

Chemeketa Park Mutual Water Company

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For Water Issues Contact: Dave Shimmin (650) 965-1231

Board of Directors Meeting, April 4, 2024 - **Draft**

Closed Session

Discussion of legal matters regarding financials and current insurance coverage.

I. Call to Order

Dana

Meeting was called to order at 7:03 p.m. In attendance: Dana Hartzell, Erik Wilkerson, Teus Aarnoudse, Chrissy Masterman, Lisa Anderson, Geri Markey, Dave Shimmin, Rob Anderson, George Bruder, Jody McCalmont, Miles Farmer, Brad Hartzell, Lisa Ridenour and a few members of the community, both in person and via Zoom.

II. Review and Adopt Minutes

Board

Dana made a **motion** to approve the March minutes without changes. Erik seconded; **motion** approved unanimously.

III. Public Comment

Board

A community member brought to our attention that a property on the assessor's map (558-14-002) reflects that it belongs to Aldercroft Heights vs. Chemeketa Park. **ACTION:** Geri to look into this issue.

Discussed use of new email addresses for board members. Discussed change to add the word Draft to meeting minutes until the final version has been approved by the board.

IV. Financial Report

a. Expenditures, budget, past due accounts

Lisa R.

Major expenses paid during the month of March were: \$4850 to CWS for contract month of January and \$4850 for the contract month of February; \$2,633 to San Jose Water for Montevina Pipeline water; \$2,060 to Cypress Water Services for distribution system repairs; \$1,805 to CWS for water leak repairs on Modoc; \$1,008 to CWS for chemicals; and \$650 for park maintenance. There are currently 9 delinquent accounts greater than 90 days past due; total amount due is \$37,157. Of these accounts, 3 have water shut off, 1 is on payment plan, and 5 have received a past due notice.

Geri requested Lisa R to list Invoice numbers on Financials along with the description on the Expenses Report. Geri pointed out multiple concerns regarding the totals and calculations being inaccurate on the financial reports. Lisa A pointed out that the date on the Budget was last month's date and the checks

written were not recorded on the Budget. Lisa R concluded that the incorrect Budget was provided to the board members.

Lisa R confirmed that the ongoing Amazon Web charges are monthly charges for our CPMWC website. Erik brought up that a community member complained about checks not being deposited in a timely manner or mail being delayed. Lisa R confirms she deposits checks monthly. Erik also requested a digital copy of the company's books. Lisa R stated that she would upload the documents by close of business Friday April 5, 2024. Also noted the end of Fiscal year is end of April so the review can be made by the accountant.

Geri made a proposal and motion to change our "broker of record" from Apex Insurance Broker, the existing broker based in Virginia to Leavitt Pacific Insurance Brokers, a new broker based in SJ, CA. Lisa Anderson seconded: the motion passed unanimously. **ACTION:** Geri to initiate the change to our company's insurance broker of record to Leavitt Pacific Insurance Brokers. A "broker of record" is the person that talks to the insurance company on our behalf. This does not change our insurance carrier, just the broker. Brokers do not charge any fees to speak with the Insurance company on our behalf. CPMWC insurance expires in July, 2024.

Concerns were raised about the lengthy reimbursement process. It was proposed that invoices under \$500 are exempt from the approval process and are sent directly to the Bookkeeper for immediate payment along with a proposal of all expense reimbursements, regardless of amount, should be sent to accounting@cpmwc.org which will be cc'ed to President, VP, Treasurer and bookkeeper.

For reimbursements exceeding \$500, a project name and itemized description are required, and these will undergo a weekly approval process.

It was proposed that the Firewise group, due to the nature of their volunteer services, is exempt from the proposed reimbursement approval process. However, they will still submit all reimbursements to accounting@cpmwc.org.

The Water Storage Grant project has the authority to issue checks from their specific account after an invoice has been approved as needed to meet relevant deadlines.

In line with best practices, vendor quotes exceeding \$5,000 annually should be sourced from qualified vendors as per the CalMuta/RCAP - Rural Community Assistance Partnership Financial The Basics of Financial Management for Small Communities document. Concerns were raised about limiting Jose Membrano's work to private roads, given his responsibilities for maintenance tasks such as mowing, blowing, clearing around signs/mirrors, fire hydrants, entrances, and storm culverts in relation to the new rate increase from \$650 to \$750 per month.

