

Chemeketa Park Mutual Water Company

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Contact the Board of Directors: www.chemeketapark.org/contact

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

Board of Directors Meeting, May 9, 2024 - **Draft**

Closed Session

Board discussion of legal matters and financials.

I. Call to Order

Erik W

Meeting was called to order at 7:08 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, Chris Sands and a few members of the community, both in person and via Google Meet.

II. Review and Adopt Minutes

Board

Teus made a motion to approve the April minutes without changes. Lisa A seconded; motion approved unanimously.

III. Public Comment

Community Members

No public comment

IV. Financial Report

a. New Board President

Erik W

Erik Wilkerson updated the community on the recent change in President of the Board:

- Previous board president Dana Hartzell needed to deal with personal matters that were projected to take up much of her time. To ensure smooth functioning of CPMWC, Dana offered to transition out of the presidency role, while retaining her board seat as Director, until her term expires at this year's annual meeting.
- The board met in closed session on April 6. A motion was made to elect Erik Wilkerson as the board president. It was passed unanimously.
- Erik thanked Dana Hartzell and her husband Brad for their tireless work.

b. New Bookkeeping and Accounting Service

Erik W

The board provided background regarding the transition to a new bookkeeping and accounting service. There are several reasons for this:

- Over the past few years community members have asked the board for an electronic payment option. There have also been complaints about checks not being cashed in a timely manner.
- The water storage tank grant from the state prompted us to take a closer look at our bookkeeping processes. As we did, we found many things that were outside of generally accepted accounting principles (GAAP).
- At the April board meeting, the board requested digital copies of the company's books from our bookkeeper Lisa Ridenour. The day Lisa Ridenour agreed to provide these documents, she emailed the board to inform us her laptop and all backup devices were stolen from her car. Then, she promptly resigned from her position as bookkeeper and office manager.
- The board met in closed session on April 7 to discuss CPMWC's transition plan and there was a majority vote among the board members to request law enforcement to investigate the situation.
- Please note that we have no evidence of a significant amount of money missing. The board members are all volunteers and none of us are professional accountants. Therefore, the board turned this matter over to law enforcement, because they have the expertise, resources, and authority to determine if there are any issues with our finances and bookkeeping. We will keep the community updated on this matter. To emphasize, our accounts are secure. We have partnered with a new professional accounting and bookkeeping services. The board now has high visibility, access to all transactions and the status of each account.

Erik Introduced Kirk Nilson of Nilson and Associates. Mr. Nilson stated he will be:

- Conducting a three-year reconciliation of our company's financial records.
- Setting up electronic invoicing and payments. Those wishing to receive paper invoices may continue to do so.
- Issuing a communication survey, so residents can provide information of preference for communications with the community.
- Performing accounts payable and receivable tasks, and retrieving mail from the PO Box on a weekly basis.
- Providing board members full access to all company books and standardized monthly profit and loss statements.
- Assisting with managing Budgets and Capital Improvement Plan.
- Working with a new CPA for financial review of transactions, filing of non-profit forms, and financial requirements and various other company finance and bookkeeping related tasks.

c. Annual Budget & Capital Improvement Plan review 2024/25

Board

- Dana submitted a preliminary budget and sent it in March 2024 to the board for review. Community members acknowledge the good work done on this proposal by Dana. Geri and Erik will set up a meeting with Kirk to review budget planning for 2024/25.
- Discussions regarding ensuring current year's projects and budget are reflected accurately.
- Board is working towards finalizing a contract with Jose Membrano for the Park Maintenance.

d. Operations Manager Update

Dave S

- Discussion about the need for a point of contact (POC) for Clubhouse operations and Dave Shimmin agreed to assume the responsibilities.
- A suggestion was made to establish a standard operating procedure (SOP) for the management of the Clubhouse.

V. Water Report

a. Water operations report

Miles

Gallons of Water Treated: 64,9451, Average Filter Flow Rate: 24.7 GPM (plant off time is not used in average calculation), Main Pumps Gallons: 37,0124, Chlorine Usage – 28 gallons, Alum Usage – 25 lbs, Raw Turbidity Average – 1.282 NTU, Finished Water Turbidity Average – 0.086 NTU, Montevina Pipeline – 61,575.36 gallons, Los Gatos Creek – Not Used (offline), and Monthly Rain Totals – Unknown

Miles provided updates on water system maintenance and encountered issues. He detailed efforts to address system challenges, including the controller for the pump needing resets and infrastructure repairs.

