

Special Meeting of the SVMWC Board of Directors
April 20, 2020
Minutes

Call to Order

President John Johnson called the meeting of the Squaw Valley Mutual Water Company Board of Directors to order at 4:06 PM on April 20, 2020 via video-conference.

Roll call and establish quorum- Bob Barnett

Directors Present: Johnson, Stepner, Thys, and Barnett.

Directors Absent: Burkhart

A quorum was established

Also on the call were Office Manager Daniel Collin and recording secretary Judy Friedman.

Call for Public Comment

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

Call for Agenda Additions

Johnson asked to add "2020 Slow Roll Projects Discussion" to the end of the agenda.

Adopt the Agenda

It was moved by Barnett and seconded by Thus to approve today's agenda as amended. Motion carried unanimously.

Approval of the Minutes from the April 13, 2020 Board meeting

It was moved by Stepner and seconded by Thys to approve the minutes of the April 13, 2020 Board meeting as presented. Motion carried unanimously.

Interim Loan Options Discussion

Stepner distributed an email with a summary of the questions asked during a phone call with the representative of CoBank, the company selected to do the interim financing for the USDA Loan #2. This list of questions included the items asked at the last Board meeting. Most significantly, it was learned during the call that the interest paid to CoBank each month is an allowable reimbursable expense from the USDA. Each month CoBank will invoice SVMWC what it owes in interest, and takes the money out of an account set up by SVMWC for construction expenses. The invoiced amount can be included in the monthly summary of expenses the SVMWC sends to the USDA for payment to CoBank and in turn for payment to SVMWC. So SVMWC need only float the interest to CoBank for one month. In addition, SVMWC can include all pre-loan expenses incurred in setting up the projects (eg Shaw Engineering, legal, etc) in the first monthly summary SVMWC sends to USDA. At the end of each calendar year, SVMWC will receive a ~.5% rebate of all monies borrowed that year, which will effectively reduce the interest rate.

USDA is okay with the loan being cancelled within a year and also with not borrowing the full \$4 million requested. There is a lot of flexibility. Johnson has the signed CoBank documents in his possession, ready to be sent to CoBank/

USDA Loan Options

Johnson described his conversation with USDA regarding a "slow roll" approach to getting projects done. Once work begins, everything is activated. The USDA loan can be stopped or cancelled at any time. In order to not

have to secure an interim loan, SVMWC would need to prove the loan is too costly or the rates over a 5-year period are too high, which is not the case. The Co-Bank loan is actually less expensive than the USDA loan.

Discussion followed regarding how interest rates are calculated.

It was moved by Stepner and seconded by Barnett to proceed with securing the USDA loan and 5-year interim loan from Co-Bank. Motion carried unanimously.

2020 Slow Roll Projects Discussion

The project spreadsheet with costs (below) was reviewed and the Board considered options for moving forward.

It was moved by Stepner and seconded by Barnett that for the 2020 construction season, projects (15 & 16), (17 & 21), 18 and 19 move forward, with project 19 funded by SVMWC and not the USDA loan. Motion carried unanimously.

Barnett will draft a letter to be posted on the website advising members of the actions taken today.

Future Meetings:

- May 11, 2020 @ 4 PM Via Zoom
- June 8, 2020 @ 4PM Via Zoom

Adjourn

There being no further business to come before the Board, the meeting adjourned at 4:44 PM.

Respectfully submitted,

Judy Friedman

Recording Secretary

THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS

Item #	Description	Quantity	Unit	Unit Cost	Rehab and Pump Replacement @ Well 1 and Well 2 (Projects 15 & 16)	SCADA Improvements (Project 18)	Wellhouse 1 Building and Sewer Lateral Improvements (Projects 17 & 21)	Well 2 Security Fencing and Snow Protection (Project 19)
					Extended	Extended	Extended	Extended
1	Mobilization/Demobilization	1	EA	\$24,000.00	\$5,000.00		\$15,000.00	\$4,000.00
2	Rehab Well #1 & #2	2	EA	\$12,000.00	\$24,000.00			
3	Pump Replacement	2	EA	\$6,000.00	\$12,000.00			
4	Pump Testing	2	EA	\$4,000.00	\$4,000.00			
5	SCADA Improvements	1	LS	\$40,000.00	\$40,000.00			
6	Electrical Improvements	1	LS	\$35,000.00	\$35,000.00			
7	Temporary Erosion Controls (BMP)	1	LS	\$3,000.00			\$3,000.00	
8	Interior Plumbing/Drain Improvement	1	LS	\$9,600.00			\$9,600.00	
9	Lighting Improvements	1	LS	\$3,600.00			\$3,600.00	
10	HVAC Replacements	1	LS	\$12,000.00			\$12,000.00	
11	4" PVC Sewer Lateral	200	LF	\$75.00			\$15,000.00	
12	SSCOs	5	EA	\$900.00			\$4,500.00	
13	Security Improvements	1	LS	\$8,000.00			\$8,000.00	
14	Roof Replacement	1	LS	\$12,000.00			\$12,000.00	
15	Pavement Repair	900	SF	\$13.00			\$11,700.00	
16	Electrical Equipment Snow Shelter	1	LS	\$12,000.00			\$12,000.00	
17	Fence Installation	120	LF	\$120.00			\$14,400.00	
18	Site Restoration/Landscape Repair	1	LS	\$2,000.00			\$2,000.00	
				Subtotal Construction	\$45,000.00		\$94,400.00	\$32,400.00
				20% Contingency	\$9,000.00		\$18,880.00	\$6,480.00
				Subtotal Estimated Total Construction Cost	\$54,000.00		\$113,280.00	\$38,880.00
				Surveying			\$2,500.00	
				Engineering Design	\$2,000.00	\$4,000.00	\$12,000.00	\$4,000.00
				Structural Engineering Design				\$3,000.00
				Hydrogeologist	\$13,500.00			\$50,000.00
				Environmental				\$3,000.00
				Construction Admin	\$2,000.00		\$4,000.00	
				Materials Testing/Sampling	\$400.00		\$2,000.00	
				Subtotal Engineering Cost	\$17,900.00	\$4,000.00	\$20,500.00	\$60,000.00
				MWC Legal/Financial/Admin	\$2,700.00	\$4,500.00	\$5,600.00	\$2,000.00
				PSD Labor	\$800.00	\$800.00	\$800.00	\$800.00
				Sewer Connection Fee			\$10,000.00	
	CA Dept of Fish and Wildlife 1603 Permit Fee							\$1,500.00
	CA 401 Water Quality Certification Fee							\$3,000.00
	Flush Water Discharge Permit			\$1,000.00				
	Subtotal Non-Construction Cost			\$4,500.00		\$5,300.00	\$16,400.00	\$7,300.00
	Total Estimated Project Cost			\$76,400.00	\$99,300.00	\$150,180.00	\$106,180.00	
	Total Estimated Cost for All Projects			\$432,060.00				