

# Chemeketa Park Mutual Water Company

PO Box 588, Redwood Estates, CA 95044-0588

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**Board of Directors Meeting**  
**APPROVED MEETING MINUTES**  
**September 25, 2024 7:00 p.m. @ Clubhouse**

- I. Call to Order - Erik 7:00 p.m.
  - a. Board Members who were present: In attendance: Erik Wilkerson, Vincent Macewitz, Mike Lerman, Neil Abriyani (via Google Meet), Fred Shenkelberg, Geri Markey
  - b. Members who were present: Dave Shimmin, Project Manager (Consultant), Lisa Anderson (Google Meet), Jody McCalmont, Kirk Nilson (Google Meet), Dana Hartzell, Richard Buxton, Dawn Bonnin (Google Meet).
  - c. Reminder: for the flow of the meeting, that all details have been shared in advance in hopes we may keep focused to save time for additional discussion.
- II. Review and Adopt August 11, 2024 Draft Minutes: Board 7:05 p.m.
  - a. Erik motioned to approve the August minutes with no changes, motion was seconded, approved unanimously.
- III. Review any public comments 7:07 p.m.
  - a. Erik shared the following response to dog complaints: The board has no authority to adjudicate issues between pet owners. Per [Santa Clara County Ordinance Code](#), dogs must be on a physical leash not to exceed 6 feet. Please contact [Santa Clara County Animal Control](#) with issues related to nuisance animals. Their phone number is (408) 201-0660.
  - b. Dana requested to hang a quilt in the clubhouse, which was shared by a former CP community member/neighbor, for a short period of time, acknowledging that since the clubhouse is a shared space, the community is not responsible for the quilt. Dave will get a photo of the quilt for the website once it's hung.
  - c. Question from the community about the volume of dog poop in the neighborhood, especially on Apache, can a notice be left in the community as a reminder to pick up after your dogs. There are poop bags available next to the garden - Dave will post the notice.
- IV. Updates on Action Items from August 11, 2024 meeting: Board 7:10 p.m.
  - a. Item III.c. Timely distribution of Board Meeting draft minutes
    - i. Minutes were delivered on-time for the August meeting. Simple process has been drafted to ensure community communication is delivered timely. Thanks for everyone's patience in this transition period with the new Board, accounting personnel and technology implementation.
  - b. Item V.b. Action: Erik to partner with community members to create procedure page for meeting set up

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- i. Erik is still working on details
  - c. Item VI.v. Action: Mike to update with Lisa's edits to the Schedule of Assessments, Fees and Changes (completed in BOD prep packet)
    - i. Completed
  - d. Item VI.f.iii. Action: Jody to ask contacts for who they're using; Miles making an alternate intro and we need to know licensing of this contractor
    - i. Update provided in Water Report section
  - e. Item VII.a.xv. Action: Erik to open an additional Wells Fargo account for to retain funds for future projects
    - i. Appointment set for Friday, 9/27/24
  - f. Item VII.b.vi. Action: Mike to document process of getting community info out monthly in working group
    - i. Will share draft of process with BOD and Firewise
  - g. Item X.d.ii.b. Action: Geri to contact Green Team for a community free pickup
    - i. Updates coming later in meeting as separate discussion topic
- V. Water Report 8:29 p.m.
  - a. Update: Water, HazMat, Water Test Results (Miles not present)
    - i. Miles including Geri in communication in resolving violations, Fred asks Geri to get it in an SOP for future use as it will be recurring
  - b. [Watershed Survey](#): PDF of California Watershed Assessment Manual. Miles has been in contact with Barry and may have additional information to share. No update on future hydrologists. (Miles & Geri)
    - i. Just received a proposal and will discuss and review it for the next board meeting.
    - ii. Jody heard from via del monte and they conducted their own report. Her contact shared a copy of their report for our review and he suggests considering conducting ourselves. Jody is reviewing.
  - c. Meters Project
    - i. 1st phase - meter location marking: 90% have been marked
    - ii. 2nd phase - photos and info on meter boxes: 60% complete
  - d. Water tank replacement updates (Jody)
    - i. Water tank manufacturer reviewed plans and asked for changes, moving slowly, this is holding up building permits, we cannot release manufacturer till done. New state project engineer on our project, 4th person, but he's good. RCAC funded invoice, state paid us back, quick turnaround helped keep interest expenses low.
- VI. New Business (Geri) 7:15 p.m.
  - a. Motion to adopt Draft of CPMWC SOP
    - i. Motion by Fred, Geri seconded, adopted; all in favor
  - b. Issues with community logging in from website google link, works from agenda, need to review process and troubleshoot - Geri to contact Google and review links.

