

Chemeketa Park Mutual Water Company

PO Box 588, Redwood Estates, CA 95044-0588

Board of Directors Meeting

Agenda

August 21, 2024 7:00 p.m. @ Clubhouse

- I. Closed Session - Legal Matters Board 6:00 p.m.
 - a. canceled - no quorum
- II. Call to Order Erik 7:04 p.m.
 - a. Erik Wilkerson, Teus Aarnoudse, Vincent Macewitz, Neil Abriyani, Geri Markey, Dave Shimmin, Rob Anderson, Jody McCalmont, Miles Farmer, Kirk Nilson, Lisa Anderson, and a few members of the community, both in person and via Google Meet.
 - b. Erik suggests, for the flow of the meeting, that thanks to all the details shared in advance that we keep focused to save time for additional discussion.
- III. Review and Adopt July 11, 2024 & Annual Meeting Board 7:05 p.m.
 - a. Motion to approve July 11 minutes by Erik, seconded by Neil , approved
 - b. Motion to approve Annual Meeting minutes by Erik, seconded by Neil, approved
 - c. Erik acknowledges community member concerns regarding delay in distributing minutes from previous month's minutes. Erik will work with other board members to post **draft** minutes to the community webpage and send out via billing correspondence. The goal to post draft minutes to the website will be 7 days following the meeting (+/- a day).
- IV. Public Comment 7:10 p.m.
 - a. Geri shared a public comment from a community member: Request to look into buying water from SJW - There is an agreement in place and we buy as-needed - when creek runs dry in summer or when we cannot produce water in winter based on turbidity, or system shut down for maintenance and can't run filter plant
 - b. Geri shared a public comment from a community member: Where did \$500k grant funds go - BOD and community are unsure what this refers to, only history is a \$50k grant for deep well
 - c. Geri shared a public comment from a community member: Reminder made for residents to anchor & brace propane tanks in case of earthquake. Please refer to the FEMA PDF "To Protect Your Property from Earthquakes".
- V. Online/In-Person or In-Person Monthly BOD Meeting Board 7:15 p.m.
 - a. Difficulty hearing anyone except the ones closest to the computer during meetings. Expecting improvement with use of microphone (verified in meeting). Audio has more value than video - consider switching to audio only
 - b. Action: Erik to partner with community members to create procedure page for meeting set up
- VI. Water Report Miles 7:20 p.m.
 - a. New: EPA mitigation of lead requirement to provide documentation by Oct 10, Miles has a plan, asked for 20% (reduction from 50%) of homes, Miles will ask that everyone marks

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valves to create a map to submit to the state. Will provide documentation to the water board, expected by Monday so we can distribute notification with flags.

b. Update: Water, HazMat Inspection

- i. Miles was approached by the county for the first time, needing to make a written response, signage and labeling already ordered, 30 days has already passed without remedy, Miles owns that, ordered new chemical storage and he added that there were No fines, but monthly documentation will be required.
- ii. George inquired if any mention was made about any of our projects by the inspector. Miles said there was not.
- iii. Geri attached the [Hazmat violations](#) sent by the County in board packet.

c. Updates: CP Water Storage and Drought Relief Project Status

- i. Main Jody 7:45 p.m-
 - All complete for planning dept, public hearing with planning commission with Oct 24, 6pm, should be approved. Big milestone!
 - Still expecting to start construction in winter
- ii. Financial George 7:40 p.m.
 - Since the project began in 2022, submitted 12 invoices, first 11 paid, submitted for first construction contract \$125K. Failed loan draw, kicked back from RCAC, needs a signed invoice that we submit to the state and, countersigned by us. Construction manager addressed concerns, George resubmitting tomorrow. Lots of invoicing from vendors, will end up \$140K. Kirk recommended to ask for money for everything that was submitted to the state. Next invoice in January 2025. Kirk tracking interest payments, ~\$37K over next year. These interest payments have been budgeted for and approved by the board in previous months. On track for permitting cycle and good with planning dept. There is a public hearing at the County Planning Commission on October 24, 2024

d. Update: Meters

Jody 7:45 p.m.

- i. Additional details available in the board preparation packet that was sent out to the community before the board meeting. Contacted several companies and awaiting to get an updated bids to complete the project. Questions: Is there a meter rate structure recommendation plan? Are we going to bill residents for their water usage or a certain level(s). More to discuss in the future.
- ii. Erik clarified that there is currently no state mandate to charge residents based on water usage. The state mandate is merely to have water meters installed by 2030. Fred found a new plumbing contact (Troy Burch) and asked for a rough bid. We can use mapping of meters to help clarify the bid. Will help clarify if the budget is still

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sufficient. Miles suggests bringing in JD's Plumbing to bid after we get numbers, can we do it now, Miles can coordinate with JD's once mapping complete. Allocated \$25K to complete the 1st round of meters project. Most likely it will happen before Oct. 10th starting the first part of Sept. Miles recommended waiting for the mapping of the meters to get the correct pricing/estimate and to share bids with other vendors to get competitive bids. Miles offered to create an Excel spreadsheet of homes, meters, materials, and value.

e. Assessments, Fees and Schedules

Board

7:55 p.m.

