

**Squaw Valley Mutual Water Company**  
**Minutes**  
**Meeting of Saturday, September 4, 2010 – 9:00 a.m.**

**Call to Order:** President Garcia called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 9:06 a.m.

**Roll Call and Establishment of Quorum:** Secretary Suter called the roll, and a quorum was established.

- **Directors Present:** Adriani, Bossung, Burke, Garcia, Salinger, Suter
- **Directors Absent:** Mercer
- **Staff Present:** John Collins, Anne Marie Giese, Cory Giese, Steve Brigman
- **Members Present:** Carl Gustafson

**Agenda:** There were no additions to the Agenda. *It was moved, seconded, and unanimously passed that the agenda be adopted.*

**Minutes:** *It was moved, seconded, and unanimously passed that the minutes of the meeting of July 24 be approved.*

**President's Report:**

- **Electronic Vote:** President Garcia noted that one electronic vote took place during the interim period between meetings. Motion was made by Suter, seconded by Bossung, and passed unanimously that Anne-Marie Giese be named coordinator of the USDA loan for the Mutual for a fee of \$75 per hour, not to exceed the \$12,000 budgeted expense for both her and John Collins.
- **Neighborhood meetings:** President Garcia announced that all of the neighborhood meetings had been set up. There will be an open house today at the old firehouse following the Annual Meeting. The other meetings are scheduled: Thursday, Sept. 16 (4-6 p.m.) at the home of President Margot Garcia; Saturday, Sept. 18 (11 a.m.-1 p.m.) at the home of Director Lynn Suter; Saturday Sept. 18 (3-6 p.m.) at the old firehouse. Maps and charts showing the project, connection policy and costs will be available at the meetings. Representatives from Shaw Engineering and Operations Manager John Collins will be available to answer questions about individual properties and other engineering inquiries. President Garcia spent significant time reconciling anomalies in the subdivision map, assessor's records, and the Mutual's records to insure accuracy in anticipation of preparing detailed engineering plans for each house as the project commences.
- Director Adriani noted a discussion with Member Charles Lockhart concerning location of his connection box in a retaining wall. This is an example of individual situations that may come up at the neighborhood meetings.

- Next steps: President Garcia noted that the Board must finalize a house-connection policy, including for vacant lots. In addition, the Board must pass a motion formally approving the loan package and its submission to USDA.
- USDA Loan Application: President Garcia and Anne-Marie Giese described the status of the USDA loan application. Mrs. Giese noted that the loan application would be complete and ready to submit on Tuesday, September 7. She is still negotiating the timing and amount of fund releases by USDA. Other details, such as completed and signed documents, and draft and review of financial information, are completed.

*It was duly moved, seconded, and unanimously passed that the Board accept the loan package and have it forwarded to USDA for approval.*

### **Operations Manager's Report:**

- John Collins noted the completion of pre-rehab pump testing at Wells 1 and 2. The well casing in Well #2 is not efficient in letting water in or out, and rehab work is scheduled for later this month. Mr. Collins introduced the LEC Corporation proposal for the one-year inspection of the new tank. Inspection, Cleaning, and Reporting is bid at \$2,475, plus \$500 to vacuum out sediment, which Mr. Collins observed in the bottom of the tank. Steve Brigman noted that the tank is designed to trap sediment. Director Bossung said that the bid is a lot of money to do an inspection on a brand new tank, and noted we already paid somebody to do a tank-coating inspection. Mr. Brigman answered that the inspection is routine, and is required to be “camera-ed” and that the bid includes a warranty for a year, which he likened to “a \$2,000 insurance policy.” Mr. Collins noted that, if approved, he would make sure the work is done on a timely schedule in order to keep the warranty intact. Directors Salinger and Bossung questioned the \$250 cost for a bound copy the report, stating that we could access it online and print it out ourselves.

*It was duly moved, seconded, and unanimously passed that the Board accept Bid No. 39737 from LEC Corporation to clean, inspect and file reports on the condition of the steel well, with the exception of the \$250 charge for one bound copy of the Report.*

- Timeline for Project Construction. Mr. Brigman noted that the timeline for project construction and completion is dependent upon two uncontrollable factors: USDA time line, and snow. He noted that the USDA loan slows the process down through their review of all engineering plans, their formal authorization to bid, and their concurrence on bids. It may or may not be possible to finish the required work in time to start construction prior to snowfall. He suggested the Board might want to consider bidding only the upper zone, and bid the rest later – after snowfall. He cannot commit that a walkthrough will occur prior to snowfall, as it is now late in the season. President Garcia suggested doing the walk-through first, noting we lose many months if we cannot complete that step before snow. Mr. Brigman noted that some of these factors are beyond our control. Katie Hammond made it clear that she

would move us through the process as quickly as possible. However, USDA could ask for technical analyses that are not a part of the report. He doesn't expect any big problems, but it could be 60 days or longer for the application to be approved.

**Issues for General Membership Meeting:** *Chlorination*

- *President Garcia* noted that the issue of chlorinating SVMWC water might be a likely topic of discussion at the Annual Meeting. She noted the reasons for chlorination, and *Director Adriani* pointed out that the Mutual is not under a mandate to chlorinate now that the new steel tank is operational. She noted that the Squaw Valley Public Service District does not chlorinate, and mentioned health concerns raised on the Cal EPA website. ([www.calepa.ca.gov](http://www.calepa.ca.gov))
- *Mr. Collins* noted that the sewer line between Well 1 and Well 2 is a potential source of contamination, along with other risks such as cracks in water lines. *Director Salinger* noted that SVMWC has more liability than the Public Service District, and if a coliform or other event should occur, we could be sued for not chlorinating. He stated that there is no downside to chlorination at the low levels utilized by the Mutual. *Director Bossung* noted that the act of "taking chlorine away" could create a liability problem because it is a direct decision NOT to chlorinate, possibly placing the Mutual at a higher risk than if chlorination had never occurred. He noted that the Mutual is "much easier to sue than a public agency." *Director Burke* suggested the Board create a working session to examine health impacts and legal obligations, and a thorough assessment of the issue.
- *Director Adriani* noted that some people do not like chlorine, and that the Board must assess what its Members want. She has heard from some Members who are upset about the quality of the water and its chlorine odor, they need assurance about the quality of the Mutual's water. She noted that the Mutual voted against joining the Public Service District because "we had such good water" and "if now our water sucks, why not join the PSD?"
- If concerns are raised about chlorination at the Annual Meeting, *President Garcia* suggested we schedule a public workshop to air water quality, health concerns, liability, and science related to chlorination, noting that *Director Salinger* is both a physician and an attorney and might be able to suggest experts to assist.

**Adjournment.** It was duly moved, second, and unanimously approved that the meeting be adjourned.