

Sierra Park Water News and Updates

Phone 209-586-3098

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November 2013

Board of Directors 2013-2014

President	Kirk Knudsen
Vice President	Michael Lechner
Secretary	Wanda Lenhardt
Treasurer	Bill Ordwein
Human Resources	Heidi Ordwein
Directors at Large	Yvonne Peter Ray Coyle

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President's Message

Some food for thought during this holiday season...

We can wish it would go away, we can run -- but we cannot really hide from our responsibility to provide healthy water to our residents through a water distribution system that is intact and is safe. As a matter of fact, the California Department of Public Health has mandated this requirement for all water systems. But many water systems throughout the state, ours included, have deferred for too long the capital improvements necessary to ensure meeting standards now and into the future.

Our Capital Improvements Director, Bill Ordwein, is developing our plan of action based on priorities; I am researching potential low-cost loans and grants from various agencies with the hope of offsetting some of the cost our community will incur. However, as is acknowledged in this year's U.S. Senate bill (S. 335), targeted to help fund water infrastructure projects, "customer rates and local charges are and will remain the primary means of paying for water service and infrastructure in the United States."

The Water Corporation and OFSRA are currently awaiting a ruling by the CPUC regarding our plans for transition and overall management strategies of the water system. We have complied with all requests for information, and are awaiting their next steps. In the meantime a few residents have expressed the opinion that our private water system should be folded into the Tuolumne Utilities District; the court will consider this opinion as they weigh all the factors in making a decision. Of course, we will keep you informed of any developments as they occur. In the meantime, Happy Holidays!

-- Kirk Knudsen



Water Services Contact Information

For any questions or information about water, please call water company president Kirk Knudsen at 408-269-8653, reach us via email through the link on our website or by mail at PO Box 293 MiWuk Village, CA 95346



Sierra Park Water Company Board of Directors Meeting Minutes for November 9, 2013

The meeting was called to order at 8:34 by President Kirk Knudsen.

Board Members Present: Bill Ordwein, Heidi Ordwein, Ray Coyle, Yvonne Peter, Michael Lechner, and Wanda Lenhardt

Shareholders Present: None

Others Present: Richard Erickson, Rich Erickson, Mike Van Gundy, and Edd Cole

Comments from Attendees:

- Edd Cole expressed concerns regarding the current water license, organizational structure, co-existing boards between the Sierra Park Water Company and Sierra Park Services Corporation and he expressed his desire to have the Water Services taken outside the park by a separate Water Company that was run by "professionals." Efforts were made to answer his questions and address his concerns. Kirk Knudsen encouraged him to look into the structure of Tuolumne Utilities District, as he would find that company was run by people who had professional experience in many areas not related to water companies.
- Edd brought maps of the park he had worked on with the help of a friend. These maps contain information about where existing waterlines run throughout the Park. He said that he had given another set of maps to the Recreation Association in years past and would like to have them returned to him if they are not going to be used.
- Mike Van Gundy also had questions about the water license and stated that he felt our current water system was "up to code". He also felt our water system should be given to another water company. Specific areas in which we are not up to code were discussed. Mike did not agree. The board invited Mike to bring documentation to the board which supported his opinions relating to the current water system's ability to meet code requirements.
- Richard Erickson inquired about how to purchase stock.

Approval of October Board Meeting Minutes: Yvonne Peter made a motion to approve the minutes from the October 12, 2013 Board of Directors meeting. Ray Coyle seconded the motion which was then unanimously carried.

Correspondence:

Email:

- Six emails were received relating to changes of ownership.
- Two emails were received regarding stock sales.
- Four emails were received regarding billings.
- There was one request to be removed from the mailing list, and one email received expressing thanks for being added to the list.
- There was one email received which asked about the new fire tax and its connection to the new corporations and or the Rim Fire. The new tax was created prior to the Rim Fire and has absolutely nothing to do with the formation or function of the current Water Company.
- One email was received inquiring who can buy into the Water Company, who can attend the meetings, and who can vote. This email also questioned the affiliation with the OFSRA. Anyone in the park can purchase stock and join the Water Company. Shareholders must have their names on the title of a property in the park and there is one share available per property. If multiple owners exist, one owner must be designated as the "owner" of the stock and as such will have voting rights. Anyone affiliated with property in the Park may attend the Board of

Directors Meetings, and their input is valued. The Sierra Park Services Corporation is a separate entity from the OFSRA and operates with a separate board, separate bylaws, and maintains separate functions.

- Concern has been expressed by a few regarding the ink needed to print copies of the newsletter in its current format. A text only version of the newsletter will be made available to resolve this problem.

Water Employee Report - Heidi Ordwein:

- Standpipe caps have gone missing, about 6 at present. The missing caps were noticed by the Fire Department inspectors. The Caretaker, Mark Higgins, has now purchased a dozen plastic caps to replace those removed. Mark will review missing standpipe caps on his daily rounds in the Park and replace them immediately.
- The caps are there to protect the ends of the standpipes. Anyone noticing missing caps should contact the Caretaker immediately since the Fire Department needs a clean connection if needed in a fire fighting effort.
- The caps should not be played with or removed for any reason. Anyone noticing someone removing a standpipe cap should report this to Mark.

