

# SQUAW VALLEY MUTUAL WATER COMPANY

## Minutes

### Meeting of Saturday, February 27, 2010

1. Call to Order: President Garcia called the meeting of the Squaw Valley Mutual Water Company board of directors meeting to order at 4:10 p.m. in the PSD Community Room. Secretary Suter called the roll, and a quorum was established.

Directors present: Bossung, Burke, Garcia, Mercer, Salinger, Suter

Directors absent: Adriani

Staff Present: John Collins, Anne-Marie Giese,

Members/Guests present: Cecile Weaver, Carl Gustafson, Larry Lawrence, Tad Thomas, and Steve Brigman

2. Agenda. It was moved, seconded, and unanimously passed that the agenda be adopted, adding the subject of metering to the agenda.
3. Minutes. Minutes of the October 24, 2009 and December 20, 2009 meetings were moved, seconded, and unanimously accepted.
4. Appeal. The Board heard the appeal from Larry Lawrence on his water bill. His property at 1592 Sandy Way was erroneously billed for an extra bathroom since he purchased the property in the seventies, for which he asked the board for a credit to his bill. Motion was duly made, seconded, and unanimously passed to allow Mr. Lawrence a credit on his monthly bill for the difference in rate for the length of the QuickBooks file (14 years).
5. President's Report. President Garcia noted that there were three electronic votes taken by the Board of Directors since its last meeting. They are:

#### Adopting Resolution 2-2009 - Voting: December 25 to 28, 2009

Moved by Garcia, Seconded Salinger moved the adoption of Resolution No. 2-2009, a resolution of the Governing Board of the Squaw Valley Mutual Water Company, Olympic Valley, California providing for the Acceptance of Public Works and Notice of Completion.

Votes: 7 yes, 0 no, 0 abstentions.

#### Change Order - Voting: January 28 to 31, 2010

Mercer moved, Suter seconded the motion that we authorize Change Order #2 (for RDC) which is for burying a direct electric line from a transformer to new electric box (\$2790), the addition of two drains; burying the 4-inch drain that finishes the French drain behind the tank (part of change order #1) (\$1070), and a 6-inch drain for the water storage tank that is buried and laid to the drain swale (\$1790). The total amount is \$5,650. Votes: 7 yes, 0 no, 0 abstentions.

Approve SCADA improvements - Voting February 12-19, 2010.

Mercer moved, Salinger seconds the motion to approve the bid by Sierra Control Systems to provide and install ratio communication upgrade devices for the existing series 900 Well Site Pump Controller and Booster Site Pump Controller at a price not to exceed \$4,100.

Votes: 5 yes, 2 not voting.

President Garcia went on to report on the status of financing for Phase II and on the status of grant applications. She noted that the poll of membership conducted by the board resulted in roughly 2/3 of the membership wanting to pay an assessment and 1/3 in favor of the Mutual borrowing the funds with a long-term pay-back. She stated that she is working on a tight timeline for the Winter Newsletter in order to get it out by the March 9, 2010 deadline for notice to the membership of the coliform presence at the horizontal well last fall. She noted further that the issue of metering will come up in construction phases 3, 4 and 5 and that she will be writing an article about it for the Winter Newsletter. She referred the Board to the draft timeline she included in her report for the next construction projects to be started this summer. As an information item, President Garcia reported that on Tuesday the SVPSD adopted a proposal from Hydrometrics on groundwater monitoring. The PSD is applying for a grant to continue with Phase 2 of the Aquifer Study.

6. Treasurer's Report. In the absence of the Treasurer, the Office Manager included the Treasurer's Report in her own report.
7. Office Manager's Report. Anne-Marie Giese noted that the Mutual's financials are posted on the website at [www.svmwc.com](http://www.svmwc.com). She reported that the rest of the assessments are trickling in. The tank project bills are all in except for a couple of hourly bills from Steve Brigman. The reserve will stay at \$50,000 as a result of the difference between the tank assessments collected and the cost of the tank. The president reiterated that the money market balance is \$81,940, which includes what members have paid to date. There is still about \$130,000 outstanding, which should come in by March 15, when a more accurate financial picture will be possible.
8. Operation Manager's Report. John Collins reported that things are running smoothly except for problems with the radios. He had three service calls, two to locate and shut off water and one a chlorine complaint.

Shaw Engineering Report on Phase II and III. Steve Brigman provided a Power Point presentation for the Board to review and evaluate the proposed water system improvement projects and to identify problems, roles, and objectives. He included a number of handouts and exhibits with his presentation. He noted that the biggest problems center upon stretches of inadequate hydrant coverage resulting in some hydrants not meeting fire flow requirements. It will be much improved with completion of Phases 2 and 3, increasing fire flow by putting an additional 28 psi in the upper zone. If the pressure is raised on Navaho, some of the other inadequate hydrants will pass fire flow requirements.

The Phase 3 project was originally \$270,000 but will be more expensive now because of the need for additional hydrants and much more pipe to address coverage issues. He noted that Phase 3 has a huge benefit to the Mutual because fire hydrant and fire flow are currently the highest priority, with a goal of getting all hydrants flowing at 200 gal/minute. In addition to the

improvements, the Mutual will need a 5-10 year plan for repair and replacement. Board discussion ensued on options for placing lines.

9. Next Steps, Timeline to implement Phases 2 and 3; Structuring payment:

Mr. Brigman presented cost summaries, noting that Phase 2 and 3 are shovel ready, but they haven't yet been reviewed by John Collins, after which they must be submitted to Placer County. The drawings are 90 percent complete, and it could be possible to go to bid in about 30 days, snow conditions permitting. He estimated the total project at \$900,000, noting that costs will probably come in under that. A plan for interim financing is needed, and financing must be in place before bids are solicited.

John Collins noted that if the Mutual is interested in pursuing the USDA loan, work may have to slow down on Phases 2 & 3 due to the time it will take for the loan process. Board members discussed various options in this regard.

Member Cecile Weaver suggested advising USDA that the Membership voted to go ahead with the project, as a further impetus to procuring the loan.

President Garcia summarized the next steps, noting that the Board's plan will be to go for an electronic vote.

- Proceed with Phases 2 & 3, asking Shaw to move ahead with Placer County to aim for a bid date of April 5.
- Get financing letter to membership
- Estimate assessment needed for Phases 2 and 3

Further discussion ensued between Board members and staff regarding financing options.

John Collins committed to not more than 40 hours for "back of the envelope" numbers. Steve Brigman noted the importance of gauging what level of detail is needed to secure financing. Director Burke asked for a rough time line for when they can fund. Anne-Marie Giese stated that she is meeting with USDA personnel next Wednesday, with a goal of gathering enough information for a decision on proceeding with financing for Phases 2 and 3, or Phases 2 or 3. Director Mercer suggested putting a note in the newsletter regarding the upcoming assessment.

10. Set Next Meeting. It was moved, seconded and unanimously passed that the next meeting is set for March 27 at 4 pm. Future meetings:

- April 10 or 16
- May 30 – Adopt budget, contracts, dedication of new tank
- July 24 – Prepare for annual meeting
- September 4 – Annual meeting

11. Adjournment. It was moved, seconded, and unanimously passed that the meeting be adjourned.

Lynn Suter, Secretary