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- c. Beginning August 1 2024, [SB 3 \(Dodd\)](#) will require water systems with 15-200 service connections to follow specific procedures before shutting off residential water service for non-payment. SB 3 is an extension of the Water Shutoff Protection Act ([SB 998](#)), signed into law in 2018.
  - i. Under SB 3, water systems with 15-200 service connections are required to:
    - o Develop a Service Discontinuation Policy that applies to residential water service. The policy must include:
      - a plan for deferred or reduced payments
      - alternative payment schedules that are translated into any language spoken by at least 10% of the residents in the service area or at the request of a customer for other Section 1632 languages (Spanish, Chinese, Tagalog, Vietnamese or Korean)
    - o Implement a formal appeal process for customers and have a telephone number available to customers to discuss payments or questions related to discontinuation of services. If services are discontinued, the system must report the total number of shut-offs to the State Water Resources Control Board (SWRCB) annually.

Action: The board will draft a new and revised policy and procedure to be discussed, reviewed, and adopted at the next board meeting in Oct. 2024

## VII. Financial Report (Kirk)

7:47 p.m.

- a. Nilson & Associates contract, services, and assessments.
  - i. Nilson & Associates were hired to rebuild the books, review financials, recategorize transactions, and ensure that all CPWMC's accounts were reconciled and audit-ready for a 3-year period.
  - ii. They could not access any deposits from Comerica Bank due to banking restrictions. This lack of information required them to make some assumptions, utilizing bank statements, trial balances from the prior CPA, and tax records to estimate what was paid and when.
  - iii. During the rebuild, they discovered irregularities and practices that were not considered normal.
  - iv. Their final conclusion: "The errors in accounting, most of which were corrected in the rebuild, would not be considered material enough to warrant CPMWC pursuing the matter further. The cost of continuing would outweigh the benefits." As Erik mentioned in last month's board meeting, we have already fulfilled our fiduciary responsibilities by turning the matter over to law enforcement back in April. No further action required.
  - v. Kirk suggests that we increase the maintenance budget for next fiscal year. Confirm if parts purchase was indeed operating or capex. Kirk

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needs to review with Miles but likely we'll need to absorb in this year, should have sufficient funds and allow for a parts stockpile.

- b. Reports from Rebuild Period
  - i. Please see the [CPMWC 05.2020-04.2024 Statement of Activity.pdf](#)
  - ii. Please see the [CPMWC 05.2020-04.2024 Statement of Financial Position.pdf](#)
- c. Current status of Financials & Billing
  - i. Nilson & Associates has been reaching out consistently to anyone with outstanding balance, very few who are chronically past due and most seem to be a simple oversight. Residents wondering how much time do they have to repay? Geri will share a draft SOP with Nilson showing collection/late fee policy.
- d. Capital projects and Sinking Funds
  - i. Kirk requests we begin accruing for next fiscal year to ensure funding is in place. Requests transfers....and refund operating account
  - ii. Geri motions that we accept the following recommendations by Kirk, Mike seconds, motion passes:
    - authorize monthly recurring \$8,500 transfer May 1, 2024 to April 30, 2025 for all projects for fiscal year '25/'26 goal
    - catch- up transfer of \$42,500 in order to complete the monthly draws from previous months
    - \$5,000 transfer from operating reserve
    - Transfer \$30,600 reserve to operating account to replenish account
  - iii. Motion by Geri, based on Kirk's recommendation, to discontinue monthly automatic transfer of \$2,200 from operating to reserve, Mike seconds, motion passes with Erik abstaining
  - iv. Fred motions to discuss replacing road funds with repair work for existing water valve repairs. Will need valves repaired in order to segment the park and complete the water meter project.
    - Geri motions to move \$16K of roads work from to repair the 2 faulty main water valves, not to exceed (NTE) that amount, the remainder can be reapportioned to roads, Erik seconds, passes unanimously.
- e. Sinking Funds & Transfers
  - i. Current accruals for 2024-2025 and 2025-2026 fiscal years:
    - 2024-2025 Test Meters Project: We still owe \$5,000 for this project and recommend transferring these funds immediately.
    - Roads (2025-2026): Goal is \$50,000, with a monthly accrual of \$4,166.67.
    - Water Meter at the Top of Transmission Line (2025-2026): Goal is \$12,000, with a monthly accrual of \$1,000.

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- Water Meter Project (2025-2026): Goal is \$40,000, with a monthly accrual of \$3,333.33.
  - f. Update: [Board-related documents in mailers](#)
    - i. Thank you, Geri, for calculating the savings we are recognizing while continuing to move to online payments and digital information distribution
  - g. [Update: Insurance](#)
    - i. Carrier will not insure our actual roads
    - ii. Carrier also not currently insuring the playground and it will require a separate policy. The insurance cannot cover us if the clubhouse is 'rented' out.
      - Fred suggests we seek an insurance rider from Aldercroft Heights visitors or have a community member provide them access as their guest. If they cannot comply then we cannot provide further access.
    - iii. Carrier also cannot cover playground equipment unless there is a lease agreement with the land owner.
    - iv. Purpose of our current policy is intended to cover water company operations and not a homeowners association which CPMWC is not.
  - h. Update: Annual Review
    - i. Geri is in the final steps of completing this process and asked that BOD members please review the vendor list to see if you have any contacts or information to share with Geri to help her gather necessary documents.
  - i. Update: [Credit Report](#)
    - i. Collections with Frontier, paid by Kirk, trying to get it removed from the credit report. Should improve standing and provide us access to better credit.
  - j. Transfers: Approvals needed by the board
- VIII. Firewise updates 7:20 p.m.
- a. Progress on brush clearing
    - i. \$5,000 was spent on shaded fuel break - fuel break work upset a few residents who did not authorize work on their perceived property. Dave committed to a future no-go list for the 2 residents who refuse work and make sure we communicate better in the future.
  - b. Review requests of the Board of Directors
    - i. There were previously many ways in the past that the Chemeketa Park Firewise team could communicate with the neighborhood. Looking to restore access: can assign a project lead who has access to all resources. A community member suggested making them adjunct members of the board, and we will trade Crissy's login for a Chemeketa Park Firewise login.

