

Minutes: Lake Canyon Mutual Water Board Meeting

Wednesday Oct 16, 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: Aaruna Godthi, Mindi Porebski, Sam Monga

Also in attendance: Bud Everts

Sam called the meeting to order at 7:09 p.m.

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

- There was a question last meeting on uncleared checks and payments in the report. The bookkeeper investigated and found these were old items that could not be balanced in the books at that time. She would like to write these off but needs board approval to do so. Else they will never be removed
 - Total for the three payments is \$2237.05

Mindi makes a motion to write off the three payments

Aaruna seconds

Motion passes 3-0

- Bookkeeper fees are two months of payments in the report
- One resident paid twice but that is not an issue as they should have a balance in the account then

Mindi makes a motion to approve the financial reports

Sam seconds

Motion passes 3-0

Reports: Communication, and Correspondence Reports (10 min)

- Spring flow at 4.8 gallons per minute
- San Jose Water completed the maintenance project, so we have our creek water source now as needed.
- Lake Ranch reservoir 74% of capacity
- Consumption 103.8 gallons per household. There was one minor leak. Consumption is down year over year and prior month.
- Clearing and Fire Safe Council chipping at the treatment plant has cleared up things significantly
- Meters missing house identifiers, making reading difficult at times
- Santa Clara County Roads Department has been doing some work on the portion of Bearsley that is county owned, but the schedule is not certain
 - Idea to request formal notice of road closures, since this is our only road in and out of the community. Bud to try to get contact information, or try Mobile Citizen app

Sam makes a motion to accept the reports
Mindi seconds
Motion Passes 3-0

Business

- Welcome new Board / Confirm Existing Board / Recap Members meeting election results
 - Only 22 of 53 homes filed in the election, so per the bylaws, we continue with the existing board members
- Review and confirm board positions
 - Board members in attendance are happy with continuing their current positions
- Annual Rate Increase: review rate increase recommendations
 - Bud attended an RCAC “Rate Setting” workshop this afternoon
 - Covered the importance of a budget and small, more frequent rate increases to avoid very large, infrequent rate increases
 - Learned about Prop 218, but does not apply to us as a Mutual Water Company, only to public water systems
 - Putting money to work, such as we are doing to try to put funds into CDs
 - Energy audit could save money
 - Followed up with instructor to see if there is any information on late fee best practices
 - Bud worked up details on previous rates, previous expenses, and future expenses
 - There are several ways to go at this:
 - Increase tier rates, which encourages conservation or the use of more efficient appliances, but is less guaranteed revenue
 - This may not be favorable for those with large households / large families
 - Increase base rates, which is guaranteed revenue but does not encourage considering water as precious and reducing usage
 - Note we might also choose to decrease the base rate if the tier usage rates were raised significantly
 - Some combination of the above
 - Did we see consumption change when rates went up per tier?
 - No significant change
 - Board expresses interest in analyzing cost by fixed vs variable costs
 - Also interested in seeing potential increases and how households might be impacted
 - Board to revisit next month with this spreadsheet and analysis
 - Ideally, helping each household know their cost changes in a personalized way will be helpful
 - Target 6% increase in revenue
- Minor pipeline work at 19560 Manzanita: review cost estimates
 - First project is to fix a bent pipe to make it straighter and make room for a rain catchment system
 - Second project is that the meter for his system is after the pump which detects water in the tank and pumps water to the tank, but that means the smart meter would not detect leaks in this system. The meter is in the wrong location to detect leaks. Second project is to add the meter in a location that would allow for smart meter to detect leaks
 - Estimate from Mike: 1.5 days of work for both projects combined, close to 50/50
 - Labor costs approx. \$1560 for both projects (sum of Mike and Tom’s time)
 - Material costs unknown

- Pipeline project: review engineering proposal
 - Andy from Sherwood engineering says he should have the proposal by the end of this week. Suggestion to have a board meeting when that is in our hands to approve in order to move quickly.
 - Note their hourly rate has gone up from our previous proposal but given the trimmed down scope he thinks the cost will be lower than previously estimated.
- Water tank for fire protection at 19260 Beardsley in need of water connection
 - Board members in attendance have little information on this tank, the county requirements, how it will work due to its positioning below the home, etc.
 - It seems to be related to fire restrictions for new builds on one-way-in and one-way-out roads, but that is not confirmed
 - Not clear why this would need its own connection
 - Additional connections cost money and each meter pays the base fee
 - Board has reduced complexity by moving to a model where each property only has one meter and connection, not multiple
 - Not clear how this tank is used by the property owner or the fire department
 - Board needs more information and will contact the homeowner with questions
- Improve Late Fee policy and documentation
 - Policy already states that after 3 months, the home is notified with a physical notice and the water is cut off
 - For unimproved lots, we might need to think about the policy differently, since there is no leverage in cutting the water off

Review Meeting Minutes from this meeting

Sam makes a motion to approve the meeting minutes

Aaruna seconds

Motion Passes 3-0

Adjourn at 9:55 p.m.

Tentative agenda items for the next meeting: November 13, 2024 (2nd Wed. this month only)

- Capital Improvement Plan sub-committee formation
- RFID meter updates
- Emergency modes of communication throughout the community and to other communities in case of no cell signal