

SQUAW VALLEY MUTUAL WATER COMPANY
P.O. Box 2276
Olympic Valley, CA 96146

BOARD OF DIRECTORS MEETING
MINUTES
Saturday, October 25, 2008

Roll Call and Establishment of Quorum: The meeting of the Squaw Valley Mutual Water District Board of Directors was called to order at 9:18 a.m, October 25, 2008. A quorum was established by Secretary Lynn Suter, and roll was called.

Directors Present: Ken Bossung, Margot Garcia, David Mercer,
Stephanie Pierucci, David Salinger, Lynn Suter

Directors Absent: Alisa Adriani

Staff Present: John Collins, Anne-Marie Giese

Members Present: Carl Gustafson, Cecile Weaver

Minutes of the following meetings were approved unanimously:

July 19, 2008

August 30, 2008 (Morning Meeting Minutes)

August 30, 2008 (Annual Meeting Minutes)

August 30, 2008 (Afternoon Meeting Minutes)

It was duly noted that the following Member(s) were absent from the August 30 Annual Meeting and the August 30 Afternoon Meeting. **Stephanie Pierucci**

The Agenda for the meeting of October 25 was unanimously adopted.

President's Report

No Water Use Rebates: President Margot Garcia noted that an action item was adopted electronically that denies rebates to Members whose houses consumed little or no water use due to fire repairs, rehabilitation, or rebuild. The President noted that until the Revised SVMWC bylaws are passed, actions adopted electronically must be validated by action of the Board at its next meeting. Upon

motion made, seconded, and unanimously passed, the “no rebate” policy was adopted.

Draft SEIR: President Garcia reported on findings of the Draft Environmental Impact Report (DSEIR) for the water and Sewer Service Agreement for the Resort at Squaw Creek Phase II. The President’s Report noted that she sent an eight-page letter of comments on the DSEIR, which she sent to each member of the Board, commenting on various aspects of the draft document. (See President’s Report). In her comments she requested that the DSEIR be amended to include possible over-allocation to InterWest III and IFV, requesting that a revision demonstrate the cumulative impacts to indicate that impacts are “cumulatively considerable.” In a second point President Garcia noted that 18 wells and 17 monitoring wells around the golf course, six test wells, and two Children’s World wells, and other monitoring wells are listed, which threatens overdrawing from the aquifer and a greater possibility for contamination.

President Garcia noted that she also sent a 13 page letter of her personal comments that include the above requests for revision as well as enumeration of a number of errors and inconsistencies in the test.

Discussion ensued regarding Poulsen’s right to shut down one well and build another, with President Garcia noting that the condo well noted in the court statement is not acceptable to SVMWC.

Member Pierucci objected to comments that could be construed as “taking on the Squaw Valley Public Services District” regarding sustainable yield of various wells, and requested a vote in the future on any comments to the DSEIR sent by the President on behalf of the Board. She noted that she did not challenge the data included in the President’s comments.

Easements: The President noted that all easements are signed. Discussion ensued regarding payments to Roger Pierucci. Director Stephanie Pierucci excused herself during the discussion. *Motion was made, seconded, and duly passed that \$5,000 be allocated to Robert Pierucci for payment in full for complete work on easements. Stephanie Pierucci abstained from discussion and voting.*

Groundwater Management Plan: Board discussion ensued on the points noted in the President’s report. Member Mercer suggested that David Brew be designated to represent President Garcia, with Member Salinger designated as the second alternate.

Resort at Squaw Creek Technical Review: Member Pierucci questioned David Brew’s representation of the SVMWC at the meetings. President Garcia noted that Mr. Brew’s representation is at her specific request because of his expertise in aquifer issues and hydrology. *Upon motion duly made, seconded and passed with*

one abstention, the board agreed that Mr. Brew can represent the President as her alternative at the subject meetings.

Groundwater Analysis: For general information President Garcia noted a grant to HydroMetrics through the SVPSD for data collection regarding aquifer stream interaction. The grant does not include analysis.

Treasurer's Report: The report was presented by Anne Marie Giese on behalf of Treasurer Adriani.