A motion was passed unanimously to pay Jose \$750 for the invoice submitted for March 2024, with an agreement to establish a new contract and scope of work.

Discussion about challenges in obtaining vendor quotes for community jobs in previous years.

ACTION: David Shimmin will reach out to vendor Jose Membreno to discuss the contract and scope of work (SOW).

Discussion regarding Maria Saucedo, Clubhouse cleaner, invoice reflected an increase from \$75 to \$95 per month. Chrissy made a motion to pay Maria a new rate of \$95/month per month for cleaning the clubhouse. Dana seconded; motion passed with one sustained vote due to conflict of interest.

ACTION: Geri will create a contract and scope of work for Maria Saucedo, and Dave Shimmin will present

it to her. A community member proposed we could charge a \$30-\$50 “cleaning fee” for clubhouse use, to help offset the expenses. The board will review these options for the future.

A discussion of securing bids from three contractors for small to medium-sized jobs presents challenges, because smaller projects constitute approximately 80% of Board-approved tasks. For any jobs above \$500, a proposal to obtain three formal quotes is best practice (refer to RCAP document). Another suggestion was to establish categories for preferred vendors for smaller tasks. Historically, approved vendors have shown a tendency to return for future community projects.

b. Capital Improvement Planning review for 2024/25

Board

No Updates during the meeting.

c. Budget planning review for 2024/25

Dana

No updates during the meeting.

d. Operations Manager Update

Dave S.

Summary from Dave Shimmin, our Operations Manager: Two primary valve sites have been identified and determined to be in need of repair: WV-09 at Comanche/Navajo and WV-19 near Comanche/Nez Perce. This is ongoing maintenance and not emergency repairs. Met with Guy Furlo again to study blueprints for the system and re-visit valve WV-19 to confirm location and problem. May be able to repair this valve in place, depending on availability of parts. Observed leaking water meter connection on Modoc which was tested and confirmed to be chlorinated water. CWS repaired. Miles assisted Dave S in using the online remote tank monitoring system dashboard. A broken PVC water pipe was reported at the playground in the native garden. Parts were purchased to carry out the repair. Also, he met with Jose Membrano, our park maintenance, to discuss responsibilities. Dave S attended the online training sessions sponsored by RCAC in Water System Basic Operations and Budgeting for Water Systems. He also attended an introductory Frontline fire suppression meeting with Mara and Brad. Discussion about the fence in the front of the playground needing attention soon.

V. Water Report

a. Water operations report

Miles

Total treated water production for March (31 days) was 580,053 gallons. The raw turbidity average for water entering the plant was 2.077 NTU and the finished water turbidity average was 0.085 NTU (.300 NTU is the maximum turbidity allowed by the state). Rain totals for the month was 9.25 inches. Average filter flow rate: 26 GPM; chlorine usage: 23 gals; alum usage: 40 lbs. The Montevina Pipeline water usage this month was 112,821 gallons. A few heavy rain events during March affected the ability to treat Moody Gulch water during the month. **ACTION:** When the parts arrive, an inventory list and storage area for the parts needs to be created. Dave S and Miles will work together on this project.

Water Project Updates:

2023 Electronic Annual Report completed and submitted on time (like every year). Carried over from last report-R&L Welding met with CWS staff to assess and provide a quote for Waterboy repair work. Repair is scheduled for late March or early April—weather pending. The purchased new effluent filter flow control valve was received and is pending installation. This item has been invoiced. Effluent pump VFD has been partially installed. This item has been invoiced. New influent pump has been ordered but not invoiced yet. Hopefully arriving Monday April 8th. The spare parts order has been submitted but has not been billed yet.

The welder is ready for the project to commence, when weather permits. Dave S. shared an idea of eliminating the pile of junk that is not needed any longer at the pumphouse. The pile is between the pump house and the collection area. Weather permitting, they will begin to clear the area.

