

PROVOST & PRITCHARD
CONSULTING GROUP

Administrator Program
Keeler CSD Community Engagement Meeting
October 15, 2024

The Keeler Community Engagement meeting started at 6:05 PM with three residents in attendance, in addition to Tonia Holmes from Provost & Pritchard (P&P). Online, five people participated, with Hamish Kellam from the P&P team presenting remotely.

Hamish reviewed the Post-Administrator Plan, outlining the plan Keeler CSD will follow after P&P's role as administrator concludes. No long-term consolidation partner has been identified in Inyo County, but discussions are ongoing with Thomas Landry from Darwin for potential long-term operations. As it stands, management is planned to revert back to Keeler CSD. While the State has the authority to mandate consolidations, there are no nearby systems that would make consolidation feasible. A final post-administrator plan must be finalized six months before the end of the contract.

The State Board has asked that P&P continue its role as administrator until February 28, 2026 – one year later than initially anticipated. To support this extended timeframe, P&P has submitted an Operations & Maintenance (O&M) funding request to subsidize the system. O&M funding covers payments for operations, maintenance, and subcontractors. The State Board would like to ensure that the system is sustainable and that its water source is free of contaminants before it ends this funding.

Hamish also reported that Keeler CSD will not need to perform quarterly PFAS sampling due to a non-detect result from sampling completed in May 2024. Lead and Copper sampling from five residences came back below action levels. Lead and Copper testing is required every three years, though regulations may change with upcoming legislation updates. The Lead Service Line Inventory, completed by McMor, confirmed the connections were either galvanized steel or SCH40 PVC, with no lead detected.

Arsenic and manganese were sampled, and results showed both above the State MCLs. Reported leaks persist, so residents are encouraged to use the emergency response phone number for immediate concerns and update their contact information to receive emergency notifications.

The next bottled water delivery is October 17, 2024 in partnership with RCAC. Residents should contact RCAC if they have any questions.

GHD has submitted a work plan amendment to include a desktop well siting study, test well installation, and leak detection and meter study. The desktop study will evaluate background water quality data and potential well locations near Keeler. This is an initial evaluation stage, unlike test well installation, which would follow after the desktop studies.

Tonia discussed the financial health of the system, noting that P&P is pressing the state to expedite the O&M agreement amendment so that reimbursements can be fulfilled, and the system cash flow is balanced. Tonia discussed that main operating expenses and the water operator are covered through the O&M grant.

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An initial rate study indicated a rate of \$130, deemed unaffordable, which will not be implemented. The State recommends that rate adjustments do not exceed 3% above the median household income, and a 5% annual increase is necessary for sustainability. The Keeler Board will be discussing a potential rate increase to \$50 flat rate per month, to meet the rates of similar nearby systems. Any proposed rate changes must comply with Proposition 218 protocols, and P&P will coordinate requests through the Keeler CSD Board of Directors should an increase be enacted.