Current Financial Status: Update presented by Ms. Giese

Billing Services and Fees for Service: Treasurer Adriani's report suggested shortening up the period for payment and late payment of bills for cash flow purposes and proposed a billing fee model in her report. Discussion ensued regarding items 2 through 5. Included was discussion on the cost of installing meters, the possibility of rebates for meter costs if grant funding becomes available and related issues. John Collins agreed to redraft meter requirements. *A motion to table discussion until a re-draft is prepared was duly made, seconded, and passed unanimously.*

Director Pierucci questioned derivation of costs, noting that SVPSD fees are much higher than SVMWC. Ms. Giese noted that the Treasurer collected comparative fee data, including fees already paid by SVMWC members, and based costs upon her findings.

The cost of lateral connections was discussed. John Collins stated he would redraft estimated costs, noting exceptions and dividing costs into categories back lot lateral connections.

Fees for Service Adopted:

Upon motion duly made, seconded, and passed unanimously the New Construction, Remodels, and Rebuild fees according to the fee model developed by the Treasurer were adopted.

1. There is no "connection fee" for new development because all vacant lots have been paying a fee to the capital improvement fund and to the company administration fund.
2. Plan check for remodel not involving sewer or water systems - \$150
3. Plan check for new construction or major remodel - \$250

4. Service tap into main water line. \$150 plus any time after 1 hour charged at \$75 per hour
5. Final inspection - \$150

Upon motion duly made, seconded and passed unanimously the new fee schedule for turning water on and off was adopted by the Board of Directors.

Turning Water On and Off

The property owner is required to contact the SVMWC to have them turn the water on or off at the service box. If the property owner undertakes to do this themselves, they are responsible financially for any damage done to the service box, pipes, or valves in the service box.

1. To request a water turnoff at a specified time during business hours with an advance appointment- \$50
2. To request a water turn on at a specified time during business hours with an advance appointment - \$50
3. To request a water turn on or off that can be handled at any time within a 36 hour period – no charge.

Upon motion duly made, seconded and passed unanimously, the new billing fee schedule and deadline dates developed by the Treasurer was unanimously adopted by the Board of Directors.

The Squaw Valley Mutual Water Company establishes the following policies regarding the annual billing for its customers.

1. Bills are mailed out July 1.
2. Member fees are due thirty days after billing or August 1.
3. Members are charged a late fee of 25% and 1% per month interest for their fees after sixty days (or September 1).
4. If members chose to pay in two installments, fifty percent of the amount due plus \$15 is due August 1 and fifty percent of the amount due plus \$15 is February 1.

Member Cecile Weaver offered comments regarding the fee schedules.

Office Manager's Report: Anne-Marie Giese reported that office management was proceeding well and provided some administrative details.

Operations Manager's Report – John Collins

Operations Report: Mr. Collins reported on Water System Compliance, Water Production, and listed individual duties performed in addressing issues of system operations and maintenance. He made recommendations on safety issues and maintenance requirements for Well House #1 and Well House #2 and presented billings for work performed by Tahoe Sierra Electric Company.

Redwood Tank Replacement: Discussion ensued regarding replacement of the Redwood Tank, which is deemed by the Operations Manager and others to have deteriorated beyond repair. Director Mercer noted the need to do core samples and geology work. Mr. Collins noted the need for geotechnical engineering to be completed before winter, and to engage a geologist. He will seek two or three proposals and email them to members of the Board in order to expedite preliminary work. Several specific suggestions were made regarding contractors for the work, with Director Mercer offering to make initial contacts. Member Carl Gustafson commented on aspects of the Redwood Tank replacement. *A motion to proceed with preliminary replacement work on the redwood tank was duly made, seconded, and passed on a 5-1 vote, with Director Pierucci dissenting.*

Auerbach Report: Mr. Collins noted that corrections requested by the Board have not been received by the Auerbach Engineering Corporation, and that he had had only minimal contact with them since the Annual Meeting. President Garcia directed that Mr. Collins request Auerbach to report back to the Board in writing in the next two weeks, and that a special Board meeting be held December 20 to discuss the final report.

Also included on the Agenda for the December 20 meeting would be a full discussion of the tank replacement contract. It was duly moved, seconded, and unanimously passed that a Board meeting be scheduled for 9:00 a.m. on December 20, 2008.

Revised Bylaws: President Garcia noted that bylaws must be passed unanimously, and the Board therefore could not act at the current meeting due to the absence of one Director. *A motion to table discussion of the Revised Bylaws until the next Board Meeting was duly moved, seconded, and unanimously passed.*

Set Next Meeting: *Upon motion duly made, seconded, and unanimously passed, the next SVMWD meeting will be held on December 20, 2008 at 9:00 a.m.*