Water Boy – Miles proposed a \$10K bid for CWS to repair and refurbish the Water Boy. The Board requested Miles to provide a proposal that we can look at and then take the next steps. This proposal could give us up to 10 years to save up for a new PWTP. **ACTION:** Request Miles/CWS to provide a written proposal for the repair and refurbishment of the Water Boy.

Retaining Wall and Stairs – Update: Waiting for good weather. Discussion of potential project at the retaining wall heading from the intersection of OSCH/Ogallala on the street level down to the Pump House. Dave Shimmin was concerned that when we re-do the stairs, we could lose some functionality of the ramp and how to move skids down to the Water Treatment Plant and the Pump House. Occasionally, equipment needs to utilize the ramp. **ACTION:** Dave S and Miles to determine if there is a viable solution to not lose any functionality of the ramp when installing the proposed new retaining wall and stairs.

b. Los Gatos Creek Infrastructure Removal Status

Brad / Miles

Discussion this will be a possible summertime project, when water levels are lower in the creekbed. This project will need to be well coordinated. Including removing equipment, pumps, and the redwood tank out of the creek. Not an immediate need but should be on the To Do list.

c. CP Water Storage and Drought Relief project status

Jody / George

DESIGN WORK:

Civil: Work is complete pending any changes. Civil engineering signed off on the 100% plan. As required, Doug also provided a cost estimate for the construction phase.

CONSTRUCTION:

The sealed construction proposals were “publicly opened” on March 15. We had 2 proposals which were nearly the same. Given the current environment, we were fortunate to receive more than 1 bid. Both were more than \$1m over our estimates – at the time of grant submission and also of Doug’s current estimate. Our project engineer, Jeff Tarantino, reviewed the proposals & budgets and we selected the stronger bid. He met with the construction contractor to determine if any significant cost savings can be achieved. There are several possibilities but nothing solid. Bottom line - the *production rate* (work per day) they can achieve is so slow that the cost is seriously impacted.

The biggest delta between engineer’s estimate and bids is demolition of upper 3 tanks (40% cost overage) secondary to anticipated lead paint and difficult space to work in. Also, the geotech estimate for over excavation was very low – the level of efficiency that can be achieved due to slow pace (again difficult spaces to work in) means what was expected to take a few weeks will really take many weeks.

According to Jeff, engineers don’t typically have the skill/experience to estimate very accurately. Our only other option would have been to hire a professional cost estimator. This is also a very busy time in construction thus driving up prices.

Jeff is very clear that this is not a clarity of plan issue or a design issue. Neither construction company had concerns or questions about the design plans.

The team met with senior DWR staff on 4/4 to explore our current options. We were told that most DWR tank projects have come in over bid; most pipeline projects under bid. They are not surprised by our

news. DWR would consider a request for approx. \$200,000 but no more. If we complete the lower tank and still have the budgeted remainder of \$400,000, we can propose using these funds for other eligible projects and even ask for additional funds not-to-exceed \$200,000. We have two projects in mind.

We can also request up to a 6-month extension on grant through June 2025.

ARCHITECTURAL SITE APPROVAL (ASA) AND PERMITTING:

Permitting:

We are working with Hobach-Lewin on completing work to obtain a **permit for the upper site retaining wall**. The County requested a **Lot Merger** of the 3 lots that comprise the upper tank site. This is in process.

PROJECT MANAGEMENT:

Jody, George and Dana meet bi-weekly for project updates with the Department of Water Resources Project Manager, and sometimes a Senior Engineer.

FINANCING:

Invoice #107 - \$12,757.86 submitted and approved. Waiting for payment.

Invoice #108 - will be submitted soon

RCAC Construction Loan:

Barbara Roesner from Rural Community Assistance Corporation responded today. She should be able to finish the loan application review by 4/8.

LEGAL:

- Jim Ciampa from Lagerlof, LLC will provide legal review of the language for sections of the construction contract document.

