

SQUAW VALLEY MUTUAL WATER COMPANY
Board of Directors Meeting
November 13,, 2017
Minutes

1. Call to order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 4:04 PM on Monday November 13, 2017 at the Squaw Valley Public Service District Meeting Room.

2. Roll call and establish quorum- Bob Barnett

Directors Present: Johnson, Barnett, Burkhart, Guilford, and Stepner

Directors Absent: None

A quorum was established

Also present were Office Manager Daniel Collin, Brandon Burks from SVPSD, Steve Brigman, Alisa Adriani, and recording secretary Judy Friedman.

3. Call for Public Comment

There were no comments on items not on today's agenda.

4. Call for Agenda Additions

A discussion regarding billing merged lots will be added to today's agenda.

5. Adopt the Agenda

It was moved by Patti Guilford and seconded by Bob Barnett to adopt today's agenda as amended.

Motion carried unanimously.

6. Approval of the Minutes from September 2nd, 2017

It was moved by Patti Guilford and seconded by Hans Burkhart to approve the minutes of the September 2, 2017 Board meeting as presented. Motion carried unanimously.

7. Presidents Report-John Johnson

Johnson presented a letter dedicating today's meeting to Dave Brew who recently passed away. A resident of Squaw Valley, Brew was a great teacher and always had something to contribute to discussions. He will be missed. A memorial is scheduled in Squaw Valley on February 8, 2018.

8. Operation & Maintenance Report-Brandon Burks

Burks presented the August, September and October Operation and Maintenance Reports. A lot of time has been spent on the Christy Lane Water Main Replacement Project. Water loss has been noted, but Burks will know more when the project is completed. He and contractor Steve Brigman described leaks addressed during the construction.

A new state inspector was out last week. No major issues were identified in either the SVMWC or SVPSD systems. Updated data regarding the pipeline that has been replaced will be provided to the inspector.

Burks reported the system is ready for winter. Johnson described his meeting with KSL about putting base rock around the well house where the construction spoils were put. KSL didn't do that and now the area is surrounded by mud. A brief discussion followed regarding the situation. This was discussed further under Item 12.

Burks reported SVPSD is working on the new well at the west end of the Plumpjack property. The 72-hour pump test is scheduled for tomorrow. The existing well will be abandoned when this one is brought on line.

9. Office Managers report-Daniel Collin

Collin reported less than 50% compliance with backflow testing. **ACTION: Collin will include information about backflow testing in the January billing.** A brief discussion followed regarding the mandated testing process and compliance options.

Six sales have been recorded. SVMWC collects a \$300 transfer fee from each sale.

Collin said the audit has been taking a lot of time. The preliminary report will be forwarded to the Board. The auditors want the abandoned lines taken off the books. Collin is investigating a notation about a system line from 1969. Those assets are fully depreciated.

10. Treasurer's report-David Stepner

Stepner reported there are 27 delinquencies in addition to some small amounts owed for PayPal fees. Two accounts are 6-12 months overdue. One of those is the tennis court and the second is an account that refuses to pay.

The Treasurer's Report as of October 31, 2017 was reviewed. Stepner asked Collin to make sure the Aspen contract is tracked carefully since everything presented was estimates. Collin distributed a report of charges related to the Christy Lane Water Line Replacement Project. SVPSD costs have been separated out. There was \$492,000 budgeted for the project, but based on current charges, it will come in about \$50,000 less. A brief discuss followed regarding the costs of the project versus the estimates.

11. Summit Tennis Court Collection

Johnson reported the contact information for the homeowner's association was located and an email sent to the president. The president asked that the water service to the tennis court be immediately disconnected. A discussion followed regarding the options for disconnecting service, given there is a line serving the lot, and whether or not it is a buildable lot. As far as Placer County is concerned, it is common area. It was noted that the bill is based on more than just water consumption. Components include the USDA loan and capital assessment. **ACTION: Barnett will contact the president of the HOA to more clearly understand the association's position, to see if they may want to eventually provide irrigation to the property, and explain the bill is based on more than water consumption. Barnett will report back to the Board at its next meeting. ACTION: Collin will confirm the amount due.**

12. Christy Lane Water Main Project Summer 2017-Completion Report- Steve Brigman Shaw Engineering

Brigman presented a recap of the project completed this summer. He feels it was very successful and said this was actually the most difficult stretch of the entire line replacement project. There was a lot of mud and rock. Using a site map, Brigman described the work done to the lines from the tank, which will improve operations, including how chlorine is mixed into the system.

Brigman reported two significant leaks were addressed and some mysteries about how some properties were provided with service were cleared up.

Discussion followed as Brigman answered questions clarifying details of the project, including associated road work. Johnson explained the agreement with KSL to address spoils from the project. There is a lot of dirt that was dumped by the well house, which KSL agreed to have been covered with gravel, but that did not happen.

13. By-laws Approval/Rejection

Stepner presented the revised Bylaws, which were included in the Board packets.

It was moved by David Stepner and seconded by Bob Barnett to approve the Bylaw changes as presented. Motion carried unanimously.

14. Water Rate Discussion

Guilford proposed the base rate billing include 150,000 gallons of water consumed annually, rather than the current 120,000 gallons. She believes it would be easier on the community based on comments she's hearing. Stepner presented a graph indicating that as of the July 2017 billing, 78% of SVMWC customers use less than 120,000 gallons. Increasing included consumption to 150,000 would only impact 9 customers. He noted the cost per gallon would need to be increased if allowable consumption were raised. Barnett feels the argument has more to do with irrigation than household consumption. People may be encouraged to have better landscaping if water costs were not an issue. Discussion followed regarding the pros and cons of increasing the amount of water consumption, potential costs, and impact of irrigation for landscaping on overall water usage.

It was moved by David Stepner and seconded by John Johnson to keep the base consumption for water bills at 120,000 gallons per year.

AYES: Johnson and Stepner

NOES: Barnett, Guilford, and Burkhart

Motion failed.

It was moved by Patti Guilford and seconded by Hans Burkhart to increase the base consumption for water bills at 150,000 gallons per year.

AYES: Guilford, Burkhart, and Barnett

NOES: Johnson and Stepner

Motion carried.

15. Capital Expense Fund Increase

Stepner said the Capital Expense Fund needs to be updated and suggested it be extended out to the life of the new pipe in the ground, which is about 50 years. The Fund will provide a plan of replacing all components of the SVMWC system. Johnson is compiling a list of all those components and the practical life of each. When that list of completed, a plan will be presented.

AGENDA ADDITION: Merging lots

Stepner reminded the Board of the question about how merged lots should be paying for water service. He said that even if lots are merged, there are two lines going to what was two lots. There may be one new parcel created, but still two lots. Alisa Adriani explained the differences between lot numbers and Assessor's Parcel Number (APN). Discussion followed regarding how merged properties should be billed. **ACTION: The legal description regarding the parcels and lots will be clarified by legal counsel.**

16. Closed Session—Alisa Adriani

The Board went into closed session at 6:40 to consider a request by Adriani regarding billing on her lots. This item will be on the next agenda. Open session was reconvened at 7:00 PM.

17. Future Meetings: Monday December 18, 2017 at 4 PM Monday January 15, 2018 at 4 PM

ADJOURN

There being no further business to come before the membership, the meeting adjourned at 7:01 PM.

Respectfully submitted,

Judy Friedman

Recording Secretary

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