

Minutes: Lake Canyon Mutual Water Board Special Meeting

Wednesday Dec 7, 2022 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: XX called the meeting to order at 7:03 pm

Roll Call: Casey Farrand, Jim DiZoglio, Mindi Porebski, Ru Rajapakse, Sam Monga

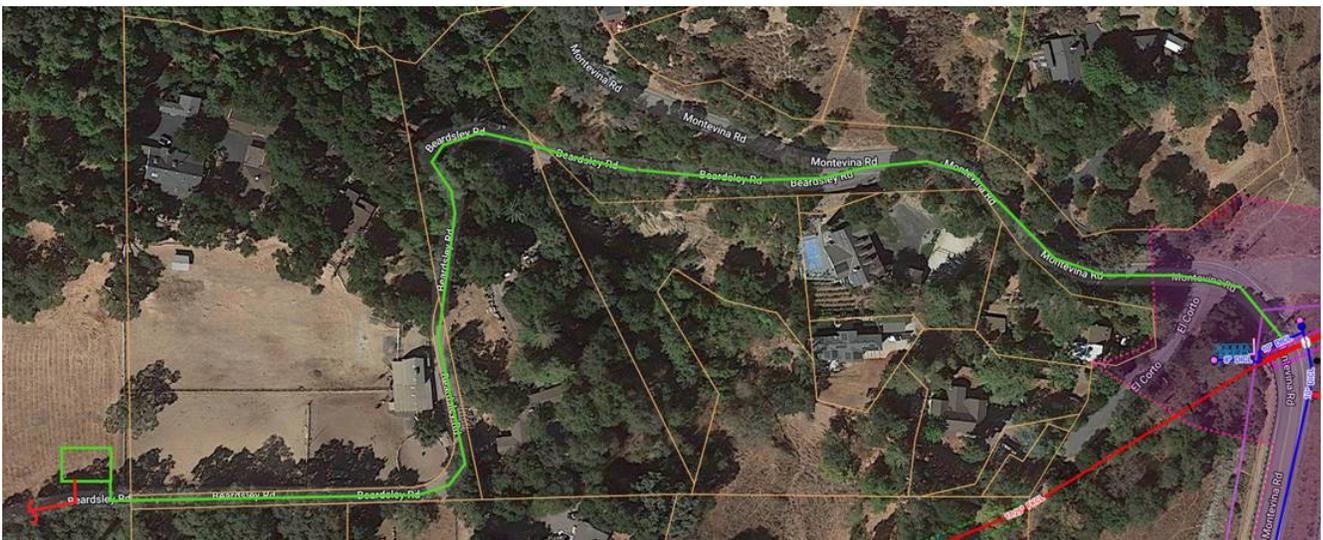
Also in Attendance: Debby Cunningham, Aaruna Gosthi, Matt VanHua, Don Kirk, Wais Achak, Rebecca Cabral

Special Business

- [Ru] Update on proposal and grant funding options for San Jose Water Co. collaboration and pipeline project

[Link to Ru's previous proposal](#) deck

- Attendees expressed excitement for our major neighborhood SJW infrastructure proposal
- There was a Zoom meeting last week with San Jose Water
- Ru informed the San Jose Water team that we want to proceed, and next steps are to:
 - Contact a grant writer to help with the grant application
 - Wait to receive and then review San Jose Water co. proposal for scope of work that is due at the end of year to submit with grant application.
 - Discuss loans for remaining cost with Banks
- Jake, the San Jose water engineer, came and did a walkthrough of the whole Lake Canyon neighborhood and ran calculations, etc. for determining if pipe will have enough pressure to service homes at the top of the hill. Pump house is required because there is not enough pressure for Manzanita homes. Pump house requires 5000 sq ft of land. Actual building housing pump is about 20x30 sq ft.
 - Most other pipeline route options through Black/Beardsley, bottom of the canyon did not have enough clear space for the pump house
 - SJ water has easement through the ranch - and there were suitable locations there
 - Ru shares photo of water line and site plan and main connection that marked the route through the ranch from Montevina



- San Jose has an easier time working with the county for permits, etc. vs. personal property owners. They have a very good relationship with the county. SJ Water thinks this is a far better option than coming up Black and down all of Beardsley.