NEXT STEPS:

- Meet with Jim Campa, Jeff Tarantino, Jody and George to review the complex construction contract.
- Schedule lead paint testing contractor.
- Review report regarding integrity of upper retaining wall.
- Follow up with RCAC to secure the construction line of credit.
- Continue to communicate with Santa Clara County Planning Department for permits.
- Note from Dave Casper – if upper tanks cannot be replaced continue to update them to make them last as long as possible.

d. Meter Project status

Jody / Board

Jody received contact information from Miles to obtain a third bid for meters. Once we have 3 bids, the board will need to create a plan for financing the project before we can take next steps. A community member addressed concerns of EMF (Electromagnetic Fields) from the new meters. Requested placing the meters away from homes. Advised Meter locations are pre-determined and they will be installed where the Christy boxes are currently located, usually 10-30 feet from homes.

ACTION: Jody will get bids for drive-by manual meter reading as well as wi-fi enabled reading.

e. Distribution System

Board

Discussion about two valves that need replacement within the next year. **ACTION:** Dave S. is working on this with Guy and David Montion. Discussion about repair vs. replacement of valves. Repair can be less expensive, but replacing is better for insurance purposes.

VI. Fire Safety

a. Firewise program update

Mara

The Chemeketa Firewise team met with representatives from Frontline as they are looking at a possible grant for a self-defense system for the Clubhouse. The Water Board is considering the proposal. We are currently getting bids from an Arborist for the removal of the redwood on 17550 Comanche Trail. We will continue to update the community. HIZ assessments are ongoing, and we are hoping to ramp up by summer. The more you know about protecting your home, the better. We will be having a **Volunteer Day on April 13th at 17550 Comanche**. This will create an extension of the shaded fuel break starting on Walla Walla Trail. The FireSafe Council Chipping program is currently waitlist only. We are asking all non-registered piles to join with a registered pile. We currently have a pile registered at the Clubhouse, so please bring your piles there. Actual chipping should begin on May 17th. Please make sure to move your cars so that the chipper has access to all piles.

VII. Roads

a. Roads project updates

Geri / Board

Updates:

Request to fix "Apache Trail" and "Apache Trail Bridge" from Gina Valle was discussed. The board agreed that it would review proposals for any bridge repair when they are submitted. Discussed past proposals - which were deemed to have omitted several factors that need to be considered for such a project. Community members who care about this project were invited to volunteer their time to research the legal, financial, and practical considerations associated with it. Following this, the volunteer would need to then create an official scope of work, obtain bids, and submit these bids for the board's consideration.

OSCH closure: Information shared by Ms. Zanardi of Joe Simitian's office. Repairs pending State and Federal FEMA approvals and funding.

ACTION: Teus or Dave S will make contact with the person who submitted an unsolicited bid for Apache Trail bridge. All preliminary work (engineering and permitting) needs to be included in the bid before the Board will consider this option.

VIII. Clubhouse / Playground / Community

a. Clubhouse project updates:

Board

Clubhouse:

There was a suggestion we add a \$30-50 Cleaning Fee for Clubhouse users to offset expenses.

ACTION: Board will discuss this as a potential option in the future.

Geri made a **motion** to move forward with the contract for the Clubhouse siding project. Chrissy seconded; motion was passed unanimously. **ACTION:** Teus will get this project scheduled after the rainy season has completely passed.

b. New locks on Clubhouse

Teus/Geri

New door locks have been installed on the Clubhouse doors. **ACTION:** The Board will create a specific protocol for assigning temporary door lock codes to Clubhouse users and create a protocol for utilizing the locked bathroom areas. Plus, create the sign to post in the Clubhouse.

IX. Adjourn

Dana

Meeting adjourned at 9:25 p.m.

HOW TO STAY IN TOUCH: To find out what's happening in the Park: Website: www.chemeketapark.org
Subscribe to the Newsletter list: www.chemeketapark.org/subscribe ; X-formerly known as Twitter:
@chemeketapark (working on an update); Nextdoor; and check out the Message Board at the entrance to the playground.

The next Board of Directors Meeting is scheduled for Thursday, May 9th at 7:00 p.m. at the Clubhouse. The meeting will also be held via Google Meet. The link for this meeting will be available on the Chemeketa Park website: www.chemeketapark.org. All members are welcome and encouraged to attend.