

SQUAW VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting
June 13, 2015
Minutes

1. Call to order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 3:08 PM on Saturday June 13, 2015 at the Squaw Valley Public Services District (SVPSD) Community Room.

2. Roll call and establish quorum- Tim Mattheis

Directors Present: Johnson, Coyle, Mattheis, Guilford, Rosa, and Burkhart

Directors Absent: None

A quorum was established.

Director Johnson reported a letter of resignation from the Board has been received from Liz Day.

Also present were Daniel Collin, Mike Geary, Carl Gustafson, Eric Poulsen, and David Stepner

3. Call for Agenda Additions

Director Rosa asked that a Transfer Fee discussion be added as Item 15a.

4. Adopt the agenda

It was moved by Director Guilford and seconded by Director Rosa to adopt today's agenda as amended. Motion carried unanimously.

5. Approval of the Minutes from the May 9, 2015 Board meeting.

It was moved by Director Coyle and seconded by Director Guilford to approve the minutes as amended. Motion carried with Director Mattheis abstaining.

6. Presidents Report-John Johnson

Director Johnson reminded the group of the September 5 Annual Meeting. He is soliciting candidates for the available Board seats. Director Johnson noted water restrictions are in place as a result of the drought. A letter has gone to customers advising them that new connections must be made by August 15. A brief discussion followed regarding the connections still to be done and who received the letter. There have been no electronic votes since the last Board meeting.

7. Operation & Maintenance Report-Brandon Burks

SVPSD General Manager Mike Geary presented the operations report. There have been record lows in water production, due in part to leaks being addressed and new lines being installed. Geary answered questions clarifying the report. Director Johnson noted the use of chlorine has been reduced and asked if it can be eliminated altogether. Geary explained it is up to the State and based on the water quality record. **ACTION: Geary will investigate how much chlorine is being used and if it can be reduced or eliminated.**

8. Office Managers report-Daniel Collin

Daniel Collin presented his written report. He is following up on getting notification of sales. Letters have gone to owners regarding the change of date to get the new line installed. He has not had a chance to follow up with those using excessive amounts of water. Collin reported he is getting the backflow testing certificates. Geary explained the SVPSD policy requiring annual backflow testing for items including outdoor irrigation, fire sprinkler systems, hydronic heating systems, and certain kinds of hot water heaters that contain contaminants. Given this is an annual requirement from Department of Public Health, there should be a list of which homes are required to do the testing. Discussion followed clarifying the testing to be done.

ACTION: Collin will compile and maintain a list of homes required to have annual backflow testing.

ACTION: Geary will provide the SVPSD requirement language

ACTION: Collin will send letters to those required to have backflow testing done annually advising them to send their results to SVMWC

The budget was reviewed and specific line items were clarified. Collin reported there are about a dozen delinquencies. **ACTION: Collin will clarify budget variances and make sure items have been logged correctly**

9. Treasurer's report-John Coyle

Director Coyle presented the treasurer's report as of May 31, 2015, noting account balances.

10. Drought Policies

Director Johnson presented the Drought - Stage II Water Conservation Restrictions, which were included in the Board packets.

It was moved by Director Coyle and seconded by Director Mattheis to adopt the Drought - Stage II Water Conservation Restrictions. Stage I and Stage II restrictions will be sent to all customers. Motion carried unanimously.

11. Old Pipeline Abandonment Status

Director Burkhart reported Shaw Engineering sent him a letter stating the old lines can be abandoned between August 15 and October 15. The proposal for the work is still being corrected. Items to be clarified include insurance requirements. Discussion followed regarding the process for selecting a contractor to do the actual work, how the RFP will be released, and how the project will be funded. **ACTION: Director Burkhart will make calls soliciting contractors and inviting them to a bid meeting.** Discussion continued. It was agreed that penalties for those property owners not in compliance by the new deadline will be considered on a case-by-case basis. **ACTION: Director Guilford will call non-compliant owners to advise them of the approaching deadline. ACTION: Director Johnson will contact Counsel about language for shutting off water of non-compliant customers.**

12. Water Rate Update – John Coyle & Hans Burkhart

Director Coyle presented a proposed rate structure based on average costs per month and explained how he calculated the rates. Discussion followed regarding the proposed rates, including base and tiered consumption. The rates were compared to others in the area. **ACTION: Geary will provide information on flat rates versus consumption.** Rates will be considered again after the budget is finalized and costs are known.

