

# BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT



BCPUD    BOX 390    270 ELM ROAD BOLINAS CALIFORNIA 94924    415 868 1224

## **DRAFT** BCPUD Finance Committee Meeting

Monday March 17, 2025

270 Elm Rd, Bolinas CA 94924

2:00PM

Call meeting to order

Roll (present: G. Woods, B. Wood, K. Walker, A. Alexander Green)

Community Expression - None

### **Draft Fiscal Year District Budget**

- Decision to postpone presentation of the budget at next Board meeting
- Ocean Protection Council grant – \$300,000 to address sea level rise in sewer collection system; makes budget creation difficult because sewer costs may be significantly impacted by grant funding

### **CIP Overview and Budget Categorization Adjustments (8:22)**

- Looking at the CIP, making sure to distinguish planned expenditures from money saved for reserves going forward
- True up projects that went over budget – reserve sheet was carrying negative balances from old, completed projects
- Sometimes revenue is brought in the same year that it is spent
- Separate funds for future projects/savings

### **Equipment Purchases and Vehicle Replacement Plan (13:45)**

- Vehicle needs – we only have two working trucks but really should have four
- Need better vehicle maintenance funding
- Four-wheel drive truck is important for Arroyo Hondo access; estimated cost \$72,000
- Excavator to dig ditches for septic drainage, ideally to handle leaks in-house whenever possible, will need trailer as well
- Could get an electric car (rather than truck), to meet 2027 EV requirement and to drive for work-related errands
- Replacement of Herco-Vac as well as eventual replacement of two newer trucks (ideally can re-sell and money will go back to vehicle fund)
- Planning to lean on Quickbooks for budgeting in the future, Manager Woods wants to capture detailed associated line items (vehicle purchases, maintenance costs, insurance, etc.) rather than grouping expenses all together in one big bucket

### **Revenue Sources and Budget Allocation (23:40)**

- Augment septic drainage fund to bring revenue back up to previous levels
- 50/30/20 split – water/sewer/septic drainage
- Septic drainage has built up a reserve, could use these funds to purchase excavator

- Discussion of splits – in the past, different splits for different expenses

#### **Bolstering Reserve Funds (28:44)**

- 15K vehicle fund for 4WD purchase – how to get this to 75K needed?
- Water customer contribution – additional 21K
- Sewer – will need 22K
- Septic reserves will cover excavator as well as 4WD vehicle contribution
- Numbers are based on purchasing vehicles new – possible to find used at lower cost
- Start to collect funds to purchase EV 2026/2027 (10K from water, 6 from sewer, 4 from septic)
- Herco Vac – possibly different split, need to verify with staff if this will be shared/used equally by all three enterprises
- Goal to collect enough funds to replace existing two trucks 2028/2029
- Continued contributions to vehicle replacement fund (water 10K, sewer 6K, septic 4K)
- Ideal to have reserve funds for operation, maintenance and emergency

#### **Water CIP and Emergency Repairs (38:40)**

- 25/26 projects: radial gate assessment, co-ag wall, assessment of Wharf/Brighton/Mesa
- Using reserves to mitigate emergency expenditures
- Pilot study for Kale Road – addressing distribution lines, using excavator to try to make progress in-house
- Wells Project and Tank Site Replacement project – need to replenish designated reserves spent on these projects (hopefully grant funding for wells project will come through to bolster depleted reserves)
- Arroyo Hondo culvert emergency repair
- Traditionally budget has allotted about \$225K annually to CIP; collecting at least \$250K from customers will cover operations and deferred maintenance costs
- Establishing CIP reserve that is separate from operational reserve

#### **Long-Term Planning and Budget Adjustments (56:51)**

- 2026/2027 - 90K from reserves for Wharf/Brighton/Mesa rehab
- Continuation of pilot study on Kale
- Tier 0, Tier 1, Tier 2
  - Tier 0 – actively being addressed
  - Tier 1 – saving for/needs funds
  - Tier 2 – future projects further down the road
- Rehab of co-ag wall
- West Tank rehab/booster pump line replacement
- Possibility of doing some amount of this work in-house
- Looking at money brought in previously and wanting to distinguish between money going to reserve vs money going to a project
- Dedicating funds to Tier 0/immediate projects; no funding for Tier 2 items

#### **Sewer CIP (1:22:47)**

- Difficult to factor in possible grant funding from Ocean Protection Council
- Estimated \$160-200K planned revenue capture
- Canyon Road research/consulting - 10K
- Emergency prep work for Wharf Rd – preliminary investigations
- Sewer CIP is different from other enterprises because it is regulatory-enforced
- Charges affecting sewer customers but may ultimately benefit the entire town – for ex. feasibility study costs – doesn't make sense to charge existing sewer customers for possible expansion of the system
- Probably more appropriate to collect from both water and sewer customers, ideally grant funding will cover this cost
- Other projects: inspection of the force main, replacement of force main clean out, lift station motor control, rehab of manholes, backup lift station pump replacement, pond 1a recirculation upgrade

#### **Final Discussion and Next Steps (1:45:13)**

- Next meeting – look at balance for each enterprise, revenue/expenditures
- Raising water meter rates – look at current billing structure to estimate how many customers typically fall into each tier

Adjournment – 4:07PM