

Sierra Park Water News and Updates

Phone 209-533-7998

Volume 2.7

April 2015

Board of Directors 2014-2015

| | |
|-----------------|-----------------|
| President | Kirk Knudsen |
| Vice President | Michael Lechner |
| Secretary | Wanda Lenhardt |
| Treasurer | Bill Ordwein |
| Human Resources | Heidi Ordwein |

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www.sierraparkwater.com

PO Box 424, MiWuk Village, CA 95346

President's Message

By now you should have been informed of the manganese levels in our drinking water. This is a long-standing issue, but the State Water Resources Board has recently notified SPWC that it must be addressed. Manganese is a secondary maximum contaminant level (SMCL). According to the EPA, this is an aesthetics (discoloration) issue and not a health concern. In some states SMCL's are not regulated, but in California they are enforced. We have already begun looking into options for removing the manganese from our water, and will probably begin a pilot testing project in the coming weeks. Rest assured that we are working closely with the Water Resources Board to address this issue. As always, our goal is to provide a safe and reliable water source to our customers.

Please plan to attend the Annual Meeting on May 24th, where we will provide the latest information on manganese reduction efforts and ongoing capital improvements. We welcome your ideas and your help in implementing the solutions.

Enjoy these nice spring days.

-- Kirk Knudsen

Next SPWC Board Meeting will start at 8:30 am on June 6th.

Annual Meeting will start at 11 am on May 24th. Please note: shareholder registration is from 7:30-8:45.



Water Services Contact Information

For any questions or information about water, please call the Water Company at 209-533-7998, reach us via email through the link on our website or by mail at:

Sierra Park Water Company
PO Box 424
MiWuk Village, CA 95346



Sierra Park Water Company Board of Directors Meeting Minutes for April 11, 2015

Meeting Called to order at: 8:30am by Kirk Knudsen, President.

Board Members Present: Kirk Knudsen, Michael Lechner, William Ordwein, Heidi Ordwein.

Guests:

Michael Nessler - Mountaineering Engineering, Water and Wastewater Treatment Specialist.
Don Nessler - Water Specialist and SPWC Consultant
John Marshall - Caretaker and D1 Operator
Phil Barthman - Property Owner
Linda Clark - Property Owner

Kirk Knudsen introduced Michael Nessler who gave a presentation on manganese treatment options. Our current water distribution operation has higher levels of manganese than is advisable and a resolution needs to be implemented. A test site and set up is being proposed. John Marshall will oversee the on-site operation. A quote for scope of work is being drawn up. Don Nessler will do a "Condition Assessment Report" for continuing communication with the State water agencies.

Following the presentation, Board Meeting continued at 9:58.

Questions from Linda Clark regarding the status of any CPUC ruling and newsletter delivery times.

Questions from Phil Barthman regarding collections of monies owed by delinquent property owners for their annual billings.

Communications: Michael read the following report for Wanda Lenhardt.

Nine contacts regarding stocks.

One property owner wanted a copy of their annual bill - they mailed the original with the payment. A copy was sent. One contact regarding when the next meeting would be and an inquiry about how the bills were paid. Suggested checks be reviewed after sent. Also inquired as to Governor's new mandates and how they will impact us. Since we have no water meters individual users cannot be monitored. We have previously provided water conservation guidelines for homeowners to follow.

Several email address updates were received.

One contact from a property owner who wants her husband's name off our communications because he passed away in August.

One inquiry about whether there was water access on a lot apn: 31-021-01 Lot 33; if not, what would be the cost to get it there. It was verified that there is water access at this lot.

One email received from someone who had cleaned our tanks before. Email sent to Kirk.

Heidi Ordwein reported that five shares of stock have been purchased prior to the annual meeting black-out date.

One resume was received in April for the Caretaker's position that was filled in October 2014.

Minutes of February 2, 2015 meeting: Motion to approve by Michael Lechner and seconded by Heidi Ordwein. All approved.

Director Reports:

President - Kirk Knudsen. Tank inspection: Kirk is to schedule. This inspection is done every 3-5 years.

Notices regarding the manganese levels have been distributed via email, posted in various Park locations and is on the web site.

Secretary - Wanda Lenhardt. Stocks were sold this month. The stock documents will be prepared for signature at the next Board meeting. Annual Meeting Shareholders' notices to be mailed the week of April 12.

Treasurer - Bill Ordwein.

- Month expenses total approx. \$52,213 (includes \$42,653 to bring easement payments up to date).
- YTD expenses approx. \$238,909. Bank balance is approx. \$100,425. Capital reserves fund: approx. \$71,957. Number of outstanding unpaid bills: 42, totaling approx. \$73,910.
- Motion to approved bills for March and April was made by Michael Lechner, seconded by Heidi Ordwein. All approved.
-

Caretaker Report - Heidi Ordwein.

- Replacement of various leaking valves is being done.
- A back-flow system is being costed out for the apple orchard and common area systems. The State Water Board requires that this be added.
- Vacuum breaker valves that prevent backflow of water into the residential water supply are being purchased for all properties with outside faucets. This is also a requirement of the State Water Board. John Marshall is purchasing the valves. A process will be in place to give all homeowners the valves, along with instructions regarding these valves since their removal is subject to fines by the State.

Capital Improvement Report - Bill Ordwein.

