

**SQUAW VALLEY MUTUAL WATER COMPANY  
BOARD OF DIRECTORS  
MINUTES**

Meeting: Saturday, February 19, 2011.

*The original minutes were lost to a computer virus. These have been reconstructed from notes.*

1. **Call to order:** President Garcia called the meeting to order at 4:00 pm.

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

**Directors Present:** Adriani, Bossung, Burke, Garcia, Mercer, Salinger, Suter

**Directors Absent:** none

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

**Members and Guests Present:** John Coyle, Jon and Carol Shanser, Brenda Mylum, Ray and Hazel Guaraglia, Barb Futran, Barbara and Gary Tolman, Carl Gustafson, Christina Campbell, Chris Cattran, Bob and Marsha Venn, Charles Luckhardt, Dan Kenney. Jackie Redmond, Rob Lamb, Frost Prioleau, Alex Millie, Tom and Lizzie Day, Herb Magnuson, Peter Werbel, Buck and Nina Thys, Barry Thys, Bob Buckter, Cindy Goguen, Douglas Matheson, Greg and Lou Anne Parker, Abby Lippincott, Phillip McGinn, Ed Zuckerman, Loraine and Bert Fulmer, Dan and Kathy Mall, Craig Iverson, Mary Jones, Mike and Diana Moore, John Gillaspy, Chuck Schaller, William Urich, Allen Riley, Klaus and Rike Burmeister, Kenneth Baber, Ken Fielding, Cecile Weaver, Dale Cox, Russell Poulsen

3. **Call to the Audience for any topic not on the Agenda:** No one responded

4. **Adoption of the Agenda:** It was moved, seconded and passed unanimously to adopt the agenda.

5. **Approval of Minutes:** It was moved, seconded and passed unanimously to approve the minutes of January 4, 2011. The approval of the 11/13/10 minutes was tabled until a draft was available.

6. **Report from the President:** There was one motion that was adopted electronically.

*Move to authorize expenditure of funds to pay for a lawyer's time to answer questions about the capital improvement project; e.g. is the board empowered to take on indebtedness for this project or do we need a vote of the full membership can the SVMWC turn off the old water main after giving three years notice to require members to connect to the new water main at their own expense, can the current easement be abandoned, and who is responsible financially for removing encumbrances over easements (walls, trees, etc)*

*Moved by Adriani, seconded by Burke, passed unanimously – January 28, 2011.*

President Garcia noted that all members were sent a letter inviting them to this board meeting to discuss the issue of how to pay the cost of the 139 houses that will need to move their laterals from the back of their house to the new main in the street. Lynn Suter and I called 52 members identified as having questions about the project. The line of credit with Plumas was increased to \$300,000 to handle construction draws if needed. Otherwise, we are waiting for news from USDA on the funding of our loan request.

7. **Report from the Treasurer:** Treasurer Adriani reported that as of this date, about 2/3 of the members have paid their dues. SVMWC has \$148,433 in the bank for expenses for the remaining four months of

the fiscal year. Expenditures are within the budgeted amount, except for engineering preparing for the capital improvement project; it has already exceeded budget by \$14,070. There are no outstanding issues.

**8. Report from the Operation’s Manager:** John Collins reported that all water quality testing during December and January showed an absence of any contamination. Water production in December was below the previous year, but higher in January than the previous year. John investigated the cost of a new generator that could run the water pumps during an electrical outage. A new diesel generator would cost \$29,879 from Nevada Energy Systems and \$26,490 for a new propane generator. Rental of a generator on a trailer would be \$1,780 per month with a \$400 delivery and hook up charge and a \$400 pickup and return charge. There was one service call at 1070 Wayne where water was running from under snow. The leak was located and it was on the customer’s side of the service. Owner was contacted. Board discussion of the generator issue was an agreement to go with renting a generator when one is needed since a new generator will be part of the new well house.

**9. Report from the Office Managers:** Anne-Marie Giese reported that the second half of 10-11 assessments were billed, all accounts payable were handled and she had spent time answering customer billing and project questions. She updated the webpage with water system improvements page and made weekly inquires as to loan application progress with USDA.

**10. Discussion and Decision on Water Main Replacement in existing easement or in the street-right-of-way.** Steve Brigman, design engineer from Shaw Engineering, presented his comparison of the estimated costs of putting the new main in the rear lot line easement with a new main in the roadway. The total estimated costs are summarized below:

Description	Rear lot line replacement	New Mains in Roadways
Total estimated construction cost	\$1,605,006	\$1,573,608
Engineering, Material testing, construction admin, legal, financial	369,151	361,930
<b>Total Estimated Project Cost</b>	<b>\$1,974,157</b>	<b>\$1,935,538</b>
Easement acquisition	20,000	
Homeowner service lateral cost		284,250
<b>Total</b>	<b>1,994,155</b>	<b>2,219,788</b>

There ensued a long and vigorous discussion of the costs, each line item was questioned, alternatives were suggested, and the issue of the fairness of 139 homeowners being asked to bear the extra cost of a new lateral connection. Each speaker was asked if he or she thought the new water main should go in the rear lot easement or the roadway. A strong majority said in the roadway.

The board pledged to work on figuring out a way that was legal and equitable for sharing the cost of the laterals since this is a mutual water company and the benefits of the improvements accrue to all members.

**11. Next Steps:** The Board will work at developing some options at how to share the cost of the new laterals among all members. They directed Steve Brigman to continue with the engineering work of the new mains in the street right-of-way, and bringing up some contractors in order to get a better estimate of the cost of the laterals, both by trenching and by lateral drilling.

**12 Next Meeting:** Saturday, April 9 at 9 am.

Respectfully submitted,  
Margot Garcia - Filling in for Secretary Lynn Suter.