs also. So you could get a new well out of it. New water lines in the Lake of the Woods area and Frazier Park. That needs to go in with an application, that needs to be applied for, if you want. New meters where needed. Water line to connect the areas. Capacity fees and connection fees, at least \$3 million, and the capacity fees would come directly to the District for a defined use. It could be used for future infrastructure replacement. It's meant to bring the new people coming on, up to par with what people here have paid so they're equal. And it will pay for project engineering and legal costs.

Patric Hedlund: Are you saying that that \$8000 capacity fee would be paid for out of the grant?

Dave Warner: Yes.

Director Schoenberg: Yeah, it would be really hard to ask everyone in Lake of the Woods to pay \$8,000.

Dave Warner: But that's a typical fee that Districts charge anybody who comes onto the system. They say, 'Hey, our customers have been building this system up over the years and we have a fee that is charged to bring you on par with the customers who have been using this water system for a long time. That's typical. And State and Federal agencies who have funding will pay for those fees.

Linda Robredo: OK, I have another question for the Lake of the Woods area specifically. They have what is known as 'wet lots' and 'dry lots', going forward, are those 'dry lots' going to be buildable all of the sudden?

Dan Palilla: Good question.

Dave Warner: That's up to the District. I mean, you'd annex the area.

Director Garcia: Jonnie, would you like to address that?

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GM Allison: Yeah, actually a lot of that... Frazier park has 'dry lots' too. And the reason we have 'dry lots' is because your only allowed so many connections per diameter size of your pipe. Some areas of our system are up higher on the hills, there's already as many houses as we can legally put on that pipe size. So really, the only way we can provide to those dry lots is if we upgraded the pipe size all the way up there on top of the mountain, to where we can supply more. Lake of the Woods, I don't know the specifics for their dry lots, I'm sure it's also be affected by that.

CM: Jonnie, would an example be like our lot that grandma has next door, there's no water connection?

GM Allison: No, see your lot, you could pay the connection fee, you could add another water service to your separate lot because there's a good water supply running up Alcot Trail. But if you go up East End, the pipe size gets down to 4" and there's already as many houses as that 4" can provide for. You would have to run a 6 or an 8" pipe all the way up East End which is really costly, which we do have a process for that. We have a main line extension policy where if somebody does want to build on that lot, they have the option to pay for that main line extension themselves, so then that 'dry lot' would become a 'wet lot' and we would provide water for that.

Linda Robredo: The question would be directed to Mr. Stowell. Do you have a number of how many 'dry lots' are in Lake of the Woods? Or a percentage?

Bob Stowell: No, there's 'dry lots' there that you couldn't even connect because you couldn't even connect to your system because they're so small or perk, so, I don't have a number, not with me. I don't know the exact amount of 'dry lots' but before all this happened we had a certain amount of connections they would give us. If we had enough water, they would add connections per year, say, we'll give you guys another 5 connections per year or something like that. That was awhile back when we had water. So, to answer your question, no, I don't know the exact amount of 'dry lots'.

Linda Robredo: Is it possible to require Lake of the Woods to not add connections to the 'dry lots' simply because we're annexing [...]. I know this is a dollar in value of property question.

Bob Stowell: You know, if they never had shares then I would say no, they're not entitled to connect down the road. Like I said, that's something that we'd have to take up with the attorney, but I have no idea.

Linda Robredo: Ok, thank you.

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GM Allison: Just as a side note, that's what Dee added the 300 connections for. If they should go ahead, which I'm certain that there's no where near 300 that could be there, so that's why he figured in 300 because all the buildable lots between Frazier Park and here. I don't see us ever being able to add that many. That's why he figured 300 was a comfortable cushion between that.

Director Garcia: Go ahead Dave.

Dave Warner: Regional system results. One water system serving Frazier Park and any annexed areas. Improved water supply and system improvements for all project areas in both Lake of the Woods and Frazier Park. Grant funded improvements, as approved by State and other funding agencies. State Prop 1 money is where I'm talking about getting this money from and its \$260 million in State loan and grant depending if you're a disadvantaged or severely disadvantaged community. For all projects, whether you go separate on your own or if you do a regional one, now is the time to send in an application for this money and this money could be used up in 5 years. That's what you'd want to do is get an application in pretty quick. It just started out last August.

CM: Before we gave [...] the President, then things changed.

Dave Warner: Yeah, this is State money. And there's other ones. There's USDA money, there's some other water resources money which Lake of the Woods got. What's next. Area systems and property owners have decided to join a Regional Water System and confirmed that in writing to the District. Some area water systems and some property owners have decided to join a Regional Water System, and the District has that in writing. The District must decide if it wants to: Annex these areas and get funding and build a Regional Water System; Not to annex, get funding to fix our own system or your own system separately or keep the system as it is. The District will be mailing out ballots and information to District members for a vote on the annexation or no annexation options. It's a poll.

Director Garcia: Director Schoenberg.