- However, this plan adds 500 linear feet, but it is in dirt, which is much easier to work in and more cost effective than cutting into the road and dealing with traffic delays, etc.
- Pressure in Oak Ct. and Laurel will be high, and requires pressure reducers to maintain regular pressure.
- Pressure at highest property in our system might be 45-60 psi, and it might require a private pressure system installed by homeowner if pressure is too low
- Pressurizing the entire system to meet highest property demand could push pipeline beyond specifications and inefficient (feedback from Jake)
- Recommendation that if we can move the location of the pump house slightly off the fence against the horse run, that might be nice since Sue has rescue horses that are recovering.
- Pipe from pump house through canyon is an 8 inch pipe with an inner diameter of 6.6 in
- If our water pipe gets close to sewer pipe, a liner is required and they recommend a continuous line with fewer connections
- This project would include installing brand new meters by San Jose Water Co.
- LCMWC would run our system until San Jose Water work is complete and online servicing homes.
- We do plan on keeping the existing LCMWC water pipes functional and intact to homes for future non-potable use.
- Ru has a plan to discuss with Sue in the next 1-2 weeks and has a good relationship with her. San Jose Water says they can make the pump house look like a house and that pumphouses are generally quiet
 - The size is likely 20x30, almost like a big shed
- Water supplied by San Jose Water Co. in surrounding neighborhoods is sourced from Lake Ranch, Lyndon Creek, and a second reservoir up in our hills. It is mountain water and high quality
 - Only change likely is fluoride in the water
 - Improved fire coverage through improved water flow.
- Approximate timeline for construction
 - We will find out on March 31 if we get the grant, and then San Jose Water Co. would look for contractor availability for scheduling. We do not have a lot of timeline information or specifics yet.
 - We won't start any work or studies until the grant is approved so we are not on the hook for engineering study costs or other costs
- San Jose water pricing is based on some factors. See sjwater.com/2021-rates for more info
- San Jose Water Co. mentioned they have been approached by ~30 small water companies for mergers like this. They are taking this very seriously. They felt we had a strong application for our grant request, so they can see this project happening.
- Grant information discussed:
 - 75% of the costs would be paid by the grant and 25% of the cost would need to be covered by us. But we are looking for additional funds or options for coverage for the 25% as a better option than loans
 - All grant writing, application, etc. must be done by us
 - Ru has been pointed toward some grant writing companies so we can hire a professional to do the grant writing and application. Ru left some messages but has not heard back yet.
 - There is an unknown cost for grant writing
 - We have 2-3 months to get financing in order. But the application and grant is due Jan 31. Also requires Jake's drawings and project estimate.
 - Help is needed to contact grant writing companies, but a quick search reveals a 3K - 6K estimate
 - Rough estimate for the whole project is 5M with pump house, which would mean 1.25M for us to come up with
 - If we take out a loan to cover this, it means we likely cannot lower the monthly base and might even need to increase it to pay off this loan.
 - Also had a call with the program manager who said it is not too hard to fill the grant out. But the application itself has warnings that if you don't fill it out properly you won't be accepted and won't be able to re-apply
 - Ru has already reached out to two grant writing companies, Mindi to make a spreadsheet to keep track so other board members can also help with contacts
 - **Grant application can be viewed [here](#)** under "Resources"
- Next meeting should take place once we get project scope work back from Jake and have information on the cost of grant underwriters. The board will need to convene to review and vote on any costs needed for approval.
- Board can start looking into loans through the water board financial assistance branch and iBank and

- state water resources board financial assistance.
- State regulations are getting tight we take out a loan to cover this, it means we likely cannot lower the monthly base and might even need to increase it to pay off this loan.ter and tighter and this makes it harder for small water companies to keep up
- Community comments:
 - Very excited about the project and thanks to Ru. Thinks this is a much better plan than trying to keep fixing our current system
 - Excitement over better water pressure for fire fighting and interest in bringing this to the insurance companies

Review Meeting Minutes from this meeting

Jim motions to approve the minutes

Sam seconds

Motion Passes 4-0

Meeting Adjourned at 8:15 p.m.

Next regular meeting: Wednesday, December 21, 2022 7:00 p.m. via Zoom