

Squaw Valley Mutual Water Company

Meeting of New Board

Saturday, September 3, 2011

Community Room, Public Service District Building

Minutes

Call to Order: President Margot Garcia called the meeting of the new Board of Directors to order at 1:50 p.m., Saturday September 3, 2011.

Roll Call and Establishment of Quorum: Secretary Lynn Suter called the roll, and President Garcia noted the establishment of a quorum.

- **Directors Present:** Bossung, DeMattei, Garcia, Guilford, Mattheis, Suter
- **Directors Absent:** Coyle
- **Members/Guests Present:** Anne-Marie & Cory Giese, Steve Brigman, John Collins, David Mercer, Harold & Cecile Weaver, Andrea Leisy

Approval of Agenda: President Garcia called for additions to the agenda from the audience. Hearing none, approval of the Agenda was moved by Suter, seconded by Guilford, and unanimously passed.

Election of Officers: Director Mattheis moved and Director Guilford seconded the tabling of the election of officers until Director Coyle could be present. A short discussion ensued among Board Members about the need for a treasurer. Director Mattheis offered a substitute motion to table election of the President, Vice President, and Secretary until the next meeting. The motion resulted in a tie: Directors Mattheis, Guilford, DeMattei voted “aye” with Bossung, Garcia and Suter not voting. Director Bossung moved and Guilford seconded a motion to elect Director DeMattei Treasurer of the SVMWC, which passed unanimously. Director Suter moved and Guilford seconded a motion that Treasurer DeMattei be added to signature cards, electronic log-ons, transfer codes and other authorizations needed to fulfill the role of Treasurer, which passed unanimously.

Discussion of issues introduced in the Annual Meeting: The Board and Members in attendance discussed two major issues brought up by Members at the annual meeting: (1) Options for paying for lateral connections and a related straw poll of Members, (2) the option for Members to prepay their share of the USDA loan in order to avoid interest costs. Associated discussions included elements to be included in straw poll options, cheapest alternatives for cost of laterals, the possible need for an economic analysis of the project and any alternatives, the cost of stopping construction, timing of construction contract signing, possible cost liability associated with delaying or cancelling the construction contract, the need for new Directors to

take time to get up to speed, and the best method of mailing the straw poll and prepayment option information to the Membership. Steve Brigman and John Collins briefly described the scope of the project and answered questions specific to time lines, maps, provisions of the construction contract and related issues. Director Guilford stated the need to discuss a vote of the Membership on the entire project. Director Mattheis volunteered to talk with Environmental Planning Services and Shaw Engineering about analysis of possible project and funding alternatives for consideration of the board. If a consulting service contract would be required, it would be brought to the board for an e-vote. Mr. Brigman gave Director Mattheis a copy of the construction contract, and President Garcia offered to hold an orientation session the next day, September 2 at 1:00 at her house.

USDA Decisions: President Garcia noted that USDA is requiring the Mutual to hold a Public Meeting on the project, which needs to be a regular Board Meeting, requiring 10 days notice that is published in the newspaper.

Setting Next Board Meeting: The Public Meeting and next regular board meeting were set by consensus for Saturday, September 24, 2011 at 9:00 a.m. at the Public Service District building Community Room. Director Mattheis requested that the current budget and financial statements and information regarding the all-inclusive cost of the project be included in the meeting packet.

Discussion: Additional discussion continued with Ms. Giese answering questions about various charges to day, and describing the Mutual's outside audit requirements and procedures. Mr. Brigman addressed questions regarding the County's indemnity agreement, bonding and insurance requirements.

Adjournment: The meeting was adjourned at 3:10 p.m.