Director Schoenberg: Dave, how far along would we need to be if we choose annexation and we want to apply, start to apply for grants. How far into the process do we need to be to be a viable regional system?

Dave Warner: I think you should apply. I had the email into Lawrence from the State who was here in October, and I asked him can you apply now? You're already an entity. And why not apply for planning funds? Because planning funds is a \$500,000 grant to study what the costs are

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to make the improvements to serve a regional system. And in theory has to look at no project, consolidated project, so why not get that process rolling? And I haven't heard a reply from him but I left a message and an email.

Director Schoenberg: So that \$500,000 for planning, but beyond that, to tap into some of these larger amounts of money, how far along do we need to be?

Dave Warner: I don't know how long a planning grant would take. You'd have a defined area, Dee, right? Would you be able to get that done? It's usually an 18 month term.

Dee Jaspar: It's about an 18 month to 2 year process.

Dave Warner: You'd have plans and specs and the cost of the project and then you would go into apply for construction funds.

Dan Palilla: Comment, can I make a comment now?

Director Garcia: Again? Yeah, go ahead.

Dan Palilla: I would think that in order to help Lake of the Woods out, my comment would be: A moratorium on their 'dry lots'; no more construction in Lake of the Woods; Their private wells not to be used, 'cuz we're talking about water. Then I would suggest we could help. If they are not willing to do that, then you can't help those who won't help themselves.

Bob Stowell: You have heard the whole meeting though. You guys are getting helped out severely if we get on board with you guys. You've heard all that right?

Dan Palilla: Yes I have, and it's up for opinion.

Bob Stowell: I just want to make sure you're clear with that.

Dave Warner: There's a building moratorium... The State has issued a building moratorium on the system. Lake of the Woods cannot hook anybody else to the system because they don't supply enough water. That's that state of notification, that they violate supply standards. They don't have enough supply to meet their own demands and they're not being allowed to connect anybody new to the system.

Linda Robredo: Ok, that's current, and what this gentleman is suggesting is that to hook the 2 together and save this community which is, we all know, needs water. That, then they would be

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hooked up to us and they would not be in that violation and then they could have [...] that place up. And that's causing more pull on the water system that we use. I'm trying to clear up my words here. So the suggestion that he's making is to demand a moratorium, that the 'dry lots' that are there, stay 'dry lots'. That they will not be buildable even when there's water available, and how do you do that?

Dan Palilla: Bingo.

GM Allison: Just to clarify, the District has always... Frazier Park has always decided on when building was prudent and when it was not prudent, historically. Lake of the Woods and everybody who's annexed in would also fall under those guidelines. The Board, along with the health department, would decide on when to build and when not to build. If there is ample water supply, and somebody wanted to build, I personally do not see a problem with that if we could supply the water to them as well. You 'gotta keep in mind, before this started, when Lake of the Woods for years had plenty of water, and Frazier Park has plenty of water, there has not been huge amounts of building up here on this hill. The last big project that they tried to pull off was down the road a little ways, and it was shot down because of that, because of the water supply. Bakersfield, as well as the District, is not going to allow a huge rush of people to come in and build. Everything is going to be based on...There doesn't need to be a moratorium on 'dry lots' because, like you were saying, a lot of the lots are not buildable anyway. A lot of the lots here in Frazier Park, the District owns some ourselves, they're in areas where you can't build anyway or financially is not prudent to try and build on a lot of them. So, being concerned with that isn't really the issue. The issue is that we have a comfortable 300 additional lots that we could build on and still have plenty of water for 10 years. If we wanted to allow 20 more to come online, or 50 more, we're still well under that cushion, so why would we not allow that to happen? A prosperous community needs building for a multitude of reasons. So to let a few other people build would not be a bad thing.

Linda Robredo: I agree with you on a prosperous community. We also have private houses and places that we have water connections, that we need to do restoration. In other words, tear down the old thing and put a new house there, instead of adding another service.

GM Allison: Absolutely, and just so you know, the process for getting the water service now, to simplify it, is, they apply, they pay the \$200 fee. I go out with my guys and we determine first if we can even provide water. Then I take it to the Board. The Board decides whether or not that is a good idea. Sometimes they will decide yes, sometimes they will decide no. It's the same thing if we take on Lake of the Woods. Every single water service would be decided upon by the Board. So it's not like people can just willy-nilly just start building crazy, because you don't need the moratorium because they're going to decide, and they do what the District wants. The District votes them in. They're not just going to do whatever they want to do.

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Dan Palilla: It would sure make me feel much more comfortable to know we have the leverage, than zero leverage on such a serious topic.

GM Allison: I just said, we have all the leverage in the world.

Director Garcia: Director Schoenberg, would you like to address this?

Director Schoenberg: Yes, just so you understand what he was saying. It's a case by case basis. One property at a time. There's also an \$8000 connection fee that many people are not willing to go forward with building because they don't want to pay into the system...

