

Chemeketa Park Mutual Water Company

PO Box 588, Redwood Estates, CA 95044-0588

Monthly CPMWC Board of Directors Meeting

Wednesday, November 20, 2024 - Clubhouse

APPROVED MINUTES

Video call link: <https://meet.google.com/wyn-ydte-int>

Or dial: (US) +1 530-421-8759 PIN: 151 954 492#

More phone numbers: <https://tel.meet/wyn-ydte-int?pin=9701110022544>

- I. Call to Order 7:02 p.m.
 - a. Board Members who are present: Erik Wilkerson, Fred Schenkelberg, Mike Lerman, Geri Markey
 - b. Community Members who were present: Dave Shimmin, Project Manager; Jody McCalmont, George Bruder
- II. Review and Adopt October 16, 2024 Draft Minutes: (Erik) 7:03 p.m.
 - a. Motion by Mike, Erik second, approved
- III. Review any public comments 7:03 p.m.
 - a. Question about a calendar for ongoing community needs. It's included in the SOP, found on website and outlined in SOP. Can it be added to a calendar?
- IV. Updates on Action Items from October 16, 2024 meeting: (Mike) 7:05 p.m.
 - a. Action: Erik to open additional bank account
 - i. Erik opened a savings account at Wells Fargo. This needs to be changed to a checking account. Erik will make this adjustment before the next board meeting. The account (will verify if this was a savings or checking account) has been opened as recommended by Nilson & Assoc. - add to this week
 - b. Action: Geri to contact Green Team for a community free pickup
 - Process needed for collecting forms from community: aim to send out in December packet, Mike willing to partner with Geri on planning logistics
 - c. Action: Kirk confirmed billing reinstated for re-connection on Assiniboine began 11/1/24.
 - d. Action: new board members must complete 2 hours of ethics training within 6 months of taking office. - urgent need to get last 2 certificates completed
- V. Water Report (Miles) 7:10 p.m.
 - a. Updates, including sanitary survey progress, approved pumphouse main pump upgrade - Miles had scheduled a weekly Wednesday training meeting and overlooked the monthly board meeting scheduled for Wednesday @ 7 p.m. Due to his absence, he sent the [water report](#) which will be shared with the community.

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- i. Link to report to be shared asap
- b. [Watershed Survey proposal](#) follow-up
 - i. As part of the sanitary survey, we need to show that we have ample water supply to meet our demand and the BoD must have all completed ethics training.
 - ii. Miles asked George Chien if CPMWC could complete the survey ourselves and Mr. Chien agreed to review it if we sent it to him, Miles offered to help prepare the survey.
 - iii. Discussion of proposal to complete the survey. David Shimmin offered to engage with his project. George Bruder offered to review previous surveys and assist David with the project.
 - Action: Invite George to folder so he can collab with David
 - Action: Geri will contact Barry Hecht that CPWMC will not be moving forward at this time
- c. Discussion on well project
 - i. Suggestion to run a test on the deep well in order to begin the process of abandoning well.
 - Action: George to talk to Dan Markey about current status
- d. SB3: [Water Shutoff Policy](#) follow-up
 - i. The template from state was too long. Geri working on reducing it to 1 page with Cal Mutual.
- e. Water tank replacement updates (George/Jody)
 - i. Met w/ county planning commission last month - unanimously approved!
 - ii. Application to building dept submitted last month. 30 days to return comments. Will determine if tank construction can be released based on nature of comments
 - iii. Submitted request to dept of water resources to extend project deadline from 6/30/25 - 9/30/25
 - iv. Additional funds may need to cover fence and landscape around new tank, additional repairs
 - v. Project managers met last week to discuss if additional funds are available, not enough for a second tank, but up to \$300,000. Can be used for the original intent of the grant. Reviewed projects from capital improvement plan to vet potential opportunities. Decided on using the amount for the full meter project rather than piecing it together. Received one vague quote, Dave met with a second potential contractor who is working on a proposal.
 - Jody is investigating if we need to go through the State contracting process. Could we use the tank vendor with a change order?
 - vi. Meters, labor, funds as needed for backflow prevention, project management rate for operations manager to manage the project, conduct rate study

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- f. Update on discussion regarding adding a meter to the top of the transmission line by Miles and team to not exceed \$12,000.
 - i. Metering not practical: alternative = Sonic survey - one time capture will identify any leaks and additional funds could be used for any needed repairs
 - ii. Need to identify if there are issues now so we're ready to submit request to state. Assessment = \$12,000. Request is made to authorize this cost
 - iii. The line should ultimately be replaced due to size restriction for our needs
 - Motion by Geri NTE \$15,000 for the sonic wave assessment survey in place of the \$12,000 meter at upper tank, second by Fred, approved. Funds will need to be pulled forward into this fiscal year, accruing in process. Kirk suggests using the excess reserve funds and keep the \$12k accrual for future meter purchase.
- g. Cross-connection Control Plan and Implementation. (Fred)
 - i. Decision: How and who will lead the effort to create the control plan and identify the necessary elements that we have to implement. These can be 2 separate people on the project.
 - Went into effect July '24, George Chien asked to receive by July '25. Need to get the plan to them, then implement. The valve needs to be readily accessible. State template in folder. George and Dave will review scope, may need to finish water survey first. Should meet with Miles as part of the process.

