

SQUAW VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting
June 8, 2013
Preliminary Minutes

1. Call to Order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 9:07 PM on Saturday, June 8, 2013 at the Squaw Valley Public Service District (SVPSD) Community Room.

2. Roll Call and Establish a Quorum

Directors present: Johnson, Coyle, Burkhart, DeMattei, Mattheis, and Guilford (via telephone)

Directors absent: None

A quorum was established.

Staff present: Anne-Marie Giese and John Collins.

Also present were Buck Thys, Bill Ulrich, Warren Miller, Dave Brew, Mike Geary, Allen Riley, Casey Jewers, Lizzie Day, Minna Tao, and Squaw Valley Public Service District (SVPSD) Manager Mike Geary.

3. Call to Audience for Anything not on the Agenda

There were no comments from the audience.

4. Adopt the Agenda

Anne-Marie Giese asked if a utility easement variance request item and an item for Shaw should be added. They will be added as items 16-A and 16-B.

It was moved by Director Coyle and seconded by Director DeMattei to adopt the agenda as modified. Motion carried unanimously.

5. Minutes from the 4/6/2013 Meeting

It was moved by Director DeMattei and seconded by Director Guilford to accept the minutes. Motion carried with Director Mattheis abstaining due to non-attendance.

6. President's Report – John Johnson

Director Johnson presented his written report, which was provided at the meeting. He highlighted the Squaw Valley Water Main project, which is under way and doing well. He noted there is currently one opening on the Board and asked for volunteers. He also explained the Operation & Maintenance contract proposals will be considered in closed session today because the Board has not yet been able to go over the proposals together. Director Johnson reported there was one electronic vote taken since the last Board meeting. The item was to award a bid to RTC. The item passed 5-1 with 1 abstention.

7. Treasurer's Report – Gate DeMattei

Director DeMattei presented the Financial Report, which was included in the Board packets. He reviewed account balances and reported the loan balance is currently \$1,455,133.

8. Operation's Manager Report – John Collins

John Collins reviewed the Operations and Maintenance Report that was included in the Board packets. He noted the last water test taken on 5/28 had negative results. He added that water production has taken its spring jump from 1.592 in April to 3.622 in May. Collins reported a series of calls were received complaining about a chlorine smell on Navajo Court and Sandy Way. After investigation, nothing was detected. Another call was received from a contractor doing a service install at 1070 Wayne Road. He dropped a concrete lid into the meter box and broke off the water service line. The main line was shut down so it could be fixed and the contractor will be billed. Director Coyle asked

about green marks in front of his property. Collins explained they are for the fire hydrant replacement project. Lizzie Day asked why chlorine was found during the test on her house. Collins said there shouldn't have been any and he didn't know why there was.

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

Giese reviewed the Office Manager's Report included in the Board packets. She noted two folks had their water shut off for non-payment last week. Regarding the 2012 Consumer Confidence Report, she said the notification requirements were changed this year so individual reports do not need to be mailed. She will mail postcards with information on how to pull the report up on-line. Giese noted a proposal for balloting services from The Paper Trail was provided to the Board. Candidate names and statements are due by July 1st. **ACTION: The Board will decide the exact format of the ballot at the July meeting.** Giese stated the tax returns for SVMWC are becoming more complicated and suggested hiring McClintock Accountancy to do the annual preparation.

Giese reported several leaks were found when the initial read was done with the new meter reading package. She reported that Draw Request #18 was submitted and all the checks have cleared so SVMWC is completely done with Campbell. Loan Draw #19 from Reno Tahoe Construction has been received and things have gone fairly smoothly. Coyle asked how meter readings are done. Giese explained the new process and added that information for the past two years is kept on the meters.

10. 2013-14 Budget/Rate Discussion and Approval Vote

Johnson presented the information, which had been sent to the Board. An audience member asked why very few laterals have been installed so far. Giese said Campbell didn't finish until very late in the fall so people didn't have a chance to install their laterals. Discussion followed regarding compiling a list of contractors available to do the work for the summer newsletter. Johnson said contractors shouldn't be recommended to customers because if there were an issue, it could come back to the SVMWC.

Giese reviewed the Budget to Actual report and reported that at the end of the year, things should be about even. She did a synopsis of changes made to the budget for fiscal 2013-14 and clarified line items. SVMWC switched to California Rural Water for general insurance, which dropped the cost significantly and \$11,000 was added to "System Repairs & Maintenance" for the tank mixer.

It was moved by Director Coyle and seconded by Director Mattheis to adopt the budget and water rates. Motion carried unanimously.

A. Operations Contract –This item was discussed in Closed Session.

B. Office Contract - Giese reviewed her general duties and noted changes from last year's contract. Guilford asked how many hours there are for special projects. Giese responded that there are currently about 2 hours per month.

It was moved by Director Coyle and seconded by Director DeMattei to accept Anne-Marie Giese's office contract. Motion carried 5-1 with Director Guilford voting no.

It was moved by Director Coyle and seconded by Director Burkhart to accept the accounting proposal from McClintock Accountancy. Motion carried unanimously.