Linda Robredo: Maybe that should go up.

Director Schoenberg: Or that could even go up but, just so you know, part of the reason Frazier Park has been struggling, is what Jonnie has said, is in the last... We used to bring in a great deal of money on connection fees. In the last 6 something years, we've had one new connection for \$8,000. We used to take in, I don't know, \$90,000 a year or something on connection fees.

Dan Palilla: We're out of water though now, so you 'gotta stop building.

GM Allison: No. See, Frazier Park is not out of water. That's the point. Our static level is the same now, better now than it was 3 years ago. The water restrictions in Frazier Park are due to a mandated Governor's water savings.

Director Garcia: Statewide.

GM Allison: Statewide. That's why we have the water restrictions right now, and because we had a well that was not pumping efficiently which is now being rectified by the new well. Part of running a District... We get that everybody's on a fixed income, nobody wants to pay a higher water rate, but when you're not taking in new connections that you could supply to, you have to get the money somewhere to upkeep the District in itself. If we're bring in \$10,000 a month on new connections, that's \$10,000 we could put back into the system. But we don't get that because the no new construction and moratoriums on building, who's 'gunna fix the system? You guys, me that pays a water bill. The Board. All of that lives here and pays a water bill. Everybody that don't want the water rates increased, they have to be regardless because Edison charges more, the suppliers charge more, everybody charges more. We have to maintain the District even as it is, if we don't annex, we still have to maintain the system that has been here since 1933 really. So, who's 'gunna do that? Us. Or, we can go ahead and let some new building happen, as long as it's responsible to where we have that extra money coming in. The

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more services we have, the more money is coming in monthly, the less every individual has to pay, the less the senior citizens have to pay.

Dan Palilla: This meeting is about saving water, you're speaking of revenue, \$8,000 a meter...

GM Allison: No. See, that's where you're confused. This is not about saving water. This is about trying to help out Lake of the Woods, that's out of water, as well as helping ourselves by getting this windfall of money that's 'gunna help us fix our system so you, who I assume lives in Frazier Park, doesn't have to pay a higher water bill. This is not a water conservation meeting. This is a meeting whether or not it's feasibly possible, whether or not the District and the people in it, want to annex in Lake of the Woods. It is not about saving water. That's a different subject. That's the water conservation plan. And again, the water conservation plan, we're only on 2 days a week watering because the Governor mandated that. We're not out of water in Frazier Park, which is what Dee has proven and shown you, and the hydrogeologist has shown you.

CM: So we could have a reservoir the size of Lake Tahoe and we would still be on water restrictions?

GM Allison: Absolutely.

Director Schoenberg: Correct. We don't have a choice.

GM Allison: We have to have a 25% reduction, from 2013 I believe, or we are subject to fines, which means higher water bills. Yes ma'am.

CM: I probably asked this already, I don't remember. We give them the water for their home use and stuff and they still have their wells, you said they could use that water for irrigation, are they going to be charged for it or are they getting it for free? They can have green lawns and we can't?

GM Allison: Well they could, but if you notice all those private wells that are out there, I don't see any green lawns out there.

CM: Well because they need their water now for drinking and normal use, which we'll be giving them.

GM Allison: No. Even before the drought, all them people... and I know several people that have private wells, none of them are growing lawns willy-nilly.

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CM: But they'll be getting water now from us. And they'll still have that well with that water, which now they can use because they don't need it for drinking, so they could use it for their...

Director Garcia: Well they're going to pay a lot more...

GM Allison: And well, just so you know, it's not free. They're paying their pumping cost just like us. They'll be paying their own pumping cost because electricity is not free for them. It is not cheap to run a well.

CM: So they still have to pay something.

GM Allison: They certainly do. It's going to be a grandfather clause. Those that have a well, that already invested money in their well, are going to be able to retain that. New people would not be allowed to drill wells just for irrigation.

Dave Warner: And just for clarification. You're speaking about the individual properties that have their own wells. Now Frazier Park has 4 or 5 wells up that produce water. Are you connected to anybody Bob? You've been supplying that area with water but in summer and sometimes like this last December, you needed supplemental supply. That's where you haul water. Dee, will those wells... and Jonnie, will those wells still be producing water if you annex this area to the District?

GM Allison: Absolutely, yeah.

Dave Warner: You wouldn't abandon those? So they wouldn't be pulling 100% of water from the District? They'd be supplementing it, essentially. Supplementing their supply that they can originate there. Is that correct?

GM Allison/Dee Jaspar: That's correct.

Director Schoenberg: As long as it didn't have nitrates or something that would...

Dave Warner: It's clean water.

CM: Are they getting 2 separate bills?

