

ALMANOR HEIGHTS MUTUAL WATER CO.
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Minutes July 2, 2022

President Tom Garcia called meeting to order at 9am

Attendance:

Rick Cole, John Fourcroy Tom Garcia, Sara Church, Jim Nelson, Bob Miles,

Tom asked everyone to review the 2021 minutes (copies handed out to each person in attendance). After a short review Sara moved to approve and Rick Cole seconded.

The Board voted for officers

- Tom remains President
- Dan Bay will become Secretary/Treasurer

Tom reviewed the financial report prepared by our accountant SingleAuman and proposed that we talk more about financials later in the agenda.

Jim Nelson asked about the plaque for Paris Moore. Tom noted that we have not completed the plaque but Dan Bay was in charge and we will get it installed this year.

Rick Cole asked if the bylaw change passed. Tom noted that it will be determined once we receive all payments with envelopes. 28 yes votes so far. Jim Nelson asked if we had met the 30 day notice per the bylaws. Tom said yes we had because people have until September 1 to pay their current bill and that the vote is turned in when they pay. We need a total of 38 votes to pass.

State of the Water Infrastructure

- Tom stated that he expects expenses to rise in order to keep our infrastructure in top shape. Future expenses include the blowoff on Ashley (we still need to find a contractor), possible replacement of the generator as it ages, inspecting the tank epoxy coating every 5 years, replacing pump every 10 years (it was replaced last year), possible water line repairs, and we still need to remove the old tank.
- New tank and pump controller is working well
- Maintenance Flushing & Exercising Valves in the system will be done this Summer
- Tom will check with Charles Watson, geologist in Chester, about current water table serving our pump/well

Fire consolidation and ISO rating.

- Tom stated that we were not able to get information from Randy Fluke regarding ISO ratings because of the crazy fire year last year. Some discussion followed.
- Jim Nelson stated that his fire insurance rate is outrageous. He is on the CalFair Plan.
- There were comments noting that we still need to decide about having a fire system or not.
- Rick suggested that we should survey members about increasing fees, what is the current rate people are paying for fire insurance. It was suggested that we could send out an anonymous survey.
- Will Fire Department consolidation help lower our rates?
- Not sure if there will be an ISO visit in the fall.
- Can we find a person to advise on how to improve our fire class?
- It was decided that Tom will draft a survey.

More on financial status and future costs:

Tom noted that net income has been down for the last three years (2022 -\$5,253, 2021 - \$3,148, 2020 - \$8,145). He noted the information from earlier in the meeting regarding increasing maintenance expenses.

Tom presented the following information regarding the 2011 Engineering study regarding system upgrades:

System Improvements per NST report 2011:

*Phase 1: West St - \$22,800 – completed in 2011

Phase 2 New water line Scott Dr to Ashley \$95,600

Phase 3 New water line Terrace to Scott (partial loop system) \$18,000

*Phase 4 Backup Generator \$12,000 (completed in 2014, our cost \$3000)

Phase 5 New 30,000 gallon tank, \$50,000 (we spent \$65,000 for the new 20,000 gallon tank and can expect to spend \$50,000 for the second tank to bring capacity to 40,000 gallons)

Phase 6 New water line West St to Center \$27,800

Phase 7 Booster pump \$40,000??

- Remaining estimated cost for 2, 3, 6 piping \$142000
- 5 - Second Tank \$50,000
- 7 – booster pump \$40,000
- **Remaining total before inflation \$232,000**

Tom noted that we should consider raising annual fees if we want to be ready to continue improvements to our 63-year-old system. Tom noted that each \$100 increase to the annual fee brings in an additional \$4,700. Some discussion followed. It was noted that our \$350 annual fee for improved lots is very reasonable and that we should increase the fee to \$450 for improved lots and keep the unimproved lots the same. A vote was taken and the board approved the increase unanimously

(Tom talked to Dan Bay after the meeting and Dan said that he was in favor of the increase).

It was decided that Tom should send out a letter reviewing the highlights of our meeting. He will advise members of the fee increase and why it is necessary. Tom will note that we are still trying to find ways to improve our ISO rating. He will include a return envelope that has an anonymous check box to choose the current rate that they pay for insurance (\$6000, \$5000, \$4000, etc).

July 7, 2022 Adendum to the minutes of July 2, 2022 minutes

Per phone meeting on July 5th the Board discussed a request by Rick and Sara Church regarding their property 2688 Scott Drive, APN 001-274-007. They have been paying one improved lot fee and one unimproved lot fee for as long as they can remember.

History:

In June of 2017 Rick Church asked President Tom Garcia if they should only be paying the improved lot fee since the property is all one lot. For unknown reasons Tom did not research the issue at that time.

It is well know the initial subdivision had small 60' lots and buyers were allowed to purchase a portion of an adjacent lot. Old maps show that the Church property had a 107' lot and a 30' lot but the actual bold lot lines included both areas with a light dashed line indicating the original configuration. Tom reviewed the Plumas County Assessor records and they show one parcel number for one single lot of 13,506 square feet.

Final Decission:

After phone conversations the Board voted by email and approved the following: 2688 Scott Drive should only be charged for one improved lot fee of \$350. Also, since Tom did not follow up on the original request from 2017 The AHMWC should reimburse or provide a credit for the cost of the unimproved lot fee for the years 2018, 2019, 2020, and 2021 (a total of \$300). Per conversation with Robin at SingletonAuman and it was agreed to provide a \$300 credit against the 2022 fee so that the 2022 payment will be \$50. Moving forward the property will pay at the rate for one improved lot.

As with any property in the AHMWC, if an owner splits a lot they will be subject to the additional lot fees (improved or unimproved as the case may be).