C. Outsourcing of Directors Election – Director Johnson reviewed the proposal from The Paper Trail and asked for comment. Director Mattheis said he thinks it's a good idea to have the Paper Trail cover the entire election.

It was moved by Director Guilford and seconded by Director Mattheis approve the Paper Trail bid for election procedures not to exceed \$850. Motion carried unanimously.

11. Construction Loan Draws

Director Johnson reported he is reviewing the first progress payment for RTC.

12. Squaw Valley Road Construction Report

Director Burkhart reported the main line is in and will be charged by Monday. After that, a discharge permit will be needed from TTSA and SVPSD. The meter boxes are about 50% complete on the main road and there have been no problems with homeowners. He highlighted a change order done when the concrete specified in the specs didn't work out well because the bottom layer became very solid and the top layer loose. Burkhart noted there are no extra charges on this project and it's ahead of schedule. An audience member asked about the process for working with homeowners on the location of their water meter. Burkhart responded the local inspector is supposed to talk to each homeowner regarding placement of their meter. Staff provided the inspector's phone number to the audience.

An audience member asked what the final date is for lateral hookups. Discussion followed and it was determined that saying 3 years from the end of this construction season was too vague and a firm date needs to be set. **ACTION: The Board will set a final date for lateral hookups at the July meeting.**

13. Pump House Report

Director Burkhart reported Pump House #2 needs to be eliminated by September. He had a meeting with Shaw Engineering to discuss how to bring water from well #2 to well #1, do all the treatment in well #1, and bring all the electrical controls into pump house #1. He doesn't have the drawings or actual costs but will get everything in the next 2 weeks.

Mike Geary asked if the replacement of 1250 feet on Lanny Lane was approved. Director Burkhart listed the items to be finished before Lanny Lane and said it was an alternate in the RTC bid and will be awarded if there are funds available. Discussion followed regarding the timing for bidding in the hopes that RTC would still be working for the SVMWC.

14. Customer Lateral Installation/Credits

Director Johnson said there is nothing new on this item except a different contractor. An overview of the lateral procedures and possible contractors will be on the website.

15. Water Rationing Discussion

Director Johnson said it's prudent that the Board and District keep homeowners aware of ways to save water. He and Giese will put a flyer together with a list of tips for water rationing.

16. Board Member Opening

Director Johnson reported that Coyle, DeMattei, Mattheis, and Guilford are up for re-election this year. Directors DeMattei and Mattheis will run again and Coyle will run if no one else is interested. Discussion was held on possible candidates. Staff and Board members will contact people who they feel may be interested and Giese will send out an email blast to solicit candidates. Discussion followed regarding putting an article about the openings in the next newsletter, which would need to go out before the end of June. **ACTION: Director DeMattei and Giese will work on a draft for the newsletter, which Director Guilford will review when she returns.**

A. Approve Amendment #2 to Shaw's Contract

Director Johnson explained this item is for the resident inspector's contract for the construction period. He reported the total is \$46,400, which includes \$24,000 for the inspector and \$22,400 for construction and post-construction services by Shaw Engineering.

It was moved by Director Mattheis and seconded by Director Guilford approve amendment #2 to Shaw's contract as presented. Motion carried unanimously.

B – Request for a Variance in the Utility Easement.

Director Johnson reported a request from the contractor at 1802 Apache Court for a variance in the utility easement. The owners built a retaining wall and want to hang a deck over it. SVMWC referred them back to Placer County. Collins reviewed a letter received from the contractor requesting a signature for approval and an email from the County saying that SVMWC shouldn't sign. Discussion followed regarding the easement and it was determined that the Board didn't have enough information to make a decision. **ACTION: John Collins will follow up and get more information to the Board.**

17. Unresolved Items going Forward

- 1) An item is needed to set a final date for lateral hookups.
- 2) Discussion on any bylaw amendments that may be wanted at a later meeting.
- 3) The Board will decide the exact format of the ballot at the July meeting.
- 4) The Board will set a final date for lateral hookups at the July meeting.
- 5) Director DeMattei and Giese will work on a draft for the newsletter, which Director Guilford will review when she returns.
- 6) John Collins will follow up and get more information to the Board (regarding the variance request)

18. Set/Proposed Future Board Meeting Dates:

July 13, 2013 at 9:00 AM

August 3, 2013 at 9:00 PM

Annual Members Meeting – August 31st 2013 @ 10AM.

John Collins has a conflict with both regular meeting dates but will have his report in.

Director Mattheis will be attending the Annual Water Conference (Sierra Waterworks) in Kings Beach on Wednesday, June 12th. The attorney for SVMWC will be a panelist on preserving water rights.

19. Adjournment

It was moved by Director Guilford, seconded by Director DeMattei, to adjourn the open meeting at 10:55 AM. Motion carried unanimously.

20. Closed Meeting

The Board went into closed session at 11:03 AM. Open Session was reconvened at 12:39 PM. The following action was reported:

It was moved by Director Burkhardt, seconded by Director Coyle, to extend the Collins Engineering contract for 3 months. Between now and July 13 all of the information that the Board needs from PSD to make a decision will be obtained for the July 13th meeting. Motion carried unanimously.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 12:45 PM

Respectfully submitted,

Ginger Charlton

Recording Secretary

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