GM Allison: No. To clarify, when people have a private well, it has nothing to do with anybody but themselves. If I own a property, 5 acres, and I'm out between Lake of the Woods, I have my own well, I've already spent the money to drill. I have to pay money to the electric company to pump that out of the ground. They're going to be allowed to keep their rights to that well, which

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doesn't affect us at all, because they've already been pumping out of that well for as long as they've had it, but they would pay an additional fee for their domestic water. Our District would get the money, the monthly fee and the consumption fee, for them to use our water. Their private well that they've had for 5 or 10 years or 20 years or 40 years, is going to go on, if they so choose, for irrigation only, but no new people will be allowed to drill wells. In Frazier Park, you cannot drill a well in Frazier Park, a private well. We control the wells. Tait Ranch is the nearest one that has a well and it's outside of our District. Yes ma'am.

CM: Change the subject a little bit. If you're going to annex and become this regional water system, I read in the paper that Lake of the Woods would also be able... whoever annexes in would be able run for the Board. Would the Board become bigger? Would the employees need to increase? And does that mean that we would need more water meter readers?

GM Allison: The first question about the Board, we don't know if it would stay 5 or if it would become 7. That would be in the planning stages, we would decide at that time. The Board would decide. As far as employees, we would probably employ another 1 or 2 people, right now we typically have 3 people. We'd probably need 4 but we'd keep it at 3. Right now we're down to 2. We'd probably add a couple more people to take care of that area up there. Now as far as the meters go, Lake of the Woods would take less because they're going to smart meters. Smart meters, you drive up in a truck or you just walk by, and it automatically reads it. So that's a lot less time intensive on employees. Our guys, as bad as I feel for them, they go around and they have to dig and dig most of the boxes out by hand, just to get that meter read. And then in the snow, one guy's carrying the shovel, the other guy is trying to get the meter read. So, Lake of the Woods, for that aspect, is going to be a lot less time intensive because they're going to have the smart meters. And hopefully, we can get some smart meters in Frazier Park.

Director Schoenberg: Part of what we're hoping is, if we got some additional grant money, that we would be able to get smart meters, which is going to cost us less money in meter reading, so that the people we have working for us could actually do additional... maybe they can be laying pipe, they can be doing other things that cost us money right now, because right now we spend so many hours just reading meters.

GM Allison: Yeah, for us to read the 1,300 meters in Frazier Park it usually takes a crew of 3 a full week to read the meters. If they're smart meters, you can have 1 guy, and he could do it in a couple of days with a lot less down time, a lot less injuries. I mean, people get injured from trying to dig the boxes out, pulling the lids off, all that kind of stuff. So hopefully we can get some smart meters.

CM: What would be your pros and cons for us? What do you think?

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GM Allison: Well actually, to clarify, my personal opinion first is, I work for the District that we have right now. I live here. I've lived here for years. Whatever the polling shows, is what I would be for. On a personal level, I've said it before, I think that joining would make both Districts better as a whole, then we can be separate. Because historically, across the nation, the infrastructure is aging and it needs to be replaced. No District has the money to replace that. People can't sustain the amount of money it's going to cost. So anytime you have a chance to get a windfall of money like this, I think it's a very good idea because otherwise, I don't know how we'd be able to do it. The cost go up every year, we can't raise the rates every year, we have to fix it somehow, somehow. And this is nationwide, if not worldwide. You're talking from the 1800's over here, where everybody's putting in water lines, late 1800's, a lot of that stuff is still in the ground but we can't fix it [...]. I feel like if we get the opportunity to get this funding, which right now we're in the pre-planning. Who's to say in 2 years, in 3 years, we can get all this money. But at that point, the project will just stop. But we have to look long term in our options and try take every bit of money we can get to try and fix up the system. Yes ma'am.

Susanne Green: In the calculation where there was the \$13.5 million available in grant money, it talked about \$5 million being kicked in on behalf of Frazier Park Public Utility, \$5 million Lake of the Woods, \$3 million for the Mobile Home Park, and so on. When it goes to utilizing those funds, will they be apportioned according to how they're contributed or would it all go into 1 pot? Say, the Mobile Home Park needed \$6 million to improve their infrastructure, could they be denied a disproportionate amount of money? Or could Lake of the Woods get more than their fair share?

GM Allison: To be honest I think that Dee or Dave would be better answering that question.

Dave Warner: Right. You would have to go through a planning phase which would calculate what's needed and what would be done under the grant and then it would be defined. Meters, water lines, Lake of the Woods, Frazier Park, pumping station, new well. And that money goes into a pot. That's the money that State said, this is how much you can get to go into your pot to help for the Regional Water System and the planning part would calculate that. It's not that the Mobile Home Park qualifies for... They bring in 60 connections in, they bring in \$3 million. Frazier Park, the max that they get is \$5 million, Lake of the Woods, the max that they can throw into the pot is \$5 million. But you're going to have an engineer, and the District is going say, 'hey we need this, this, this, this, this done.' They have to have new water lines, they have to have a new well, that's going to go into a pot and that money is going to be used to pay.

Director Garcia: Before we go on with your discussion, we've actually overpassed a very important point which is number 6. And I wanted Jonnie to go over the way we're going to poll all the people, all the residents from Frazier Park because that's what's next on our list to do.

