



MOONSHOT  
MISSIONS

# BIG BASIN WATER COMPANY, CA

*LAFCO Meeting*

February 05, 2025

PREPARED BY MOONSHOT MISSIONS



**MOONSHOT**  
**MISSIONS**

We are a 501c3 non-profit dedicated to clean and healthy water and waterways in underserved communities.

## **OUR MISSION**

*Serve as a trusted peer advisor for communities to secure safe, accessible, and affordable drinking water and clean waterways, regardless of zip code.*



# BIG BASIN WATER COMPANY

Boulder Creek, CA



## KEY CHALLENGES

- System severely damaged by CZU Lightning Complex Fire in 2020
- Critical infrastructure destroyed by fire including surface water treatment plant
- Multiple ongoing compliance violations
- Utility placed under receivership due to failure to comply with State directives
- Need for comprehensive evaluation of system sustainability and governance options



## What is Moonshot doing for Big Basin?

- ✓ Conduct a 360-degree assessment to review the utility's condition
- ✓ Identify projects and assistance in prioritizing them
- ✓ For the different governance options being considered:
  - ✓ Evaluate long-term sustainability
  - ✓ Evaluate potential funding sources
- ✓ Develop a Roadmap
- ✓ Provide water rights documentation and guidance
- Partner with RCAC on determining disadvantaged community status
- Apply for preliminary planning funding



# TECHNICAL

*Overview and Needs Assessment*





# Water System Overview

*Source, Treatment, Storage, Pump Stations and Distribution System*

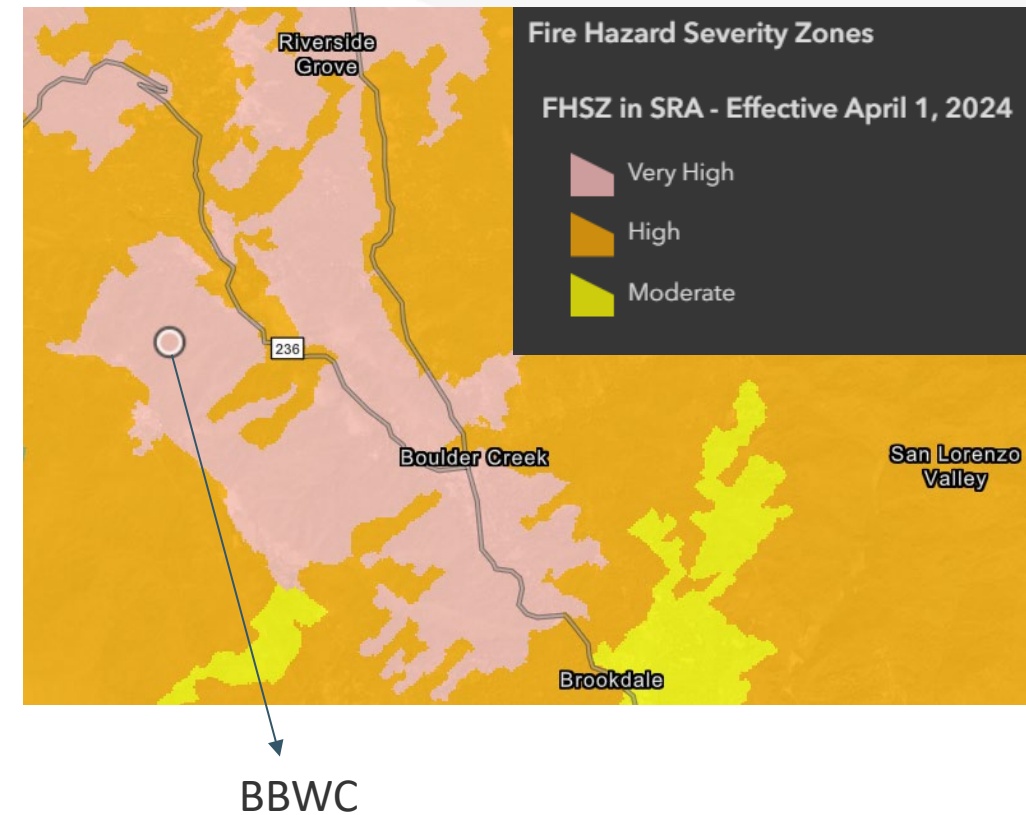
- **Water Quantity:**
  - Primary reliance on Well 4 and San Lorenzo Water District (SLVWD) purchases
  - No formal agreement for water purchase + higher cost
- **Water Quality:**
  - No water quality issued
- **Treatment Plant:**
  - Surface water treatment plant lost in fire. Switched from Surface water to groundwater.
  - Only treatment is sodium hypochlorite disinfection at Well 4
- **Storage & Pump Stations:**
  - 7 Storage tanks (adequate storage capacity); 7 pump stations
  - Vulnerabilities (not up to standard, vulnerable to fire damage, temporary plastic creek crossings)



