

Squaw Valley Mutual Water Company
Minutes
Meeting of Saturday, July 24, 2010

1. **Call to Order:** President Garcia called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 4:12 p.m.
2. **Roll Call and Establishment of Quorum:** Secretary Suter called the roll, and a quorum was established.
 - **Directors Present:** Bossung, Garcia, Mercer, Suter
 - **Directors Absent:** Adriani, Burke, Salinger
 - **Staff Present:** John Collins, Anne-Marie Giese, Steve Brigman
 - **Members Present:** Cecile Weaver, Harold Weaver, Athena Garcia, and Patty Guilford
3. **Agenda:** It was moved, seconded, and unanimously passed that the agenda be adopted. There were no additions to the Agenda.
4. **Minutes:** Minutes of the meetings of April 17, 2010, May 27, 2010, and May 30, 2010 were adopted with the correction that the meeting of May 30, 2010 was held on Sunday, not Saturday.
5. **President's Report:** President Garcia noted that there were no electronic votes taken since the last meeting of the Board. She noted receipt of the Project Engineering Report and the Environmental Review Report from Shaw Engineering, with the latter containing notation of some threatened species. She also noted the receipt of proposed water rate structures from John Collins. She spent significant time since the last meeting reviewing the base maps of the system from Auerbach, and found a number of inconsistencies which are corrected with the help of Karen Brigman. There was only one bid of \$37,200 received for the evaluation of SVMWC's two wells, with acceptance recommended by Steve Brigman, and work to begin shortly. The President also reported on the dedication of the John Chisholm Water Tank. She noted that the immediate work of the Board will be to push forward on the USDA loan application, which is on a tight timeline.
6. **Treasurer's Report:** The Treasurer's Report was presented by Anne-Marie Giese, who noted that fee revenue is coming in faster than expected. Budgeted expenses compared to actual expense look fine. She is putting together information for the audit, which will be ready for the Annual meeting. Everything went well with the 2008/09 compilation, with very minor adjustments.

7. **Operations Report:** John Collins gave the Operations Report for May, June and July, stating that all state and federal standards are being met. Water production was low for May, and there has been a significant difference since the new tank became operational. He noted that it is still difficult to get a truck into Well #2 because of a huge snow pile, and they've had to carry the chemicals to the well house. His recommendation is to get rid of Well House #2 and do all chemical treatment at Well House #1, thus avoiding double-up of scales, controls, etc. He mentioned that someone had tried to gain access to the top of the upper storage tank, and contacted Resources Development Company to obtain a bid to repair damage and make security improvements. He is working on annual inventory, using a plumbers catalog to price fittings and other small items, which he plans to recycle at a metal salvage company. He made three service calls, and made arrangements to remove and store concrete boxes about the Chisholm tank in response to a request for removal by Russell Poulsen. He received a bid proposal for pump inspection and maintenance from Carson Pump, but no other responses. The bid came in at the amount expected.
 - *It was moved, seconded, and passed unanimously that the Board accept the bid of \$37,200 from Carson Pump for pump inspection and maintenance*
 - *It was moved, seconded, and passed unanimously that the Board accept the bid of \$3,800 from Resources Development Company for work pertaining to screen damage and security improvements at the upper tank.*
8. **Office Manager's Report:** Anne-Marie Giese reported that a bronze plaque for the new tank will cost \$300-\$400. The Board authorized her to move forward with the project. She received a complaint about somebody watering manzanita. She likes her new file cabinet.
9. **Progress on USDA Loan:** Steve Brigman reported that the Preliminary Engineering Report is complete, with a copy sent to John Collins. Most of the information is not new, but summarizes Auerbach's work and follows the required USDA outline.
10. **Review Decisions from May 27 Meeting:** The Board discussed timelines for Members to move from old boxes in the rear to new boxes with meters in the street. The policy discussed, but not voted on, is as follows:

For a large portion of the Mutual Service Area, the water mains are to the rear of the lots and that is where the water service boxes are found as well as the where the connections are made to the houses. As new, larger mains are put in the street, for ease of access during breaks, general maintenance, and improved fire flow from the hydrants, new water service boxes with meters will be put in the street as well. The implication is that members will need to move their connections, at their own expenses, from the back lot line to the front. The Board is very cognizant of the cost of moving the house

connection from the rear lot line to the front. To smooth this transition, the existing rear water line will be left to operate for five years (some board members favor three years) after the completion of the new line in the street. There are a number of instances when the connection will need to be made sooner.

1. When a house is sold the owners will need to connect to the new service box.
2. When a house is remodeled to the extent it needs a building permit, a "will serve letter", or installation of fire sprinklers, the owners will need to connect to the new service box.
3. All new construction will need to connect to the new service box.
4. Homeowners who do not fit into one of the three categories above have the following options in order to connect within five (or three) years of the completion of the new main lines.
 - Develop a new connection for the house from the new service box by oneself. It can be either to the old rear connection, or to a new house connection to the front.
 - Working with a number of neighbors, hire a construction firm to do a number of these new connections at one time, thereby reducing the set-up costs for bringing in machinery to dig the trenches. Those involved would share the cost.
5. To facilitate the above actions, the Mutual will provide an approved vendor list of plumbing contractors available to do the job.

11. **Report from Committee to develop policy on late payments of water bills.**

12. **Report of Committee developing metered rate structure policies:** Ken Bossung and John Collins discussed a base rate calculation dependent upon allocating costs calculated upon the demand a customer can place on the system. Discussion ensued regarding charge of a single rate, or a rate based upon size of service in a given house. Ken Bossung noted that vacant lots would be charged a connection fee, a one-time payment when a building permit is issued if they did not participate in paying off the loan. He discussed funding depreciation and the necessity to always have enough to make payments on the debt service, a requirement of the USDA loan. He stated that the bottom line for USDA is assurance that the Mutual's revenue stream covers the debt, particularly in the time prior to meters being in place. John Collins will write up a procedure to show the rates the Mutual would have to charge in order to make the loan payments.

13. **Comments from Members:** Patty Guilford asked a number of questions about why the Mutual is doing so much work, and spending so much money. Her questions were answered by various Members of the Board, addressing issues of fire flow and reliable clean water delivery.

14. **Report from Neighborhood Meeting Committee:** President Garcia and Lynn Suter reported on progress for organizing neighborhood meetings. It was agreed

that meetings would be scheduled in neighborhoods affected by moving water lines, and that Steve Brigman would be available for a presentation at the annual meeting, complete with maps, and to answer any questions from Members. There would be only one letter that would go to all the members with all the meeting dates and locations.

15. **Report from Nominating Committee:** Director Mercer announced the nomination of incumbents to the Board of Directors: Kenneth Bossung, Margot Garcia, and Lynn Suter. Further nominations were not received by the Committee.
16. **Next meetings set:** The next meeting of the SWMWC Board of Directors is set for Saturday, September 4, 2010 at 9:00 a.m. The Annual Meeting of the Members is set for Saturday, September 4, 2010 at 10:00 a.m. The meeting of the new Board of Directors is set upon adjournment of the Annual Meeting of Members on September 4, 2010.
17. **Adjournment:** Upon motion duly made, seconded, and unanimously passed, the meeting was adjourned.