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GM Allison: Part of that still needs to be decided but since it's not an actual vote, we're going to do a polling of Frazier Park, that's whatever the majority, is the way it's 'gunna go. If 51% or more say let's annex, then we would proceed. If it's the other way we would just stop right here. But, one of the questions that was brought up is we have to decide whether or not each property owner or if a property owner owns 5 lots, is he going to have 5 votes or if he's going to get 1 vote. So that's just a point of clarification so we know ahead of time. I believe it's going to be, for each water bill, you would get a vote, but I don't know how that's going to be, so...

Director Garcia: And how would we disperse that information and that polling questionnaire Jonnie?

GM Allison: We would mail it out. We would set a date which would probably be... like now if we sent out the letter, we would expect it to come back by the next regular Pre-Planning meeting. So a month from next Thursday is when we'd want it back. At that meeting we would open them, with the public there and people counting the votes, and that's when we would tabulate the votes, just like we did with the Prop 218. Yes sir.

Dan Palilla: A question on this. Assuming that all the owners don't live here, they rent their homes out and have other homes and live other places, so they may not be here, the letter may not be able to get to them, and if 80% of the people are renting their homes on this hill, do you take their 80% of the votes as 'for' or 'opposed'?

GM Allison: First of all, everybody who pays a water bill is 'gunna get a letter. Everybody that gets a water bill receives a letter because we have their address.

Dan Palilla: They're renters, not owners.

Director Garcia: Let him finish. We've talked about this, let him finish.

GM Allison: Those are the things that we're going to nail down right now. Sometimes it's only property owners, sometimes it's the water rate payers that are 'gunna decide. Like I said, that's 'gunna be decided so let's go with the process and then decide how we're 'gunna do that, but the general outline is, we will mail out the polling, when we get it back, we'll tabulate it, we'll figure out what it is, then we'll go from there.

Dan Palilla: Well, that's pretty important. That the owner votes, not the renter. He has no dog in the fight. The owner's got the dog in the fight, he owns the property, he pays the bank, he's the one in the book. He should have the vote, not the renter.

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CM: Sometimes the owners don't care.

CM: But the renter does.

Dan Palilla: So would the vote be "for", just automatically?

GM Allison: I'll tell you how we did the last Prop 218. We wanted to be so fair, that we sent out a letter to every single address we ever had in the computer. We sent it out to renters, owners, people that used to own the property. I mean, we figured it was easier to cover every address that we had, so we had a true reflective response from the District, because it's hard to keep track, sometimes, of that. There is Owner/Tenant Directives, where the owner gives the right to pay the bill to the tenant, so then, at that point, the tenant could have a vote. But bottom line is, it's going to be the majority of the people in the District. And like I said, I know you're already opposed, but you 'gotta wait until the process goes through, so we decide who's going to have the vote.

Dan Palilla: The owners.

GM Allison: Well, that's your vote. So let's wait until we see what the actual decision is. Yes ma'am.

Linda Robredo: So, are you talking about the majority of total numbers, or are you talking about the majority of those people who respond to the survey, because that's a different thing. I mean, Lake of the Woods did it on a ¼ of the people who responded to the survey, and they made the decision there. So is it total or is it...?

GM Allison: Again, if everybody just holds off for a second until we hash out those questions, that's what's going to be decided at this meeting right now. Dave Warner could possibly give some input on that, maybe even Dee as to how it's typically done, the polling.

Dave Warner: Well I would take suggestions and I would check with your attorney.

GM Allison: Well we have our attorney, Ernest Conant, that helps us out. Anything we decide to do, even the letter we're going to send out, we're going to send to the attorney to make sure that it falls within the guidelines. Again, we're a Special District, we fall under special guidelines, we have to be extra careful. Everything we do has to be fully transparent and fair.

Dan Palilla: I just wanted to point out one thing, as a comment. Is, if you don't go the way I'm thinking it should go, the way I suggested it's the owners, I'll guarantee you'll get a successful vote

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and all this will pass. If the homeowner, the owner of the land votes, now you're playing 50%, 51% and you're going to gamble on the vote. If you don't include the owners only, and you include renters, you're going to win. Whatever decision you're going to win and we really have no say.

GM Allison: Well, first of all, just so you know, you keep on implying that the Board and the District is trying to push something through.

Dan Palilla: Oh absolutely, I can see you want this to happen.

GM Allison: Just so you know, that's not what this is about at all. The Board has been cautious throughout the whole thing, but, as the people that have to maintain the system, and needs the system to stay viable so everybody has water at their tap, they're making an informed decision, which I'm hoping, that everybody here can make an informed decision not just a biased opinion because they might not want things to happen the way they do. So, again, it's not like we're going to try to stack the decks. We're going to take it to the attorney, the attorney's going to decide what is legal and what is right, and that is the way it's 'gunna be done.