# Water System Overview

*Source, Treatment, Storage, Pump Stations and Distribution System*

- **Distribution System:**
  - Comprehensive pipe inventory completed in 2024.
  - Lack of maintenance programs (leak detection, valve inspection, cross-connection control)
- **Fire Safety and Protection:**
  - Boulder Creek highly susceptible to future fires. Dense vegetation and challenging terrain.
  - Other vulnerabilities:
    - Accessibility to key infrastructure is a concern.
    - Backup power is lacking for many critical systems.
    - Some components housed in flammable wood structures
    - Temporary plastic pipes that are at risk of failure or damage during a fire.



# UTILITY MANAGEMENT

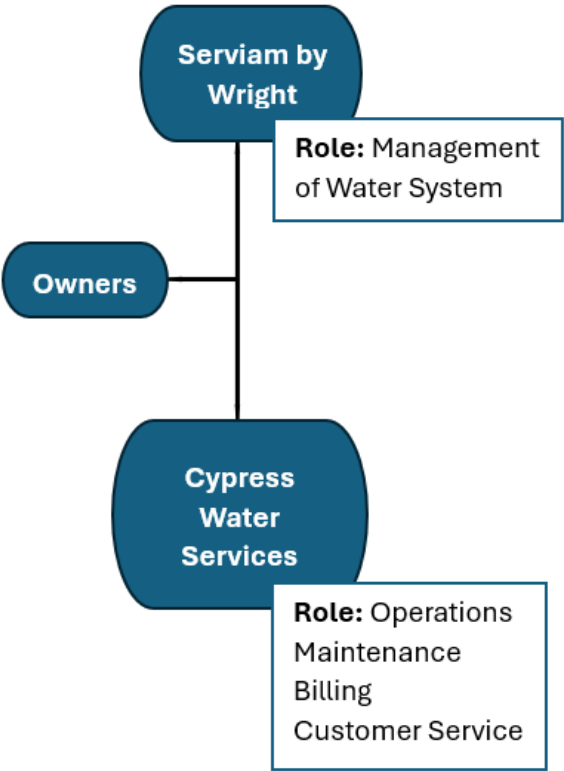
*Overview and Needs Assessment*



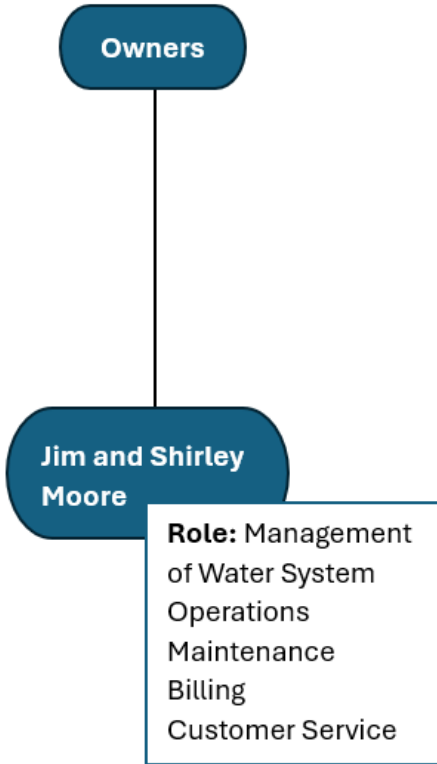


# UTILITY MANAGERIAL INFORMATION

## Current Temporary Organizational Structure



## Previous Organizational Structure



# UTILITY MANAGERIAL INFORMATION

## *Observations*

<b>Staffing</b>	<ul style="list-style-type: none"><li>• While BBWC currently has sufficient qualified staff for operations through the contracted operator, it lacks sufficient staffing to handle engineering support, technical/operations assistance, financial management and planning, or legal counsel.</li></ul>
<b>Communications and Coordination</b>	<ul style="list-style-type: none"><li>• Without staff covering the communications functions, BBWC also is without the ability to proactively communicate on platforms other than the company website and bill inserts.</li></ul>
<b>Policies, Records and Plans</b>	<ul style="list-style-type: none"><li>• BBWC is currently without a full set of policies, records and strategic plans that can support its present day and future operations.</li></ul>
<b>Easements</b>	<ul style="list-style-type: none"><li>• BBWC lacks recorded easements for its infrastructure located on private properties.</li></ul>
<b>Insurance</b>	<ul style="list-style-type: none"><li>• BBWC lacks current insurance to protect it from liability and the effects of disasters.</li></ul>



