

Minutes: Lake Canyon Mutual Water Board Meeting

Wednesday June 19, 2024 7:00 p.m.

Held via Zoom Audio and/or Video Conference

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PUBLIC FORUM: Any member of the public may address and ask questions of the Board relating to any matter within the Board's jurisdiction, if the matter is not on the agenda or pending before the Board.

Call to Order / Start Zoom Meeting for remote meeting access: 7:05 p.m.

Roll Call: Rebecca Cabral, Aaruna Godthi, Mindi Porebski, Jim DiZoglio, Sam Monga

Also in attendance: Bud Everts,

Rebecca called the meeting to order at 7:11 p.m.

Consent Agenda: Financial, Water, Staff, Projects, and Maintenance reports (2 min)

- Bud to investigate which items are bulked under the "outside services" \$504.57
- This is the last month that Santa Clara County is offering testing. Next month we will have to go to San Mateo County or a private lab in Gilroy

Jim makes a motion to approve the financial reports

Mindi seconds

Motion Passes 4-0

Reports: Communication, and Correspondence Reports (10 min)

- Spring flow dropped to ~14 gallons per minute
- Lake Ranch is at 98% capacity
- San Jose Water started some improvement activities on Sunday June 16th, and will continue for some time, and that caused some of the cloudiness in the creek water. We are not pulling any creek water at this time.
- Water usage at 105 gallons per household per day. Up from 92 gallons per household per day this time last year
- Still waiting on scheduling for tank cleaning this summer
- Tentative Fall Members Meeting on September 21
- A board member asked about the state of the retaining wall along the driveway at the water treatment plant since it has been one year since the repairs were made and it is currently stable

Mindi makes a motion to accept the reports

Aaruna seconds

Motion Passes 4-0

Business

- Financial question for consideration: opportunity to move funds into a CD for better rates
 - Wells Fargo offering CDs at around 5% APY

- Options for 4 months, 7 months, etc. and options to renew
- The longer the time, the lower the rate (as there is anticipation that rates will drop at the end of the year)
- Bud meeting with the Wells Fargo Bank Officer tomorrow to understand the options in more detail
- There may also be regular savings accounts out there with good APR. Capital One has 4.25% and American Express has a high rate as well
- Purchasing and storing fire hose for fire safety
 - The topic was raised at the spring meeting and there was a belief that there might be hose in the storage shed
 - Bud to check to confirm
 - Consider if we need multiple hoses at multiple points in the canyon
 - Might require training and/or communications to ensure proper usage
 - Bud to reach out to the speaker from the Fire Safe Council to ask about hose best practices and also ask about the slides from the members presentation
- Review of rates / frequency of future rate increases
 - Bud attended a rate workshop by RCAC
 - They suggest frequent and/or annual adjustments versus rare large adjustments
 - We will likely have to self-finance the pipeline projects, which can be done via small increases or a very large one-time assessment, which can be hard for some owners
 - There was sticker shock at the costs of these pipeline projects with the San Jose Water discussions
 - We could get a low cost loan, but that usually means we are required to do more engineering and pay prevailing wage, which means the cost of the project is higher
 - Community might understand more about the reason for these rate increases if we have clear plans for the future improvements
 - We have a responsibility as board members to keep our company financially sound
 - Should do some additional research to understand what percentage would be needed since recently our costs have increased
- 6" replacement water pipeline project for Laurel / Oak
 - Board reviews map to walk through pipeline location needs
 - Discusses area where the pipeline would be above and below ground
 - Would need an engineer to understand requirements, materials, etc. to get an accurate cost estimate
 - Can we get ready for an April '25 start?
 - The original idea to drill piers on the downhill side is both costly and might not be great for the soil erosion, etc. on that hill
 - There are existing piers on that side which hold the guard rail but it is unknown how far they go down
 - Jim has an idea for a counterweight solution that would cantilever and hold the pipeline at possibly a lower cost solution
 - Past the Laurel curve, the pipeline would be on the downhill side of the road
 - If we trench on the uphill side of the road and pour a counterweight and bury reinforced beams vertically
 - If there was also a retaining wall that was disconnected but on top of the cantilevered beams that would hold the pipeline
 - Two options were considered before:
 - 1) Cross the river twice - once near Oak and once near Laurel bridge, but the cost of crossing the river twice was prohibitive

Adjourn at 9:30p.m.

Tentative agenda items for the next meeting on July 17, 2024

- Improve Late Fee policy and documentation
- Review of Capital Improvement Plan
- Next steps for what needs to happen to make moves towards an April start for the pipeline project