Dan Palilla: I heard your voice, I just don't know if that's true or not. That's all.

GM Allison: What part don't you know is true, that we're going to take it to the attorney?

Dan Palilla: The lawyer thing, the 80% of owners rent their homes up here, and I see the game way ahead of me, that you're 'gunna win and we have no say...

GM Allison: Just so you know, I 'kinda take offense to that because you're assuming that we're trying for some ulterior motive...

Dan Palilla: To pass this through...

GM Allison: Just let me tell you something. I have aging, older parents that live here and own homes. I own a home. I have just as much right on a personal level as you. We're not trying to stack anything in our favor. We want an honest, polling of the District to find out whether we proceed or not.

Dan Palilla: I respectfully disagree and hope that it's true, that it's going to be fair.

Director Schoenberg: I'd like to personally just... I mean this is obviously not representative of all of Frazier Park, I wish it was. But just to get an idea of just this group here. I think we should do a little bit of a straw poll, to just sort of ask what you think, so that we have an idea of, before we

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would go to the lawyer, do you feel that it should be only owners, do you feel it should be owners and renters, do you feel...you know. So that we have an idea of what you... We've heard from one person, but we haven't heard from everyone in the room. So I don't know if, Jerry, if you 'wanna...

Director Garcia: Ok, let's see a show of hands of all those that think only the owners should make the decision. So that's 4...5...6. Ok, who thinks that owners and renters, whoever is paying the water bill, should have a say-so? Wow, so it's pretty close, but more for the renters and owners.

CM: Whoever has the water bill, I think has the right.

Director Garcia: The water bill payers, is that pretty much what I'm hearing?

CM: The renters, they're not always going to be the person that lives in that house, they come and go.

<Many community members debate among themselves>

Director Garcia: Yes, Chuck, right here.

Chuck Schroeder: Well, as you mentioned before, you own 5 lots, but only one is 'wet', then that owner should only get 1 vote. That's just my opinion, you should only get 1 vote per water connection.

GM Allison: I think what I'd like to do, we're going to have another meeting in a week. What I would suggest is, I'm going to talk to the attorney, and I will have an answer to you, from the legal perspective, how we should proceed with that, and everybody that's here, I hope you all come to the next meeting because I'll have an answer for you. And it's 'gunna to be the law, and it's 'gunna be legal and it will be what the Board will probably vote for because that's how they always do things. So, I will ask Ernest Conant what we should do with this.

CM: That's true, I think the lawyer would know if the owner should legally be notified. I think the lawyer would know.

Director Schoenberg: And if you can't be present, I mean because we're not going to meet in this room next week, we're going to be over at the water company, so if for some reason you can't be present, you could leave us a little note that says... we can take a look at those notes too and

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just so... We don't have a preconceived way of doing this. We need help from you to know how we should proceed.

CM: What time is it 'gunna be?

Director Schoenberg: It's at 6.

Director Garcia: 6 o'clock.

GM Allison: We've never done an annexation like this before.

CM: I'm sorry, on that issue... So if the vote goes, just for numbers sake, 201 for and 200 against, you guys will...

GM Allison: Then it would proceed.

CM: And if it goes the other way, there would be no campaign to try and change people's minds, disseminate some new information.

CM: That means we don't get new water pipes, we won't get new meters, all the pipes would eventually be breaking, we'll have no water and we'll have to pay for it out of our pockets. Is the government paying for it?

Director Garcia: So I think what you're asking is simple majority.

Director Schoenberg: The reason we had this meeting is that hopefully people get some understanding and you can go and talk to all of your neighbors and kind of help us to disseminate the information. The newspaper also, is 'gunna be putting information in. The problem is, is a lot of people don't come to these meetings so they make sort of uninformed decisions, which is sad.

Director Garcia: Based on the rumor mill.

Director Schoenberg: Right, so we're hoping... I mean we really hoped there'd be a lot more people at this meeting. That's why we chose to do it here, but, there's not that many, but hopefully...

GM Allison: And certainly we would not, to answer, we would not flog a dead horse, so to speak, and try to beat people down until we got a result that somebody wanted. It's 'gunna be the polling. Just like everything else, you have to have space in between. Time changes things. 10

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years from now maybe the annexation would be more appealing, or whatever the issue is. But right now, if the polling says no, then the whole project stops.

Linda Robredo: Is there going to be a decision as to how the polling is tabulated? Either a... do you need...

GM Allison: That will also be a question for the attorney as to how we have to do that. The attorney's 'gunna give us the inside on it, on how to do it. He works for water districts all over the place.

Linda Robredo: Could you please provide those 2 keys to the newspaper so that we can then put it out there?

GM Allison: Absolutely. I'm sure that Patric is 'gunna be there next week at the meeting. She usually is.

Linda Robredo: By the time you do your thing, and then it's 2 months later, it's actually on the website so we can read the notes.