- The controller for the pump had connectivity issues, requiring several reboots. The system is currently working fine after resolving the connectivity issue.
- Plans for welding work underway and discussion about boards request for Miles to provide written bids for this job.
- Board expressed the need for a comprehensive list to track parts and their location.
- Miles reported on infrastructure maintenance, including asphalt repair work on community roads. Patch repair performed on Modoc road following rain delays.
- Discussed procurement and storage of spare parts for maintenance. Spare parts invoiced and stored at the shop, awaiting installation in the pump house.
- ACTION: Miles to create Excel spreadsheet for tracking inventory.
- ACTION: Miles to provide a bid for Water Boy refurbishment and Welding work.
- ACTION: Board to designate responsibility for maintaining and updating parts inventory list.

b. Water Tank Project Update

Jody

Civil Engineering - Doug Allen has made modifications to the completed plan based on format requests from the County.

CONSTRUCTION:

The **contract with DACO Construction** was signed. We will soon receive an updated schedule. The tank will take up to 4 months to be procured and construction is expected to commence this fall.

ARCHITECTURAL SITE APPROVAL (ASA) AND PERMITTING:

Permitting - The upper site lot merger is proceeding. We were asked to provide an architectural landscape design to beautify the lower tank site retaining wall because Old Santa Cruz Highway is a “scenic byway.” Lori Morris was hired to draw the plan.

We are almost ready to resubmit plans to County Planning.

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. Not yet received.

Invoice #108 - \$43,589.22 submitted.

RCAC Construction Loan:

Our revolving line of credit from Rural Community Assistance Corporation was approved. We are working with Barbara Roesner on loan documents, insurance, etc. The loan is for \$600,000; the initiation fee is \$9300; and the interest rate is 5.75%. After the Annual Meeting, we will need to have a new Resolution to Borrow signed. The new document will reflect the current signatories.

- ACTION: RCAC needs to be added to our insurance for the duration of the loan.

LEGAL:

Jim Ciampa from Lagerlof, LLC provided legal review of the language for sections of the DACO construction contract document. He will also review the loan documents from RCAC.

Jody twice contacted Meter Valve and Control Inc. to obtain a third bid for meters. Chris Henrich made initial contact but has not responded since. Teus indicated he has a potential contact for another meter bid. ACTION: Teus and Jody will connect.

VI. Fire Safety

a. Firewise program update

Jody

- **Community chipping** will begin the week of May 13. Huge thanks to Mara and Rich for their coordination efforts.
- **San Jose Water grant 2.0** - more work completed behind the clubhouse and garden areas. Broom was pulled and disposed of at the recycle center (this cannot be chipped and dumped).
- More **Home Ignition Zone (HIZ) assessments** were completed. Thanks to Beth, Paul and Victoria, plus the assessed homeowners for making this important work happen. If you would like to sign up for a free assessment, go to website:
<https://chemeketapark.org/firewise-1696891774/>
- **17550 Comanche Redwood removal** is scheduled for May 20. An arborist report was secured; the County indicated that a permit was not needed under the circumstances. This is the tree that County Fire has asked to have removed because they cannot navigate their vehicles past it. The base of the tree will be cut back as far from the road as possible. Firewise asked the Board if the balance of \$1972 could be covered instead of using the Funds from 2024/25. This project was not something they had budgeted for. Rather, well into the fiscal year, County Fire asked that the tree be removed. The Board will reconsider this request when the new bookkeeping company has completed reconstruction of the books.
- ACTION: Board to determine how to proceed with the remainder of the Firewise Budget shortfall.

VII. Roads

a. Roads project updates

Geri

Community requested additional traffic control at the intersection of OSCH and Idyllwild, Geri to reach out to the appropriate officials. This is not a water company issue, however it is a serious safety concern for our community members.

VIII. Clubhouse / Playground / Community

a. Clubhouse project updates:

Board

- Motion made to move forward with siding project for clubhouse, unanimously approved.

b. Management of Clubhouse Reservations

Board

- Discussion about the need for a point of contact for Clubhouse operations.

- Suggestion to establish a standard operating procedure for Clubhouse management.
- Dave Shimmin agreed to manage clubhouse reservations and serve as POC.

c. Annual Dumpsters for Community

Lisa A

- Arrangements for potential annual dumpster cleanup discussed.
- Volunteers needed for managing dumpsters and creating signage.
- Dave Shimmin agreed to manage this project.

Adjourn

Erik

Meeting adjourned at 8:45 p.m.

ANNOUNCEMENT: All members are welcomed and encouraged to attend our Annual Meeting on Sunday, June 2, 2024 at 1:00 p.m. Please submit all Proxies upon check in and they must be received before any voting takes place.

HOW TO STAY IN TOUCH: To find out what's happening in our community go to our website at www.chemeketapark.org, Nextdoor, and check out the Message Board located at the entrance to the Clubhouse playground.

Billing or Accounting issues please email accounting@cpmwc.org

The next Board of Directors Meeting is scheduled for Thursday, June 13th 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 welcomed and encouraged to attend.