VI. Discussion from Water Inspection from State Water board

- a. Inspector's first question was about our board members completing their training
- b. Inspector stated we send a letter to state saying we are no longer using this water source)
- c. The inspector asked about the capacity of new water tanks and connections. Miles provided information.)
- d. Action: need to send letter to State that we are no longer using the Los Gatos creek water source (CPMWC letterhead, etc)
- e. The inspector noted we are drawing excess water (beyond our allotment from the state).
 - i. George commented we have been OK historically
 - ii. Reviewed previous board discussions regarding seeking larger allotment from the state and the financial and bureaucratic hurdles to seeking this approval (hundreds of thousands of dollars with unlikely approval from state).

VII. [Financial Report](#) (Kirk)

7:57 p.m.

- a. Current Budget vs Actual (September 2024)
 - i. See the document: [CPMWC 10.2024 Budget vs Actual - Updated.pdf](#)
 - ii. Most accounts are within budget, with a few notable exceptions:

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- Internet, Hosting, and Zoom: 85.66% of budget
 - a. See the document: CPMWC 10.2024 Internet and Hosting.pdf
 - b. No major concerns here as CPMWC is investing in communications. We should consider an adjustment for next year's budget.
- Propane: 173.92% of budget
 - a. See the document: CPMWC 10.2024 Propaine.pdf
 - b. This has been discussed over the past few months. We aren't concerned as we don't expect propane costs to increase significantly.
- Legal: 120.5% of budget
 - a. See the document: CPMWC 10.2024 Legal.pdf
 - b. This was anticipated due to the adjustments to the SOPs and review of CPMWC's bylaws.
- Property Taxes: 115.59% of budget
 - a. See the document: CPMWC 10.2024 Property Taxes.pdf
 - b. This overage is not of any concern. We will just need to adjust our property tax budget for the 2025-2026 fiscal year.
 - c. We paid both portions of each parcel tax in advance as we have room in the budget to pay in advance.
- Parts: 1079.69% of budget
 - a. See the document: CPMWC 10.2024 Parts.pdf
 - b. We've been stockpiling parts for emergencies. While this exceeds the budget, it was anticipated.
- b. Current Statement of Financial Position (Balance Sheet)
 - i. See the document: CPMWC 10.2024 Balance Sheet.pdf
- c. Water Tank Project Financials for FY 2024
 - i. See the document: CPMWC 10.2024 Water Tank Project P\u0026L.pdf
- d. Billing
 - i. We are continuing to reach out to residents who have balances and are working with them to discuss and assist with any questions they may have.
 - ii. We've had some success collecting past-due balances, and interactions with the community have been mostly positive.
- o Outstanding Balances:

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- Residents one month behind: 12
- Residents two or more months behind: 13
 - We aim to cut this number in half by the end of the next billing cycle. We're slowly chipping away at the two or more months behind residents.
 - We're assuming the residents who are one month behind are due to the timing of their checks.
 - Our outstanding AR is dropping month over month.
- Motion by Geri to authorize a future potential transfer of \$15,000 as needed from operating account to water tank account for any unexpected expenditures until our next reimbursement from the state. Kirk would still seek approval from BoD before transferring, second by Mike, approved.
- Geri shared that Green Team is raising rates

Action

- Meet with Erik to finalize transfers which were approved in prior sessions.
- Meet with Erik and Wells Fargo to finalize the creation of the Holding Checking Account.
 - e. Discuss policy on writing off receivables
 - i. We do not write-off receivables. A lien will be recorded to collect during a sale.

- VIII. Creating a Risk Management Plan (Fred) 8:36 p.m.
- a. In anticipation of future incidents, we need to put a plan together. Community should know how to respond.
 - i. Options: Create shared document that the community can collaborate on or hold special meeting?
 - Action: create a shared doc, needed by next March.
- IX. Accessory Dwelling Units (ADUs) Discussion (Fred) 8:39 p.m.
- a. System capacity and distribution resources are already at their limits. How does community respond to planned additions requiring additional water?
 - b. Required to have a policy on will-serve requests for projects that will require significant water, such as ADUs and pools. Question simply covers if we have sufficient water to serve or not.
 - i. Action: Geri to share form from prior for review in next meeting
- X. New Business 8:00 p.m.
- a. None
- XI. Firewise updates 8:05 p.m.
- a. native habitat restoration grant from San Jose Water
 - b. Planning to schedule a Home Hardening Workshop in March
- XII. Roads update (Neil) - no update 8:58 p.m.
- a. Apache Road closure (Teus) - no update
- XIII. Clubhouse 8:59 p.m.
- a. Aldercroft Heights Mutual Water Company Clubhouse Usage and Insurance Agreement (Geri)

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- i. Motion by Geri to allow aldercroft to use clubhouse with a deposit and cleaning fee, second by Erik, approved
 - ii. Motion by Geri to approve proposed Operations Manager contract at \$35 per hour from Dec to April, second by Mike, approved
- XIV. Community 9:01 p.m.
 - a. Operations Report (Dave)
 - i. No updates outside of shared report
- XV. Website Migration Update (Fred) 9:02 p.m.
 - a. No report
- XVI. Meeting adjourned 9:03 p.m.