

SQUAW VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting
November 3, 2012
Minutes

1. Call to Order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 10:23 AM on Saturday November 3, 2012 at the Squaw Valley PSD Community Room.

2. Roll call and establish a quorum

Directors present: Johnson, Coyle, Burkhart, and Hall
Directors absent; Mattheis, DeMattei, and Guilford
A quorum was established.

Staff present were Anne-Marie Giese, John Collins, and Steve Brigman.

Members/Guests Present: Dave Brew, Kathi Mall, Charles Luckhart, Peter Werbel, Walter Nelson, Barb Futran, Nancy Bartusch, John Wilcox, Carl Gustafson, Mike Geary, Buck Thys.

3. Call to audience for anything not on the agenda

Dave Brew announced Squaw Valley Property Owners Association is hosting a mixer on December 1 from 5:00 PM to 7:00 PM to discuss the proposed Village plan. Alex Fisch from Placer County Planning and Supervisor Jennifer Montgomery will be in attendance.

Charles Luckhart voiced concern about “cutting” Campbell Construction off from the construction project. He said it could be very costly if a judge finds in their favor and he recommended settling the situation as much as possible.

4. Adopt the agenda

It was moved by Director Coyle and seconded by Director Hall to approve the agenda with the addition of a discussion and possible action regarding the snow removal contract. Motion carried unanimously.

It was agreed that items may be taken out of order.

5. Minutes from the 9/30/12 Board meeting

It was moved by Director Hall and seconded by Director Coyle to approve the minutes as presented. Motion carried unanimously.

6. Presidents Report-John Johnson

Director Johnson reported a Substantial Completed Order has been issued to Campbell. The system is operational, but there are still some punch list items to be addressed. Campbell has notified SVMWC that there will be claims and the Board is in the process of considering the options available.

Director Johnson has been in communication with KSL, which has completed testing 4 wells and inspected Pump Houses 1 and 2. No matter what happens with their plans, House 1 will need to be relocated. KSL is also in discussion with Squaw Valley Public Service District (SVPSD) regarding water tanks. The Notice of Preparation (NOP) for the proposed Village project has been released. Comments will be included in the preparation of the Environmental Impact Report (EIR). This Board will be commenting about water quality and other common issues.

7. Treasurers Report-Gate DeMattei

Anne-Marie presented the report included in the Board packets. The USDA loan draw is just over \$1.6 million. Thirteen draws have been made and another will be made in mid-November. As of October 31, 2012, 8 lots are in arrears. Anne-Marie has notified the owners and there are plans to shut off water to those lots on November 5, 2012 if the owners do not contact her.

8. Operations Manager Report - John Collins

John presented his report, which was included in the Board packets. He said customers have been surprised since the meters have been installed and they realize how much water they use. John updated the Board on work to be done to get the system fully operational and said he needs to follow up with customers so they get their backflow testing done. He reported on the recently done pump testing, saying there were some problems discovered with the booster pump, which had to be manually operated. In response to a question about the temperature in the green tank, John said he will continue to monitor it.

John noted the email he received about chlorine levels. He spoke with the owner and told him to call if he noted a taste or smell to the water. **ACTION: John will follow up with the owner again.**

9. Office Manager's Report - Anne-Marie Giese

Anne-Marie presented her written report. Per the Board's request, she investigated setting up a Facebook page for SVMWC. She said it could be done, but would have to be monitored constantly. A good alternative would be to update the website so people could send emails directly to the Mutual. **ACTION: Anne-Marie will work with the Mutual's webmaster to update the site so owners can more easily communicate with the Board and staff.**

Steve had asked about using Skype for meetings. Anne-Marie followed up and found it would not be terribly expensive. The Wi-Fi in the meeting room would support it. **ACTION: Steve and Anne-Marie will do further investigation on using Skype for Board meetings and present a proposal for Board review and possible action.**

Anne-Marie reported SVMWC is operating within the current budget. She just made the first payment of the fiscal year to USDA. So far, she has not received any requests from owners for credit for lateral installations.

