

Special Member Meeting

On Saturday, March 24, 2012, about 40 people gathered to hear ideas for saving money by changing the nature of the Capital Improvement Project. The meeting was called as the result of a petition to do so signed by 105 members.

Les Wilson, former general manager, presented his ideas for streamlining the addition of residents on Navajo Court to the upper pressure zone in order to improve water pressure by raising it. It was decided that Steve Brigman, PE, of Shaw Engineering who has designed the capital improvement project, should continue to discuss with Les his ideas and ascertain if, in his professional judgment, there were any savings to be found.

Les Wilson agreed that the two inch galvanized steel pipe "water main" uphill of the houses on the eastern end of Sandy Way should be replaced with a 6 inch water main in the street.

The third proposed saving was not to replace the water main behind the houses on Lanny and put in new mains in Squaw Valley Road, Lanny, and Christy Way. Les Wilson argued that the AC (asbestos cement) pipe in that area should be crush-tested to see if it needs to be replaced. If the pipe were found needing to be replaced, it should be done in the back lot lines where it is now. Steve Brigman brought a measuring tape to demonstrate that a 10-foot easement was not very wide for trenching equipment as well as providing space for piling dirt dug from the trench and turn-around space. Mature trees and their root balls would have to be removed as well as landscaping in the easement.

Wilson also contended that additional fire hydrants were not required as the Mutual is grandfathered in under old fire code provisions

and not subject to current standards requiring hydrants every 500 feet. He pointed out that houses on Squaw Valley road could use the fire hydrants on the side roads since at this time there are no hydrants on Squaw Valley Road.

Another cost saving measure would be not to build a new well house. This issue is moot since the Board suspended further work on the well house pending KSL's decision whether to buy the Poulsen property and develop it (see story on page 2).

A number of members spoke in favor of going ahead with the project as designed. They argued that the Board had studied this project for several years, let the contract, signed the loan and it was time to move on.

Board member Gate DeMatei said that the people presenting their ideas and estimated cost savings had presented no hard figures tied to actual costs. They had not figured in the cost of engineering drawings and permit costs that would be needed if the project were changed as they were advocating.

Board Member Tim Matheis said that whatever ideas could be incorporated into the current project, he was certain Steve Brigman would adjust the plans. He said it was too late to stop the project. The train had left the station. Over \$500,000 worth of materials have been purchased by Campbell Construction and paid for. The first interest payment on the loan is due May 1st. To stop now or radically change the project could cost up to one million dollars and we would have nothing to show for it.

Audience members suggested that as the next phase of capital improvement project is contemplated, a member's advisory committee should be assembled to help with the

developments. "Let's move forward," they said. The Board took no action.

KSL Development, Mutual Wells and Well House

KSL, the new owner of Squaw Valley, USA has big plans not only for skiing on the mountain, but also for development of the valley. They have taken a lease with option to purchase the land around the Mutual's two wells and the well house. While the Mutual owns the property where the wells and well houses sit, that ownership is subject to conditions found in the 1984 and 1995 settlements with the Poulsons. The agreement states that prior to 2044 the Poulsons or their successors have the right to exchange a new well that meets all government standards then in effect for Well No. 1. At the time of exchange of a new well site for Well No. 1, the Poulsons shall provide a new maintenance building at no cost to the Mutual.

KSL's engineering firm designing the plans for hotel, housing, ice-skating rink, swimming pools, garages for parking and other amenities was told to develop the land as though none of the Mutual's or PSD's wells and well houses existed. That means that KSL will need to drill new wells for PSD and the Mutual. Where those might be are unknown at this time.

KSL is paying PSD for the use of their computer model of the aquifer developed by Hydrometrics over the last five years. This model is the basis for the Groundwater Management Plan. However, it only deals with the groundwater basin and does not include water used up on the mountain at Gold Coast and High Camp, or the horizontal wells on the hillsides. This hydrogeology study should be done in 90 days and presumably will guide the decision on purchase of the Poulson land and the ensuing development.

The implication for the Mutual and its water supply is that there could be new wells and well house built at KSL's expense. The Mutual has the right to accept or reject the solution offered. The

situation will be closely monitored in order to protect our water quality and water rights.

Capital Improvement Project Update

Steve Brigman, Project Engineer for the pipe replacement project reported at the April 14, 2012 meeting that the project is on winter hold per Placer County ordinance. During this time, Campbell Construction has purchased about \$500,000 worth of pipes, fittings, and valves. These are stockpiled in a locked warehouse in Reno. The materials have been inventoried and photographed by Shaw Engineering prior to approval of the invoices for payment.

Placer County allows construction to start May 1, 2012 depending on site conditions. Shaw Engineering opines that due to the dry winter, it may be possible to start at the end of May.