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Action: Mike to repurpose login and provide to Mara. May require Geri's help with admin. Geri will provide email usage agreement.

- ii. Question around renter information and the privacy of individuals shared outside the board. BOD does not have access to renter info. POD leaders may be the best contacts for this info. Ways to connect with renters: paper fliers, note on website asking renters to register, email community a couple times a year, posted physically on boards, keep a registration in Mailchimp (with permission).
  - c. Tentative schedule for evacuation workshop: TBD
    - i. Aiming for later fall, will plan for Spring if timing doesn't work
    - ii. Mara leading the annual 5 year assessment led by Firewise
- IX. Roads update 7:34 p.m.
  - a. Neil was able to meet with the sealing roads vendor this week to walk roads and talk about sealing, wants to return with a supervisor to get a quote, and wants to talk with Bond on some of the repairs needed before sealing. Neil hopes to have an update by the end of the week. The Goal is to get an idea on pricing before going further.
  - b. Apache Road closure
    - i. Board recommends proceeding with required road closure as approved previously in July's board meeting. After discussing the most cost efficient options, it was revealed that a removable screen is not sufficient, and would be negligent for us to leave it open. CPMWC risks losing policy if the carrier inspects our closure and it does not fully block pedestrian and vehicle access.
    - ii. In the meantime, Dave has repaired the bollard receivers and reinstalled them
  - c. Road reflectors
    - i. Surveyed, roughly half of blue fire hydrant reflectors are missing, Dave conducted a test application and will install the remaining 9.
  - d. Nez Perce shoulder wash-out repair
    - i. Dave added chip material, big improvement.
  - e. Edwards Road asphalt repair
    - i. Completed and looks great. Crew said the pipe will only last a few more seasons then it will be replaced. Dave will submit a ticket on a mobile citizen app to expedite that repair.
- X. Clubhouse 8:38 p.m.
  - a. Internet service cost discussion
    - i. Geri motions to transfer service to Frontier fiber for cost savings NTE \$60 per month, Mike seconds, motion passes with Fred not in favor
  - b. Security protocol

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- i. Dave updated signage about locking clubhouse doors and incidents of doors being left open have decreased. Suggests we wait and see if there are further issues.
      - c. Signage repair updates
        - i. Done
      - d. Bruce Franks Plaque
        - i. In process with Dave
  - XI. Community 8:20 p.m.
    - a. Operations Report
      - i. Yoga starts 10/8 on Tuesdays from 6 pm - 8:30pm, listed on website calendar
      - ii. Redwood tank decommission disposal: 3 parties interested in salvaging the wood. We will notify them the tank is decommissioned but we will not manage the removal process and it is not on our land.
  - XII. Website Migration 8:55 p.m.
    - a. Dana shared info on migration and a strong warning that action should be taken to move the hosting of our community site. Discussion around the easiest and most cost effective way to do this. It was recommended that we use Google hosting since it is free, easy and secure. Further discussion and motion to migrate to another solution including cost will be discussed at the next board meeting, Oct. 16th, 2024.
- Action: Fred volunteered to lead the migration effort.
- XIII. Green Team Free Pick-up 9:03 p.m.
  - a. Geri volunteering to lead the project
  - b. Must get authorization form signed by property owners. Forms will be shared through mailchimp and website.
  - c. Green Team provides free 2x year bulk pick up, authorization will ensure everyone has the opportunity to use their allotment
  - d. Will need big contractor trash bags for pick up, more info to come
- XIV. Dog Park Proposal Discussion 8:35 p.m.
  - a. Insurance company will not underwrite
  - b. Does not appear to be support to further the discussion
- XV. Motion to end meeting (Erik) 9:07 p.m.
- XVI. Closed session legal matters 9:08 p.m.
  - a. Determined not to seek reimbursement for cost of rebuilding accounting books as our cost would outweigh potential recovery amount
  - b. Decided not to send formal legal letters to former CPA concerning improper discussions.
  - c. Reviewed new SB3 policy for applying liens to properties who are significantly delinquent in payment.
  - d. Decided to use the current set of financial information in setting long time past due amounts, resulting in the lost of potential recovery of \$xx

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- e. Confirmed delayed billing for a property recently purchased which does not have access to community water.
- f. Clarified follow-up for any community contractors providing service to CPMWC who do not have insurance on-file.