# UTILITY FINANCES

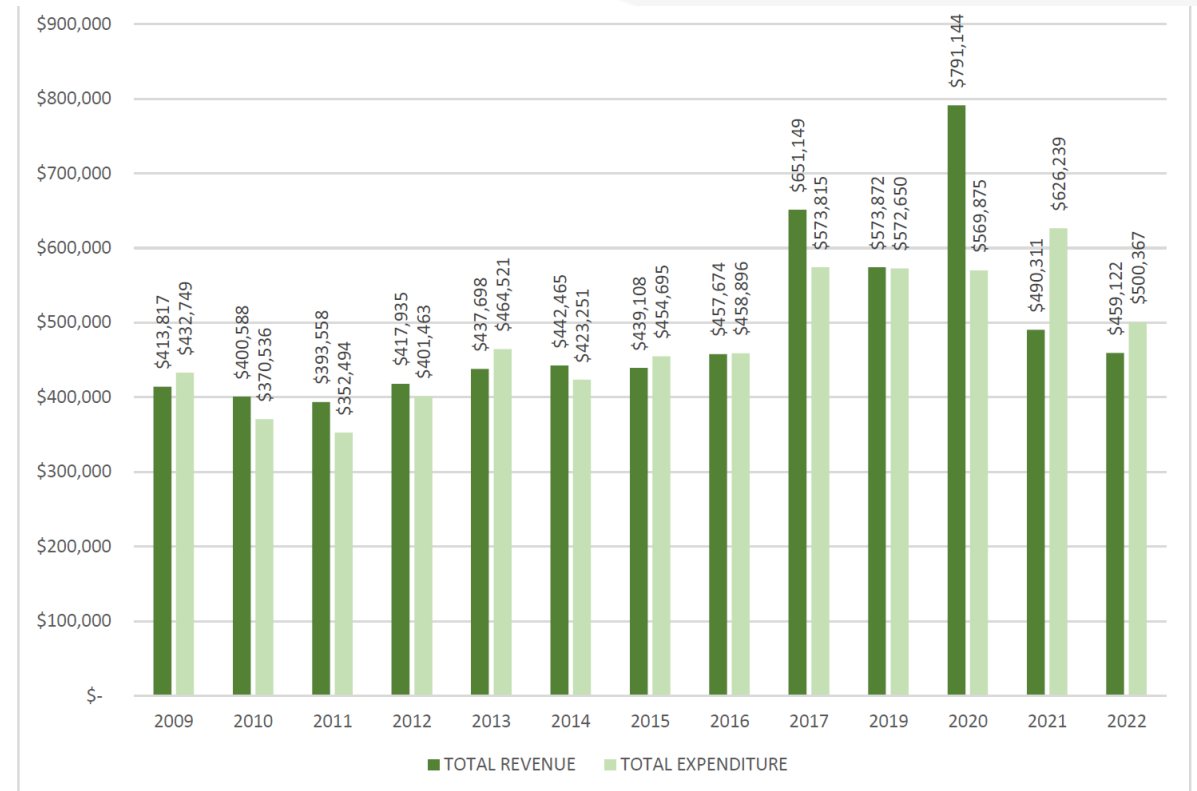
*Overview and Needs Assessment*



# FINANCIAL REVIEW

*What do we look at?*

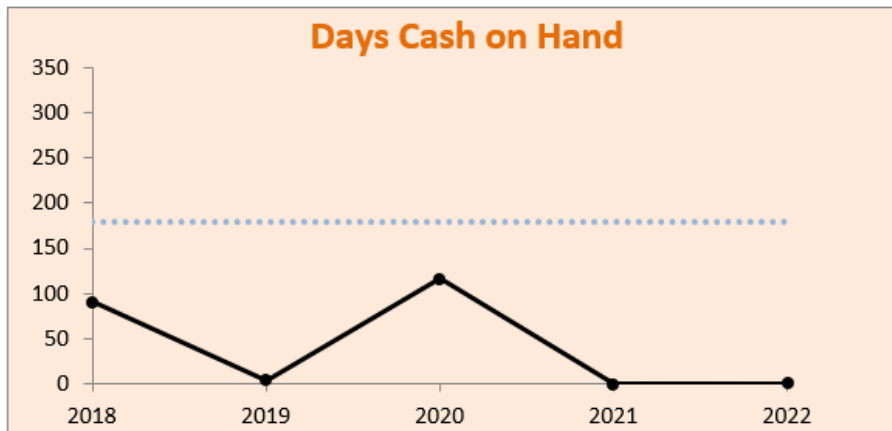
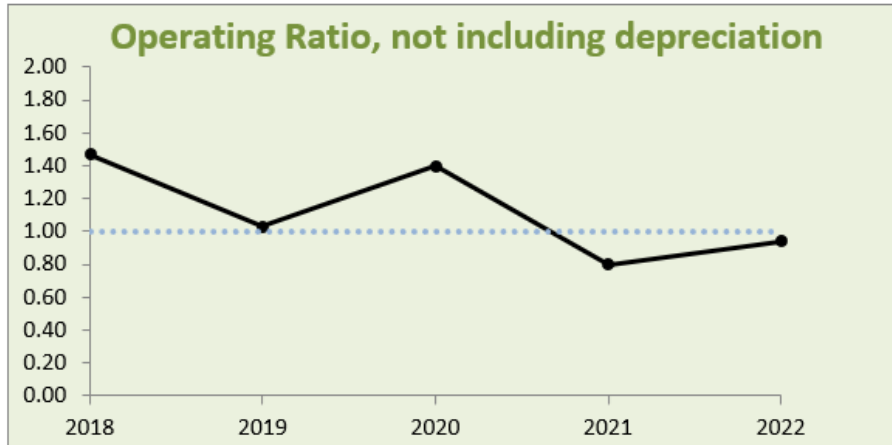
- Budget – Revenues vs. Expenditures
- Cash on Hand and Reserves
- Rates and Affordability/Assistance Programs
- Capital Improvement Plan
- Debt
- Financial Controls



Source: LAFCO Memo, March 2024



# FINANCIAL REVIEW



## Observations

1. BBWC's current rates are unsustainably low, do not adhere to basic cost-of-service principles, and do not take into account the maintenance and replacement and refurbishment (R&R) of important infrastructure.
2. BBWC does not have a capital improvement plan to guide investment in infrastructure or an asset management plan to project infrastructure R&R needs and costs.
3. BBWC's financial situation has a detrimental effect on its ability to finance needed capital improvements.





# ALTERNATIVES ANALYSIS



# SYSTEM ANALYSIS

## CONSIDERED ALTERNATIVES

### Annexation

- Annexation to San Lorenzo Valley Water District

### Hybrid

- Formation into a County Service Area
- Consolidation with another utility
- Acquisition by a private company

### Stand-Alone

- New special district
- New mutual water company
- New private company



# SUSTAINABILITY ANALYSIS

## *Criteria*

### Level of Service

- Technical capacity to ensure competent and safe operations of the system and to provide regulatory compliance,
- Operations experience,
- Ability to prepare for and respond to emergencies, and
- Improve customer satisfaction.

### Cost and Affordability

- Access to capital funding and financing,
- Rate of return to investors,
- The effect on rates,
- Operational efficiencies, and
- Customer affordability programs.

### Ownership and Governance

- Accountability,
- Transparency,
- Retail water system management and oversight experience, and
- Opportunities for community representation on governing bodies.



# CONCLUSIONS

#	Ranking of Alternatives
1	Annexation into San Lorenzo Valley Water District
2	County Service Area
3	Annexation into Other Utility, except for Central Water District and Pajaro Valley Water Management Agency
4	Central Water District
5	Existing Investor-Owned Private Company
6	New Special District
7	Pajaro Valley Water Management Agency
8	New Mutual Water Company
9	New Private Company





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## CONTACT US!

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