President John Coyle and Secretary Lynn Suter signed the USDA loan for \$3,979,180 at 3.75% interest over 40 years on October 28, 2011. On May 1, 2012 a first payment of \$96,456 for the loan is due to the USDA.

PSD 5-Year Strategic Plan

At the March 27, 2012 Squaw Valley Public Service District (PSD) Board meeting, a draft of their strategic plan was given to the public for review. The SVMWC is mentioned several times in several contexts.

The PSD Board members all took pains to state they were not considering consolidating with the SVMWC. President Dale Cox said that the reason the topic of the Mutual even came up is that the turmoil over the capital improvement program has people complaining to him and some asking for PSD to take over SVMWC.

Since both PSD and the Mutual draw water from the same aquifer, the two entities need to cooperate and collaborate in their pumping regimes. There is an opportunity to reestablish interties between the two systems that would

allow sharing of water in the event one or the other of the systems went down. It has been suggested that when operations Manager John Collins retires, one possibility would be to hire the PSD to be the operations manager. PSD had put in their strategic plan that they are open to discussion of providing other services as long as they do not detract from their core services.

Lateral Replacement

At the September 24, 2011 Board Meeting, the Board adopted a policy that for the 139 properties that must replace their lateral water line since the new water main will be in the street, not in the easement along back lot lines, the Mutual would subsidize 75% of the cost. The property owners are responsible for hiring and paying their own contractors and submitting the invoice when the work is completed. The Mutual will credit their water bill with 75% of the invoice or 75% of the lowest estimate by Campbell Construction (i.e. shared trench cost where appropriate), or 75% of their own costs if the owners perform the work themselves, whichever is lowest. .

Campbell Construction has visited every one of the 139 lots and made an estimate of the cost of either putting the lateral in its own trench, or sharing a trench with a neighbor. A letter is being sent to each of the 139 properties with this information as well as information about other contractors that could do the job.

With Campbell Construction onsite for the summer, other homeowners in the Mutual may want to replace their lines and this could be an economical time to do that. The Mutual recommends getting at least two bids, and negotiating the price.

Here are the names and contact information for companies that have worked in Squaw Valley putting in water pipe laterals.

Campbell Construction

36 Glen Carran Circle, Sparks, NV
775-677-9111

Andresen Construction

Larry Andresen
10867 Floristan, Truckee,
530-587-7965, 530-582-1969,

Longo Inc.

Tim Longo
P.O. Box 1677, Tahoe City
530-581-4538

Halls Excavating Inc.

www.hall-excavating.com
10911 Glenshire Dr, Truckee
530-587-6487
hallexcavating@hotmail.com

Al Pombo, Inc.

10765 E. River St., Truckee
530-587-4112

Dan Goodrich Excavating Inc.

6538 Idlewood Rd., Tahoe Vista, CA
707-265-7855

Suggested contracting specifications

The work includes providing all labor, materials, equipment, services and incidentals necessary for the installation of 1-inch PE or copper service lateral waterline from the new meter box to a connection point on the existing residential house service line (or other connection point as directed by the homeowner). The location of the house lateral connection point and lateral pipe alignment to be verified in the field by the Contractor and approved by the homeowner (or authorized representative of the homeowner) prior to commencement of the work. The service lateral shall be installed in accordance with Detail 3 Sheet D3 of the Squaw Valley Mutual Water Company Water System Improvement Plans with a minimum of 42-inches of cover over the lateral pipe and with specified pipe bedding sand. Work shall include trenching, bedding; installation of pipe, fittings, connections and appurtenances; backfill; disconnection and abandonment of the existing service lateral removed from service; flushing and pressure testing; landscape repair and surface restoration to match existing or better, as required for complete installation; ready for service.

The property owner is responsible for any permits needed from Placer County.

Squaw Valley Mutual Water Company

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Secretary Lynn Suter
Directors: Ken Bossung,
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Comments and ideas for articles are always welcome.

This institution is an equal opportunity provider and employer

Water Usage

John Collins reported the total gallons used from all wells as:

| | 2012 | 2011 |
|----------|-----------|-----------|
| January | 1,910,330 | 2,184,390 |
| February | 1,289,140 | 1,957,290 |
| March | 1,554,000 | 2,489,000 |

The low water use for this winter reflects the lower number of people coming to ski, due to the poor snow conditions. With springtime approaching, all those on watering systems, need to check for leaks before they turn them on. We need to conserve water. We don't know what the summer situation will be with the poor winter snow pack to replenish the aquifer.

Quarterly tests for Total Coliform in Squaw Summit were negative, and monthly tests in October through March for Total Coliform were also negative. The water meets all federal and state standards for drinking water.