13. Finalize Board of Directors Ballot for Labor Day Weekend

Director Johnson reminded the group of the desire to reduce the number of Board members from 7 to 5. Given the resignations and reduction in seats, only 3 seats will be voted on in the upcoming election. The seats held by Directors Guilford, Rosa, Mattheis, and Coyle will be up for reelection and Directors Guilford and Rosa will be running again. The seat held by Day, who resigned, will not be re-appointed. Notices asking for nominations will go out with the July 1 bill. **ACTION: Director Johnson will ask Counsel if an election is required if there are the same number of candidates as vacant seats.**

14. Final Approval of Bylaw Changes

The proposed amendments were considered.

It was moved by Director Rosa and seconded by Director Guilford to adopt the Bylaws as presented. Motion carried unanimously.

15. Budget Approval

Collin presented the draft FY 2015/16 budget, which was included in the Board packets. He discussed how amounts for revenues and Operating and Capital expenses were calculated. Specific line items were clarified. A line item for \$85,000 will be added for construction and \$12,750 for engineering under Capital. **ACTION: Collin will prepare an amended budget for an electronic vote.**

a. Transfer Fee

Director Rosa reported on the research she and Director Guilford did on transfer fees that can be charged when properties change hands. If the company charging is regulated by the PUC, there is not much lee-way, but if not, local charges are all over the map. She and Director Guilford recommend charging a flat fee of \$300.

It was moved by Director Guilford and seconded by Director Rosa to assess a \$300 transfer fee on all property transfers of membership. Motion carried unanimously.

ACTION: Collin will notify the local title companies of the fee.

16. Website/Email Update

Director Johnson reported on the quote he received for \$2,500 to develop a new website that will allow changes to be made in-house.

It was moved by Director Guilford and seconded by Director Coyle to allocate up to \$2,500 for a new website that can be modified in-house. Motion carried unanimously.

17. EIR for the Village at Squaw Valley Specific Plan Response

Director Mattheis reported the draft Environmental Impact Report (EIR) has been released for public comment until July 17. When the Notice of Preparation (NOP) was released, SVMWC hired attorney Tony Rossman of Rossman & Moore to review the document and formulate a response. Director Mattheis asked if Rossman should be retained again at a cost of \$10,000 - \$15,000 to review and respond to the draft EIR. There are two issues for SVMWC: 1) is the project going to draw the aquifer down to unsustainable levels; and 2) there is no longer a proposal to move the SVMWC well; might that change or will the other wells impact SVMWC. Director Mattheis noted SVPSD generated the Water Assessment Study used in the draft EIR and both interests are aligned. Another question is should that Assessment be challenged or did SVPSD do due diligence regarding SVMWC wells.

Discussion followed regarding the how the Water Assessment Study was conducted, whether or not drought conditions were considered, options for gathering information, and how best to respond to the draft EIR.

It was moved by Director Mattheis and seconded by Director Burkhardt to allocate up to \$10,000 to retain the firm of Rossman & Moore to develop the SVMWC response to the draft EIR for the Village at Squaw Valley Specific Plan. Motion carried unanimous.

Director Coyle announced this will be his last meeting. It's been a pleasure serving on this Board.

18. Future Board Meeting Dates:

September 5, 2015: 9AM Board meeting, 10AM Annual Meeting

November 7, 2015 – 3:00 PM

ACTION ITEMS

- 1) Geary will investigate how much chlorine is being used and if it can reduced or eliminated.
- 2) Collin will compile and maintain a list of homes required to have annual backflow testing.
- 3) Geary will provide the SVPSD requirement language
- 4) Collin will send letters to those required to have backflow testing done annually advising them to send their results to SVMWC
- 5) Collin will clarify budget variances and make sure items have been logged correctly
- 6) Director Burkhardt will make calls soliciting contractors and inviting them to a bid meeting.
- 7) Director Guilford will call non-compliant owners to advise them of the approaching deadline.
- 8) Director Johnson will contact Counsel about language for shutting off water of non-compliant customers.
- 9) Geary will provide information on flat rates versus consumption.
- 10) Director Johnson will ask Counsel if an election is required if there are the same number of candidates as vacant seats.
- 11) Collin will prepare an amended budget for an electronic vote.
- 12) Collin will notify the local title companies of the fee.

19. Adjourn

There being no further business to come before the Board, the meeting adjourned at 5:55 PM.

Respectfully submitted:

Judy Friedman

Recording Secretary

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