10. Intertie with SVPSD Continuing Discussion

Mike Geary distributed a site evaluation identifying five places where SVPSD and SVMWC could intertie during emergency conditions, highlighting one site in particular. Mike reminded the Board that this would be done during emergency situations only and this is not a request to connect the 2 systems to be operated as one. Between now and the next SVMWC meeting, Mike will have the SVPSD engineer prepare a proposal that reviews the 5 sites, considers the best alternative, and a plan and cost estimate will be presented to this Board. Mike expects to have that information emailed to the Board prior to the December 1 meeting. A brief discussion followed regarding funding and Mike said SVPSD has \$10,000 from a grant that will be contributed to the investigation of options and cost estimate for construction. If the costs for developing the cost estimate exceed that, funding will need to be discussed and a cost-share agreement determined. This could meet the mission and intent of the USDA loan. **ACTION: Mike will provide information to this Board via email for consideration at the December 1 meeting.**

Charles Luckhart asked how this might begin a discussion about a merger. Director Johnson said that ultimately could be the discussion. Dave Brew asked that the 1994 settlement agreement should be available on the website. **ACTION: Director Johnson will provide her with a letter for the newsletter directing owners to the site and how the Board interprets the settlement. The letter will be submitted to the Board for review prior to it being published.**

11. Bylaw changes-Voting Procedures-Patti Guilford - This item was tabled to the next meeting.

12. Construction Loan draws - John Johnson

Director Johnson reported Draw 7 was for Campbell. Steve is in the process of preparing Draw 8.

13. Pump House Report - Hans Burkhardt

Director Burkhardt distributed a proposal to update Pump House 1, including moving all files to a storage area provided by SVPSD, a general clean up of the site, and building a new chemical room with a containment area. His proposal included the electrical work to be done. Director Burkhardt does not recommend purchasing a new generator, but feels that renting one when needed would be much more cost effective. The proposed repairs and updates to bring the Pump House to code and making it a safe facility total \$19,000. This work should be suitable until KSL's plans are known and approved. It is expected those plans will include a new pump house. Director Burkhardt said Pump House 2 could be considered next year and his recommendation will be to leave the well but drill underground to bring the water into Pump House 1. Discussion followed regarding the options available. Director Coyle suggested action be tabled until a full Board is present. Director Burkhardt reiterated his concern about safety in the existing site and felt the work could begin right away. Discussion continued.

It was moved by Director Hall and seconded by Director Burkhardt to allocate up to \$20,000 to proceed with the work on Pump House 1 as presented by Director Burkhardt. Motion carried unanimously.

14. Construction Report - Steve Brigman

Steve discussed the status of the construction project, saying there is not a lot to report. The project has been accepted and put into operation, except for some punch list items from Placer County and Shaw Engineering. He is revisiting the cost projections to make sure the project is where it should be financially. Discussion followed regarding the remaining work to be done and the status of water meter installations, including the unique situations with some properties and who should be doing inspections for trenching and installation. Director Johnson reminded the group a letter is coming out from the Board regarding that issue.

15. Future Construction Projects - Steve Brigman

Steve presented his proposed 2013 Water System Improvement Project schedule totaling approximately \$1.5 million. It includes work that was to have been done this year such as the work on Squaw Valley Road, a section of Lanny Lane, and miscellaneous items that Campbell was to have done but did not. He explained the back lot line proposal, noting the decision to move back lines to the street and service lots on Squaw Valley Road from those lines.

Steve did a final project walkthrough on the construction project with Placer County and USDA. For the most part the quality of work is good, but there were problems with the management approach. A brief discussion followed regarding the remaining USDA funds and how they may be spent.

Director Johnson asked when the projects need to be put to bid. Steve said there is no rush; it is about a 60 day process. Director Johnson asked that action on this item be tabled to the next meeting when the full Board will be in attendance.

Snow Removal for Fire hydrants (agenda addition)

John Collins reported he contacted 4 snow removal contractors for bids, but has only received 2 proposals. He recommends staying with last year's contractor. There is \$4500 in the budget for snow removal and the costs could be a bit higher this year because there are more fire hydrants. There was consensus for John to award the bid to his recommended contractor.

16. Unresolved items going forward

1. John will follow up with the owner again (regarding chlorine in the water).
2. Anne-Marie will work with the Mutual's webmaster to update the site so owners can more easily communicate with the Board and staff.
3. Steve and Anne-Marie will do further investigation on using Skype for Board meetings and present a proposal for Board review and possible action.
4. Mike will provide information to this Board via email for consideration at the December 1 meeting.
5. Director Johnson will provide her with a letter for the newsletter directing owners to the site and how the Board interprets the settlement. The letter will be submitted to the Board for review prior to it being published.
6. *Bylaw changes-Voting Procedures - Patti Guilford* – This item will be on the next agenda.
7. Action on the proposed 2013 Water System Improvement Project schedule is tabled until the next meeting.

17. Set Proposed Future Board meeting dates:

November 30, 2012 at 11:00 AM and December 29, 2012 at 3:00 PM.

18. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:29 PM.

Respectfully submitted,

Judy Friedman, Recording Secretary

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