- West side of park water isolation project has been started and is scheduled to be completed by end of May. The work will be scheduled to minimize disruptions to park residents.
- A study to identify options to reduce manganese volumes to the state required levels has been authorized. Bids will be requested to complete the project after the study has been completed.
- The results of the required cross-connect review have been submitted to the board.

Meeting adjourned at 11:00 am.

Meeting resumed at 2:12pm for Executive Session.

General meeting resumed at 2:30pm. Nothing to report from Executive Session.

Meeting ended at 2:31pm.

Next meeting will be held on May 2nd, 2015.

SIERRA PARK WATER COMPANY, INC.
 BUDGET REPORT
 FOR THE PERIOD ENDED
 March 31, 2015

| | TEN MONTHS ENDED 03/31/15 | 2014-2015 BUDGET | VARIANCE | % OF BUDGET EXPENDED* |
|---|---------------------------------|---------------------|------------------|-----------------------------|
| <u>REVENUE</u> | | | | |
| WATER INCOME | \$ 257,778 | \$ 282,874 | \$ (25,096) | 91.13% |
| WATER RESERVES | 51,987 | 58,575 | (6,588) | 88.75% |
| TRANSFER FEES | 1,600 | - | 1,600 | |
| MISCELLANEOUS INCOME | 4,857 | 2,202 | 2,655 | 220.57% |
| TOTAL REVENUE | 316,222 | 343,651 | (27,429) | 92.02% |
| <u>ADMINISTRATION AND FEES</u> | | | | |
| ACCOUNTING | 15,062 | 16,500 | (1,438) | 91.28% |
| BANK CHARGES | 40 | - | 40 | |
| CREDIT CARD CHARGES | 1,784 | 2,149 | (365) | 83.02% |
| EMPLOYEE BENEFITS | 5,516 | 11,100 | (5,584) | 49.70% |
| EMPLOYEE PAYROLL | 14,269 | 23,260 | (8,991) | 61.35% |
| EMPLOYER PAYROLL TAXES | 2,996 | 5,152 | (2,156) | 58.15% |
| INSURANCE | 3,659 | 27,516 | (23,857) | 13.30% |
| LEGAL CONSULTING | 29,215 | 28,000 | 1,215 | 104.34% |
| MEMBER COMMUNICATION | 574 | 4,000 | (3,426) | 14.35% |
| OFFICE SUPPLIES | 525 | - | 525 | |
| OUTSIDE SERVICES | 1,551 | - | 1,551 | |
| PROFESSIONAL SERVICES CONSULTING | 817 | 9,634 | (8,817) | 8.48% |
| RENT | - | - | - | |
| SHOP SUPPLIES | 65 | - | 65 | |
| TAXES AND LICENSE | 2,220 | 3,500 | (1,280) | 63.43% |
| MISCELLANEOUS | - | - | - | |
| WATER ADMIN CONSULTING | 205 | 20,000 | (19,795) | 1.03% |
| FRANCHISE TAX EXPENSE | 4,010 | - | 4,010 | |
| INCOME TAX EXPENSE | 7,600 | - | 7,600 | |
| ADMINISTRATION AND FEES SUBTOTAL | 90,109 | 150,811 | (60,702) | 59.75% |
| <u>OPERATION AND MAINTENANCE</u> | | | | |
| EASEMENT - DISTRIBUTION SYSTEM | 32,620 | 39,140 | (6,520) | 83.34% |
| EASEMENT LEASE FOR WELL | 10,003 | 6,500 | 3,503 | 153.89% |
| EASEMENT LEASE FOR WATER TOWER | (0) | 5,000 | (5,000) | -0.01% |
| MAINTAIN WATER SYSTEM | 28,243 | 51,600 | (23,357) | 50.86% |
| MAINTAIN WATER SYSTEM - CAPITAL RESERVES | 71,962 | 50,000 | 21,962 | 143.92% |
| WATER EQUIPMENT MAINTENANCE | - | 4,500 | (4,500) | 0.00% |
| WATER SUPPLIES | - | 1,100 | (1,100) | 0.00% |
| WATER TANK CHECK VALVE | - | 15,000 | (15,000) | 0.00% |
| WATER TESTING | 2,825 | 8,000 | (5,175) | 35.31% |
| WATER UTILITIES | 5,015 | 12,000 | (6,985) | 41.79% |
| OPERATION AND MAINTENANCE SUBTOTAL | 148,668 | 192,840 | (44,172) | 77.09% |
| <u>REPAIR AND REPLACE</u> | | | | |
| TANK REPAIRS | - | - | - | |
| WATER LINE REPLACEMENT | - | - | - | |
| WELL REHABILITATION | - | - | - | |
| REPAIR AND REPLACE SUBTOTAL | - | - | - | |
| TOTAL EXPENSES BEFORE DEPRECIATION | 238,776 | 343,651 | (104,875) | 69.48% |
| DEPRECIATION | 132 | - | 132 | |
| TOTAL EXPENSES | 238,909 | 343,651 | (104,742) | 69.52% |
| NET INCOME FROM OPERATIONS | \$ 77,314 | \$ - | \$ 77,314 | |

CHECKING ACCOUNT \$ 100,425
 RESERVE ACCOUNT 71,957

Sierra Park Water Co.
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