

Jury still out on NCSD-Blacklake water merger

By April Charlton/Senior Staff Writer

It remains to be seen whether the residents of Blacklake Golf Resort Community will permanently join their water system with the Nipomo Community Services District's system - at a cost of more than \$1,500 per residence.

During this week's NCSD board meeting, the directors voted to give the Blacklake Village Council until Oct. 9 to poll residents about whether they want to merge the community's water system with the district's.

"I believe the board will follow any recommendation that the Blacklake Village Council gives us," said NCSD board President Mike Winn.

The board's next public meeting is scheduled for Oct. 10. Winn said the board most likely will vote at that meeting whether to merge the two systems.

Wednesday's vote came on the heels of a public forum a day earlier at Blacklake, where district staff and a consultant laid out cost estimates for merging the two systems merge and for keeping Blacklake's system independent.

It was determined last fall that the Blacklake water system's booster station wasn't functional and couldn't furnish an adequate supply of treated water for the community or fire-protection flows.

NCSD remedied the situation on an interim basis by connecting the Blacklake system to the district's water system.

Earlier this year, the district received a letter from the Blacklake Management Association that it was interested in exploring the merger.

If the systems were to merge, the district would charge every residence a \$1,672 equity surcharge to join to the district's water system and establish parity between the customers of the two systems.

According to district staff, NCSD customers have paid more into the district's water system than Blacklake residents have paid into their system, which needs at least \$800,000 worth of maintenance to remain independent.

If the two systems merge, rates for Blacklake residents would increase by 11 percent in both 2010 and 2011, and by 12 percent in 2012. Blacklake residents who have 1-inch connections currently pay \$85.20 bimonthly for water, and by 2010 that would increase to \$141.87.

The increase will include the equity surcharge of \$35.52, plus a litigation fee.

Water rates would also increase if the residents vote for the system to remain independent because the Blacklake water fund doesn't have the money to finance improvements.

To do so, the district would borrow money that would be paid back through rate increases at Blacklake, according to district staff.

The NCSD board also voted to increase sewer rates at Blacklake, beginning with a 50-percent increase in April, Winn said.

“We really don't have a choice on that one,” he said.

Blacklake's sewer fund has been depleted in recent years after the district began working on deferred maintenance of the community's sewer system, according to Winn.

The community also hasn't seen significant sewer rate increase, which has left the sewer fund without adequate reserves for sewer system improvements and maintenance.

April Charlton can be reached at 489-4206, Ext. 5016, or acharlton@santamariatimes.com.

September 28, 2007