

SQUAW VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting
March 2, 2013
Minutes

1. Call to Order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 3:05 PM on Saturday, March 2, 2013 at the Squaw Valley PSD Community Room.

2. Roll Call and Establish a Quorum

Directors present: Johnson, Coyle, Burkhart, Hall, Guilford, DeMattei, and Mattheis

Directors absent: None

A quorum was established.

Staff present was Anne-Marie Giese and John Collins.

Also present were Carl Gustafson, Eric Poulsen, Barb Futran, Joan and Rich Brazell, Buck Thys, Judy Stepner, Nancy Bartusch, and Squaw Valley Public Service District Manager Mike Geary.

3. Call to Audience for Anything not on the Agenda

There were no comments on unagendized items.

4. Adopt the Agenda

It was moved by Director Guilford and seconded by Director Hall to approve today's agenda as presented.

Motion carried unanimously.

5. Minutes from the 2/2/2013 Meeting

Director Guilford said in Item 8, Operations Manager Report, she had not asked about the differences in fire hydrants but about the difference in the color-coding of the fire hydrants.

It was moved by Director Guilford and seconded by Director Hall to approve the February 2, 2013 minutes as corrected. Motion carried unanimously.

6. President's Report – John Johnson

Director Johnson presented his written report, which was included in the Board packets. He said the revised plans and specifications for Squaw Valley Road were just received and staff will try to get the project out to bid in the next couple of weeks. A pre-bid meeting is needed which will probably be mandatory. Director Burkhart reviewed the timelines and reported that things are already a few days behind schedule because the drawings didn't arrive in time to do the peer review according to the timeline. The project was supposed to go up for bid on March 6th so there are now only three days to make corrections to the drawings. Bids are due back April 6th; the contract will be awarded on April 20th; Notice to Proceed on April 25th; and construction begins May 5th. The project would be finished before the 4th of July traffic arrives.

7. Treasurer's Report – Gate De Mattei

Director DeMattei presented the Financial Report, which was included in the Board packets. He reviewed account balances and reported that the loan balance is currently \$2,097,952. After Campbell Construction is paid, the balance will be \$1,473,992. Director Burkhart asked if there would be enough money left to do the other planned projects and it was determined it would be close.

Director Johnson asked about the USDA reserve account. Giese explained USDA mandates the account. For the first 10 years of the loan, 10% of the annual payment must be deposited annually into the account so that a full year's payment is available if needed.

8. Operation's Manager Report – John Collins

John Collins reviewed the Operations and Maintenance Report included in the Board packets, noting the water production report, production by well, and maintenance and service calls. He discussed water samples collection and the three-day turnaround time that the samples take. He said a hydrostatic test needs to be run on the bulk storage tank before it is connected. He will make those arrangements next week.

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

Anne-Marie Giese presented the Office Manager's Report included in the Board packets and said things were progressing as usual. She reviewed the Budget to Actual Report and reported she will begin preparing next year's budget in late April/early May. She and Director DeMattei will fine-tune it and send it to the Board for review.

Anne-Marie Giese reviewed the Water System Improvement Project Report included in the packet, noting Loan Draw #17 was added for \$433,913.

10. Intertie with PSD Continuing Discussion

Director Johnson reported a proposal was received from Shaw Engineering for approximately \$9,950 to do the engineering for the intertie. Mike Geary said Jess McGraw identified five sites where an intertie might work and did a rough cost estimate for each. The lowest estimate was around \$100,000, but if the contingency is taken away, Geary believes it could be done for \$60,000 - \$75,000. Discussion followed regarding what was included in the proposal and it was found that it was only a 30% level on design. Geary said a tighter proposal is needed from Shaw to do 100%.

Discussion followed regarding timing of the project and the need to determine if the intertie has priority over the pipe replacement on Lanny Lane. **ACTION: Include the intertie discussion on April 6 meeting agenda. ACTION: Talk to Shaw Engineering about engineering costs for the intertie so far.**

It was moved by Director Guilford and seconded by Director Hall to set Lanny Lane as higher priority than the intertie. Motion carried.

AYES: Guilford, Hall, Burkhardt, Johnson

NOES: Mattheis, DeMattei

ABSTENTION: Coyle

Director Guilford asked about percentages and cost sharing. Director Mattheis said a discussion with Geary and SVPSD on this issue should be held at a separate meeting.

11. Construction Loan Draws – John Johnson

Director Johnson reviewed the loan draws to date, noting the \$428,000 payment for Campbell Construction. Anne-Marie added Loan Draw #17 included approximately \$5,700 in soft costs for engineering for Shaw and Auerbach, administration, and legal.

12. Pump House Report – Hans Burkhardt

Director Burkhardt reported \$18,172 was spent on the pump house repairs to update code requirements. The budget \$19,000. He said \$2,723.47 was spent from the \$3,500 budget for the bulk storage tank and shower. Anne-Marie said about \$500 in labor and \$1,000 in parts were also spent from that budget, so the project was over budget.

13. Construction Projects – Future – John Johnson

This information was included in the President's Report.

14. Water Rights

Director Johnson reported he has been pursuing counsel from water rights attorneys who can protect the Mutual's rights. He has spoken with five attorneys and hopes to have a selection made by the next meeting.

15. Unresolved Items going Forward

- Include the intertie discussion on April 6 meeting agenda
- Talk to Shaw Engineering about engineering costs for the intertie so far.
- Giese will contact McClintock Accountancy to find out about changing voting procedures for the September election and to determine availability and costs from them to act as a third party for the election.

It was moved by Director Mattheis and seconded by Director Coyle to put the revised plans for Squaw Valley Road and Lanny Lane as an alternate out to bid with a select bid list of contractors. Motion carried unanimously.

16. Set/Proposed Future Board Meeting Dates

April 6, 2013 at 3:00 PM

May 4, 2013 at 9:00 AM

The May 4 meeting was originally scheduled for 3:00 PM. After discussion it was agreed to change the meeting time to 9:00 AM.

17. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 4:15 PM.

Respectfully submitted,

Ginger Charlton

Recording Secretary

THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS