

# SQUAW VALLEY MUTUAL WATER COMPANY

## MINUTES

Meeting of Sunday, May 30, 2010

1. **Call to Order:** President Garcia called the meeting of the Squaw Valley Mutual Water Company board of directors meeting to order at 2:20 p.m. in the PSD Community Rom, , Squaw Valley. President Garcia called the roll, and a quorum was established.

2. **Roll Call and establishment of a Quorum:**

**Directors present:** Bossung, Garcia, Mercer; Suter

**Directors absent:** Adriani, Burke, Salinger

**Staff Present:** John Collins, Anne-Marie Giese, Cory Giese, Steve Brigman

**Members/Guests present:** Cecile Weaver, Carl Gustafson, Dave & Sally Brew, Bert & Lorraine Fulmer, Bob Clark, Ron Gajar and Dan Kenney

3. **Agenda.** It was moved, seconded, and unanimously passed that the agenda be adopted.
4. **Minutes.** Minutes of the April 17, 2010 meeting and the May 27, 2010 meeting were deferred until the next Board meeting.
5. **Customer Appeals:**

Caroline Jones: Appeal of 25% Late Payment Penalty due to personal hardships. After discussion, it was moved, seconded, and unanimously passed to approve Mrs. Jones' appeal.

Russell Poulsen: Appeal of Mr. Russell Poulsen for waiver of late fees. After discussion, it was moved, seconded, and unanimously passed to deny his appeal for waiver of late fees due to the number of notices sent to him by the office managers and to send all future communications to Mr. Poulsen via Certified Mail.

6. **President's Report:**

- **Electronic Votes:** President Garcia noted two electronic votes that had been taken between the April 17, 2010 meeting and the present meeting. It was moved/seconded to retain Mr. Andrew J. *Morris of Best, Best and Krieger to handle legal affairs for SVMWC, primarily dealing with the USDA loan application, and other questions as they arise, and to authorize \$1,000 retainer from the 0910 budget line item for legal expenses. A substitute motion* was made by Lynn Suter and seconded by David Salinger: Moved we accept John Collins' recommendation of Andrew J. Morris as our attorney with direction to the Board President to request a reduction in fees. Votes: Yes, 7; No, 0; Abstentions, 0.

- President Garcia provided an update on the USDA Loan status, and noted the formation of several Board Committees. President Garcia noted that it will be a future topic of the Meters Committee to discuss how and when to phase in meters. The Neighborhood Meeting committee will be working out dates to discuss this and other matters related to the next phase of improvements. She announced that the tank dedication had taken place earlier in the day, that John Chisholm and his son were present, as well as about 30 other people. She referred the Board to the questions raised on Page 4 of the Agenda Packet that must be answered in order to develop a policy on unpaid water bills for vote by the full Membership at the Annual Meeting. A change in Bylaws may be needed, depending upon the policy adopted. The President then went through various charges to the Committees for work that will need completing prior to the annual Meeting.
7. **Treasurer's Report:** The Treasurer's Report was given by Office Manager Cory Giese, who noted that there is \$156,000 in the money market account that will get us by for the rest of the year. There is \$73,000 left on the Plumas loan, nothing on the line of credit. All Members are paid except for one house due to foreclosure. There is \$941 remaining out of the annual assessment, with Accounts Receivable at \$9,300. In answer to a Member's question about the line of credit, President Garcia noted that we haven't drawn it down, and won't use it unless there is an emergency. It is a cushion in case of a dramatic expense.
  8. **Operations Manager's Report:** John Collins provide the Water Operations Report for April-May 2010, noting that the Mutual is meeting all standards and that water production is less by 600,000 gallons than this time last year. He summarized his list of activities and noted the Mutual now has a dependable water supply and that everything is clean. A backup generator can be in place in 24 hours. Radios are replaced and working well. Hydrants have been cleared of snow in timely manner.
  9. **Office Manager's Report:** Cory and Anne-Marie Giese reported on the financial condition of the Mutual, noting that Director Burke is pursuing a line of credit with Wells Fargo Bank. Anne-Marie noted we have had no problems with service, tellers, etc. in our dealings with Plumas Bank, and we have two more years to pay off our long term loan. Anne-Marie has completed the 2009 Consumer Confidence Report and Annual reports for the CA Department of Public Health. Cory has provided McClintock with all the information necessary for the 2008-09 compilation.
    - *It was moved, seconded and unanimously passed that the Mutual buy a new file cabinet for Ms. Giese.*
    - *It was moved, seconded, and unanimously passed that the Mutual remain with Plumas Bank for the time being.*
  10. **Adopt Contracts for 2010-2011:**

**John Collins:** Mr. Collins noted that there are increases in engineering costs in the new contract as well as an increase for the requirement that he obtain a Grade One Water Treatment Certification.

- *It was moved, seconded, and unanimously passed that the new contract for John Collins be accepted by the Board.*

**Cory and Anne-Marie Giese:** There will be a separate contract negotiation for time and material related to the USDA loan. Director Bossung suggested that this be a separate line item in the budget.

- *It was moved, seconded, and unanimously passed that the current office manager contract be accepted.*

11. **Adopt budget for 2010-00.** Discussion ensued about adoption of the budget as a working document, based upon the same rates as last year. When additional information is available, another budget will be considered which includes more thorough accounting for expenditures including the anticipated USDA Loan. President Garcia noted that contracts for well rehabilitation, legal work related to the USDA loan, administration and other items will be in place after details are known. Discussion ensued on various methods of developing policies for expenditures, depreciation related to improvements in the system, and other issues that will be addressed with the USDA loan process.

- *The 2010 Budget was moved, seconded and unanimously adopted with changes to be worked out when information is available.*

12. **Nominating Committee Appointed:** Directors Adriani, Mercer, Salinger, Burke. Deadline for nominations is July 26, 2010.

13. **Next Meetings Set:** The next meeting of the Board of Directors is set for Saturday, July 24 at 4:00 p.m. In addition, a meeting is tentatively set for Monday, July 26, for representatives from the USDA to discuss the loan with Directors and others. The Annual Meeting is set for Saturday of Labor Day Weekend.

*Upon motion duly made, seconded, and unanimously passed, the meeting was adjourned.*