- i. Senior age is included in by-laws = 62 years
- ii. 30 days notification required to update verbiage, will go into effect Oct 1
- iii. Motion made by Erik to approve Lisa Anderson's suggested edits,, Neil seconds, approved unanimously.
 - Senior Discount Rate (90% of Base Rate): \$190.80 per connection - This discount applies to homeowners that reside at the property located in Chemeketa Park boundaries. In addition, the Senior Discount Rate does not apply to any homes occupied by senior renters.
 - Returned Check Fee: \$25.00 [Adopted August 21, 2024]
 - Accounts are invoiced on the 1st day of each month (if the 1st day of each month falls on a weekend, invoices are sent on the Friday before or the Monday after) and the invoice is due on the 25th of the month. Penalties for any past-due balance and the monthly assessment are applied on the 26th. Members are invoiced as follows:
"Monthly Assessment" + ("Unpaid Balance" * "Monthly Penalty for Past-Due Account")
For example, if a balance of \$130.00 was unpaid through the 25th of the month:
$$\$130.00 + \$130.00 + (\$130.00 * 1.5\%) = \$261.95$$
[Adopted August 21, 2024]
- iv. Suggested that any changes to the actual language of the discount should be proposed as a change in the by-laws from 90% of the base rate to what was suggested to be "10% discount". No proposals to change the specific language regarding the discount reflected in the by-laws were made during this meeting.
- v. action: Mike to update with Lisa's edits (completed in BOD prep packet)

f. Watershed Survey

Board

7:55 p.m.

- i. Geri shared email from Barry Hecht who is now an independent consultant and requested the following:
 - Permission to contact Miles Farmer
 - Understand the results of the test drilling initiative which Aaron Bierman was leading for you several years ago,

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- Significant interaction if any with the State Office of Drinking Water ((including copies of correspondence), and
 - Briefed on any other issues which the Board believes threatens the quantity or quality of your water supply.
- ii. Miles offered to provide info to Barry Hecht.
 - iii. Shared history of working with Mr. Hecht. Vince had trouble in the past with delays in getting the watershed survey completed by Mr. Hecht. Dana shared the history of interacting with Mr. Hecht and suggested meeting face to face to determine if he's up to completing the watershed survey project. Miles suggested we consider looking for someone that is available to us long term and to consider referrals. We will need to vet hydrologists based on the licenses hydrologist holds required by the state and federal agency, EPA. We are already two years late on the survey, Brad suggested getting it done with Mr. Hecht then find a replacement for the next survey in 5 years. Jody suggested asking other water districts who they're using.
 - Action: Jody to ask contacts for who they're using; Miles making an alternate intro and we need to know licensing of this contractor

VII. Financial Report

Kirk

8:05 p.m.

a. Status of Financials & Billing

- i. Finished reconciliation for the last 3 years. Nilson & Associates completed on Fri., Aug. 23, 2024
- ii. Overall, clean set of books, balance forward invoicing starting in September. Suggests anyone +\$1k past due or credits will get personal communication from Kirk & staff to resolve the outstanding balance.
- iii. Made some assumptions based on what was available: statements, deposited checks.
- iv. Moving forward, financials will be presented at monthly meetings. Current presentation is budget vs. actuals for the 1st 3 months of this fiscal year and based on the budget that was conditionally approved in the previous board meeting.
- v. No irregularities identified over the last 3 years that warrant further investigating. Erik highlighted this fact. He shared his hopes that the community can now move past concerns about past bookkeeping and focus on other issues important to the community.
- vi. There will be adjustments to the approved capital projects and allow the community to view the progress as we get further into the year. A 3-month spread may be provided.
- vii. We're at 25% of our budget. Some areas are a little over budget such as propane, legal fees, purchase parts for water which can end in capital projects.
- viii. 37 residents are past due with 18 chronically (any statement that is 3 months or older) overdue.