GM Allison: Well I can only get the information as fast as I get it, which is... I'm going to start working on it on Monday, hopefully I have an answer by that Thursday that I could give out to everybody.

Linda Robredo: OK, all I'm asking is please give it to the newspaper so it can be [...].

GM Allison: As always. I will certainly do that.

Director Garcia: Yes ma'am.

CM: I think that people shouldn't complain if they don't like the results because they're not showing up.

Director Garcia: Thank you.

<Many community members debate among themselves>

Director Garcia: Yes ma'am, you had a hand up.

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Susanne Green: Yes, just to clarify with Dave, the \$13.5 million, it will be apportioned according to the greatest need and the most needed projects? Is that what you were saying?

Dave Warner: It would be defined where that money would go as a regional project and have things to do within the region. It would be defined in the planning study.

Susanne Green: And we don't know what that would be until the planning study...

Director Garcia: That's correct. We're in the Pre-Planning stage now. We don't even know if there's a viable project to plan for.

Dave Warner: So there's 2 phases if you go forward with the annexation. I would recommend that the District apply for planning funds which pay an engineer to work with the District and the area to define what improvements are needed. What it cost for those and then it comes up with a cost and a feasibility study and then you would take those numbers and see if that fits.

GM Allison: And just so you know, at that point, we would actually be planning on it being an annexed in Frazier Park Public Utility District so then there would be 1 District in essence, that would be using that money. But a lot of that money is 'gunna be cost just the pipeline running out there.

Dan Palilla: Are we private or public now?

GM Allison: We are a Public Utility District.

Director Neyman: And we'll continue to be public.

Director Garcia: F-P-P-U-D. Public Utility District.

GM Allison: Which is why we're governed by a lot stricter laws, because we are not private.

Susanne Green: We'll also have separate rates though, correct?

GM Allison: If there is a disparity in cost to provide water, then we would have different rates. If there is not a disparity in cost, then it would be the same rates. Which is what the rate study people would decide and determine at that time. Because there's a whole formula that goes into, as they were saying, to formulated rates. It's not something that just the Board decides. It has to go through a Prop 218 process, then you have an outside consultant do the study to see what it costs to provide water, maintain the water and everything else and then comes up with a figure.

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So, if it does cost more because of pumping cost then the other people would pay a different rate than Frazier Park.

Susanne Green: Ok, but Lake of the Woods has no long term debt [...]. If Frazier Park has about \$3.4 million in debt and larger infrastructure, why would the rates for Lake of the Woods necessarily be higher? It said on our information...

GM Allison: I don't know necessarily that it would be higher, or the same, but I would assume that part of it would be buying into the system that is established already. I would assume that it would probably be the same rate, if not less, unless there is a higher cost to provide water. But that's just an assumption on my part. Again...

Susanne Green: But the \$3.2 million because of the \$8,000 per household, that's going to be paid for by grant money correct? So that could affect the rates.

GM Allison: No, that's what I'm saying. I think that the main concern would be the cost to provide water to get it there. But again, it would probably be the same rate as Frazier Park but I don't know until we figure out all those costs and all the variables... We have no idea. We're only in the Pre-Planning Stage. If we knew all of the questions that everybody's asking right now, we wouldn't need a Planning Phase because we would have already done all those studies. It cost a lot of money for engineering and for everything else to figure out all the answers to these questions.

Director Neyman: Jonnie, Dee has something to add.

GM Allison: Yes sir.

Dee Jaspar: Just to... Thanks for the plug for the engineer Jonnie, I appreciate that. Put shoes on our kids. We just talked a little bit about the incremental cost in power that it would take to pump water up there. And that would depend on how much water goes up there as to what that cost would be, but you know, I figured something like 10 cents incremental cost. I think we're already paying to pump water right here. I'm just talking about for the PG&E bill. There's lots of other components that go into this thing. We talked about them. The replacement cost, the O and M, chemicals, repairs, operations administration, lots of stuff like that. Testing. You 'gotta test this water. There's mandated testing schedules that you have to comply with. And so all those are in the cost. We're probably paying, just as a comparison, around 30 - 35 cents right now for that power per 100 cubic feet. In addition, maybe there might be another 10 cents worth of power to take that water further up the hill. So all those things have to go into a study. I'm just estimating

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right now, because we haven't gotten there yet, but those are the things that will go into that study and those numbers will then come out. But we are in Pre-Planning right now.

GM Allison: I would also like to point out another thing. Just because people decide to annex at this point. There's further times when the project could be stopped along the way as well. We just have to get in while the money's offered now. Try to make the best decisions right now. If you got to the planning stage and for some reason the funding dried up, or it wound up costing too much, whatever it may be, we still wouldn't be obligated to proceed with this project. So a lot of

the questions that are being asked now, it may not be answered until the planning stages, will be addressed at that time too. If it turned out to not be such a great deal at that point, then it would also stop.

CM: So there's a chance of losing that money before it even completes?

Director Schoenberg: Yes.