Yvonne Peter: The Fire Department contacted us. In the past they had water keys. We needed to make keys more accessible, as there are times that other fire fighting entities will respond to calls from the Park. To meet that need keys have been made. There is now a set of keys in the firehouse along with a laminated map which would assist firefighters in an emergency situation. Mark and the fire department also have sets of keys.

Director Reports:

President - Kirk Knudsen: Kirk spoke with CDPH on Tuesday and everything is in order. We continue to wait on the CPUC.

Vice President - Michael Lechner: Nothing to Report.

Treasurer - Bill Ordwein: Current account balance is approximately \$136,920. The bills for the past month were reviewed and total approximately \$10,948. Yvonne Peter made the motion to pay the bills, Michael Lechner seconded the motion which was then unanimously approved. There are 50 bills that are outstanding and have not been paid.

Secretary - Wanda Lenhardt: No additional stocks sold this month. The email list has been updated and email addresses that cannot be used successfully have been removed. If those addresses were connected to properties, the owners of those properties have been added to the USPS mailing list. Efforts will be made to make the list as current as possible.

Human Resources - Heidi Ordwein: The Fidelity SEP Plan is in place for Mark Higgins. There had to be a minimum amount of money available to open the account and this is now done. The accounting firm will add to the account on a quarterly basis.

Director of Capital Improvement - Bill Ordwein: Bill has individuals to contact regarding the altitude valve. Kirk is looking into a grant which could assist in offsetting the costs of the upgrades that will be required of our water system. This will be a long-term project.

Old Business:

Communications - Next newsletter is slated for the week of 11/25.

New Business:

- Next meeting will be held 12/14/2013.
- The MiWuk Fire Department gave us two 50' feeder hoses. We now have 400 feet of fire hose, the reducers and a new fire nozzle as well. We would like to thank the MiWuk Fire Department for their generous donation!

Closure - Move to Executive Session to discuss Personnel Matters at 9:37.

Executive session ended at 10:17. A decision was made in executive session for the Board Room to be used for the purposes of the Board. The room cannot be used by others without prior request and authorization. The Rebekahs have authorization to use the room on the 3rd Wednesday of each month.

The meeting adjourned at 10:18.

SIERRA PARK WATER COMPANY, INC.
BUDGET REPORT
PERIOD ENDED OCTOBER 31, 2013

<u>REVENUE</u>	<u>FIVE MONTHS ENDED 10/31/13</u>	<u>2013-2014 BUDGET</u>	<u>VARIANCE</u>	<u>% OF BUDGET EXPENDED*</u>
WATER INCOME	\$ 301,645	\$ 343,800	\$ (42,155)	87.74%
MISCELLANEOUS INCOME	1,915		\$ 1,915	
 <u>ADMINISTRATION AND FEES</u>				
ACCOUNTING	7,424	16,173	\$ (8,749)	45.90%
BANK CHARGES	12		12	
CONSULTING	8,028	12,875	(4,847)	62.35%
CREDIT CARD CHARGES	1,388	1,500	(112)	92.53%
EMPLOYEE BENEFITS	4,212	7,643	(3,431)	55.11%
EMPLOYEE PAYROLL	28,987	44,960	(15,973)	64.47%
EMPLOYEE PAYROLL TAXES	2,792	4,496	(1,704)	62.10%
INSURANCE	20,928	21,270	(342)	98.39%
LEGAL CONSULTING/PROFESSIONAL SERVICES	16,006	30,900	(14,894)	51.80%
MEMBER COMMUNICATION	521	3,499	(2,978)	14.89%
OFFICE SUPPLIES	878		878	
OUTSIDE SERVICES	10,666		10,666	
TAXES AND LICENSE		3,708	(3,708)	0.00%
MISCELLANEOUS		5,000	(5,000)	0.00%
WATER ADMIN CONSULTING		36,000	(36,000)	0.00%
 <u>OPERATION AND MAINTENANCE</u>				
EASEMENT LEASE FOR GROUND		39,600	(39,600)	0.00%
EASEMENT LEASE FOR WATER	48,183	6,500	41,683	741.28%
MAINTAIN WATER SYSTEM EASEMENT FOR PIPE	6,226	39,140	(32,914)	15.91%
MAINTAIN WATER SYSTEM - CAPITAL RESERVES	4,882	20,000	4,882	0.00%
TOWERS AND ACCESS		5,000	(20,000)	0.00%
WATER EQUIPMENT MAINTENANCE		12,155	(5,000)	0.00%
WATER FUEL		1,391	(12,155)	0.00%
WATER SUPPLIES		910	(1,391)	0.00%
WATER TANK CHECK VALVE		9,000	(910)	0.00%
WATER TESTING	1,595	8,240	(9,000)	0.00%
WATER UTILITIES	3,682	13,699	(6,645)	19.36%
			(10,017)	26.88%
 <u>REPAIR AND REPLACE</u>				
TANK REPAIRS				
WATER LINE REPLACEMENT				
WELL REHABILITATION				
TOTAL EXPENSES BEFORE DEPRECIATION	<u>166,410</u>	<u>\$ 343,659</u>	<u>\$ (168,500)</u>	
DEPRECIATION	230			
TOTAL EXPENSES	<u>166,640</u>			
NET INCOME FROM OPERATIONS	<u>\$ 136,920</u>			

CHECKING ACCOUNT \$141,119