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- ix. Added 19 electronic payments for July and adoption rate for electronic deliveries are at 40%. Target is 80% within the next couple of months.
 - x. Goal to bring past due down to 5 or less households in +90 days
 - xi. Mara asked if there's a simpler way like Apple Pay. Currently only accepts ACH but will investigate cost differences in options.
 - xii. Suggested to set up a holding banking account for capital projects and items outside normal budget
 - xiii. Request to get monthly budget shared with community again
 - xiv. Brad asked if we have a list of delinquent accounts. Not currently available due to the clean up process. Geri will get a list from Kirk & Miles and reconcile. Kirk shared that he wishes to avoid charging late fees, if possible. Kirk will try and work with residents to gently get them back on track.
 - xv. Motion: Create additional holding funds bank account for annual capital projects outside of operating expenses - Motion made by Geri, seconded by Neil, approved
 - action - Erik to open account
- b. CPMWC document mailing Board 8:25 p.m.
- i. Firewise missed opportunity to distribute paper copies, need to differentiate between renters and owners
 - ii. Needed process to get firewise info with billing, Kirk's office can include anything we ask if received on or before the first of the month. Notification emails are auto sent, minutes would go out in separate emails in a batch. Can include firewise in emails.
 - iii. Suggested to have all documents to be mailed out by last day of each month for Nilson & Associates to print the CPMWC-related documents for the mailing this includes, if any, firewise communication
 - iv. Motion to approve by Geri, seconded by Neil, approved unanimously
 - Any board related documents and required files to distribute to community members who did not elect to receive email notifications.
 - Total cost: \$497.06 = Cost per envelope per resident 1) paper \$0.02; 2) printing \$0.05; 3) Envelope \$0.15; 4) postage \$1.46; 5) labor \$1.69
 - * This number will change after determining how many have chosen online billing.

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- v. Distribute firewise communications via email for those that elect made
 - vi. Action: Mike to document process of getting community info out monthly in working group (need collaboration with Dana, Mara)
- c. Capital Improvement Plan for 2024/25 Geri 8:30 p.m.
- i. Reviewed Capital Improvement Plan for 2024/2025
 - ii. Dana asks when can community see plan, Kirk will document and share plan with community, will have meeting with BOD for how to layout on P&L, should be available in 1 week, if Erik, Fred and Geri can meet to review plan meet early in week.
 - iii. Motion made to approve 4 related items for 24/25 made by Geri, seconded by Neil, approved
 - \$3.5k to repair the water boy outlet box
 - \$14k to replace water plant media
 - \$18.5k to purchase a new main pump and variable frequency drives and reconfigure the pumphouse skid to upgrade the current ability to pump about 22 gpm to 40 gpm - thus able to refill the upper tanks quickly in the event of an emergency, and further enhanced when the new tank is installed.
 - \$16k set aside for road repair and resurfacing
- d. Update: Insurance RFP/RQP, Required COI Geri 8:35 p.m.
- i. Additional insurance required for CPMWC for 4 water tank storage, water treatment systems, the water distribution systems which includes pipes, couplings and valves, property within the water treatment systems such as tools and machinery (we are working with the watermaster to get an updated asset and parts inventory), generator for water treatment plant, stairs to water treatment plant, power lines and pole to water treatment plant
 - ii. Playground that is not our property which is owned by SJWC and requesting for coverage*. We are still waiting to hear back from the insurance carrier, and the broker stated that it may take several more weeks until we receive a quote.
 - iii. The insurance broker and carrier require that CPMWC obtain a Certificate of Insurance from all vendors and contractors performing work on behalf of CPMWC. Additionally, CPMWC should be included in the vendors' insurance coverage. These certificates will be stored in Google Drive. Due to liability concerns, it is recommended that we refrain from engaging with vendors and contractors who cannot provide a Certificate of Insurance.
- e. Extend Clubhouse Trash Pick up Geri 8:40 p.m.
- i. Motion made to continue paid trash and recycling service through April 2025 - Geri,

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- ii. Question about Aldercroft Heights usage. Geri pointed out that insurance carrier will only allow for use by residents.
- iii. BOD elected to table until next meeting
- c. Cleaning Contract David S. 9:05 p.m.
 - i. Finalized and signed
 - ii. Geri pointed out that David is the contact for all contractor communication
- d. Community Dumpster Day Cancelation David S. 9:10 p.m.
 - i. Motion to cancel this year's dumpster day due to lack of funds was made by Neil, seconded by Geri, approved
 - ii. Consider using our 2x annual pickups to coordinate community pickups
 - Geri talked to Green Team and we are grossly under utilizing the complimentary pick-up service
 - a. A suggestion was made to coordinate this annual community pickup but will need support from community to staff
 - b. Action: Geri to contact Green Team for a community free pickup
- e. Bruce Franks Plaque David S. 9:15 p.m.
 - i. Dave is expecting this to be privately funded
 - ii. Motion is made to approve the sign being replaced by Geri, seconded by Neil, approved
- XI. Adjourn Board 9:18 p.m.