GM Allison: Oh absolutely because it takes a certain amount of time to take these steps; The Pre-Planning, the Planning. If it takes too long, like Dave said, that money dries up, it goes other places, and we don't have that option anymore.

Director Schoenberg: Yeah, so there's a chance that you may all might vote to annex and it may not be feasible to annex a year from now when we're in the Planning Stage and we may have to stop anyway, even though we all maybe came to an agreement that we wanted to annex. It doesn't mean that that's necessarily...

CM: So we would be losing a lot of money?

Director Schoenberg: Yeah, if it's not feasible...

Director Neyman: No, we're not using our money. We get a grant for the Planning State.

Director Schoenberg: Yeah, so right now, so far for this PrePlanning it's all been grant money. We aren't spending our own money to do these workshops, to do any of it.

GM Allison: Even the Board meetings, even the Board members are paid back for their meetings from the Pre-Planning...

Director Schoenberg: From the State right now.

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GM Allison: ... State, so...

Director Schoenberg: So the Planning, what Dave was talking about is we need to, as soon as possible, put in another grant request to try to get money for the Planning Phase. If during the Planning Phase, things are not going well and all the sudden that money dries up, even though Frazier Park may vote to annex or not to... If they vote not to annex it stops now. But if you guys vote to annex, then even during the Planning Phase, we may say, 'this isn't working.', and we may have to stop. Correct?

Dave Warner: Yes.

GM Allison: That's not as likely because it's already been looked at on a broad spectrum that it's feasible and it will work. And if the State wants to give us the money, then we can proceed.

Director Schoenberg: Right, but I'm saying if the State doesn't give us money and it dries up and it's not feasible for us to pay for pipeline ourselves, obviously we wouldn't be doing that.

Linda Robredo: Can you clarify something for me? What changed? Where last time we had a meeting, the question was asked... I've never been given the Minutes by the way. Nothing that any of us asked a question about, got in the Minutes that were approved. The last community meeting. So what changed? We were told that the opinion of Frazier Park peoples here, really... There was no legal requirement to even ask us whether or not we agreed with annexation or not, what changed?

Director Schoenberg: That's correct, but this Board does not want to move forward without Frazier Park being in agreement. We work for you. We don't make our own decisions. That's what changed. I'm not making a decision.

Director Neyman: Because we represent Frazier Park and therefore we wanted to do a polling, which is different from a vote. Lake of the Woods did a vote because they're the ones that legally have to vote. And we were just doing a polling because we want to do what the Frazier Park community wants to do. I don't want to go and vote and say, 'yes, we should go forward.', and you're all against it.

Director Schoenberg: Yeah, we work for you. We're a Public Utility District. We're not making our own decisions here. We're making decisions based, hopefully, on what the community wants.

Linda Robredo: Ok, thank you.

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Director Garcia: Before we adjourn... You have one more question?

Susanne Green: Yes, for Dee please. You had commented on the combined gallons per minute that's currently being produced in Lake of the Woods at one of the last meetings. Could you restate that please? What the wells are currently producing and whether the tanks are full.

Dee Jaspar: I think Bob could answer that. I think the tanks are coming up.

Bob Stowell: The tanks are coming up, they're at about, I'm going to say, close to half full right now. The 2 south tanks.

Dan Palilla: How much water does Lake of the Woods use a day or a month, a week or whatever?

Bob Stowell: Hold on one second. Roughly...

Dee Jaspar: When they're all on, it's around 200 gallons a minute. Right now we're probably around 75. Somewhere in there.

Bob Stowell: We're around 75.

Susanne Green: They're not all on because?

Dee Jaspar: Everything's on that has water in it right now. In a normal year, when that aquifer has water in it, you're pumping goes way up. So you have plenty of capacity there.

Suzanne Green: And because of the low [...] of the deposits, being 170 - 200 feet, will the recharge be quicker than in Frazier Park?

Dee Jaspar: You know, Frazier Park is right now probably at 80% capacity. They're there right now because of the restriction I was talking about, and they're further down the valley. The recharge would start from the bottom up because the water comes up the canyon, they will then experience a recharge. But it will take some time. The deposits are thinner and so it probably won't take as much time as it would down here, if these deposits which are 500 feet, 600 feet deep were dewatered. They're not. So, once again, the answer is, it depends. Those thin deposits, they should take less time to come to capacity.

Director Garcia: Ok, if that's it for questions, I'd like to thank everyone what made time in their busy schedule to be here with us. I would also like to thank 2 restaurants; La Sierra Restaurant

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and Falcon's Nest for donating the snacks and food that we had. I'll entertain a motion from the Board to adjourn at this time.

Director Neyman: I'll make a motion that we adjourn.

Director Garcia: Do I have a second?

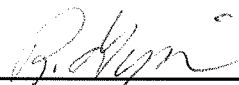
Director Gipson: I will second it.

Director Garcia: All those in favor say, 'aye'. Thank you, goodnight.

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

