

**SQUAW VALLEY MUTUAL WATER COMPANY**  
**Board of Directors Meeting**  
**May 8, 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 4:00 PM on Monday May 8, 2017 at the Squaw Valley Public Service District Meeting Room.

**2. Roll call and establish quorum- Bob Barnett**

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

Directors Absent: Guilford

A quorum was established

Also present were Office Manager Daniel Collin, Brandon Burks from SVPSD, Eric Poulsen, 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**

Johnson asked to add a report on "Power Line Demolition at Well House 1."

**5. Adopt the agenda**

**It was moved by Director Stepner and seconded by Director Barnett to adopt today's agenda as amended. Motion carried unanimously.**

**6. Approval of the Minutes from April 4, 2017**

**It was moved by Director Stepner and seconded by Director Burkhart to approve the minutes of the April 4, 2017 Board meeting as presented. Motion carried unanimously.**

**7. Presidents Report-John Johnson**

Johnson reported three Board seats are available in the September election; those held by Stepner, Barnett, and Guilford. A call will go out soliciting Board member candidates. Per corporation law, an election will be held even if there are three people running for the three seats. The election and Annual Meeting are scheduled for September 2, 2017. There have been no electronic votes since the last meeting.

**8. Operation & Maintenance Report-Brandon Burks**

Burks presented the April reports that were included in today's meeting packets. The weight of snow on top shut off the service pump at Well 2. The issue was caught right away and the well house flushed, but the situation needs to be remedied, perhaps with a cover to catch the weight.

Brandon is working with the XiO technician to find a better system of communication when there is a failure. There are some coding alarms in the alert system that will shut off the chemical flow immediately, but a final fix is being determined.

The mixing pump at the Lower Tank failed, but Burks reported a cost effective fix has been determined. An electrician will install the repair. Johnson reported the cost for a new mixer was about \$4,800. However the one being used by SVMWC was old and the company wanted it "off the street" so the cost was only \$1,800.

The water production report was reviewed and clarified. Eric Poulson asked about the underground vault on Well 2. Burks explained there is a "pitless adapter" where the well is below grade. The State Water Resources

Control Board Division of Drinking Water doesn't like wells to be in vaults, so the adapter is now used. Poulson suggested the tank be painted a lighter color so it doesn't absorb heat.

### **9. Office Managers report-Daniel Collin**

Collin reported the annual Drinking Water Report will be submitted in April. The Consumer Confidence Report is due in July and will be mailed to members with the bills.

There have been a lot of responses to leak notices. Usually if a leak is under about 10,000 gallons, Collin doesn't notify the owner. This time the leaks were higher so he advised property owners.

Collin is waiting for more information from SVPSD on contract costs to complete the budget. He has estimates from McClintock Accountancy and the snow removal contractor. Collin is adding more to "legal" pending a potential issue.

Barnett asked for clarification on leaks. He noted from Collin's report 4 properties that were using a lot of water. He looked into the situation further and discovered one property used about 75,000 gallons in the month of April. Burks said he does not see the leak report. He gets usage, but not leaks. **ACTION: Collin will send Burks the leak report.** Discussion followed regarding what is considered high usage, i.e., a potential leak, and how owners are notified. Collin said repairs are the owner's responsibility. Some owners let him know when the issue has been addressed, but some do not.

There was a brief discussion regarding a potential legal issue. **ACTION: Collin will send Johnson correspondence about the issue. Johnson will send the owner another letter.**

### **10. Treasurer's report-David Stepner**

Stepner presented the Treasurer's Report, which was included in the Board packets. There are currently 4 accounts that are at least six months outstanding. Collin is following up.

Collin now has the ability to transfer funds from PayPal to the SVMWC bank account. Stepner is still working with PayPal to get a report on who is using PayPal. Only 6 or 7 accounts paid using Pay Pal. Those accounts did not pay the 3% fees, but as more owners use the option, the fee will be enforced.

In answer to a question, Collin reported half of the approved \$37,000 was transferred from Operating to Capital Improvements in December. The balance will be transferred before June 30<sup>th</sup>.

### **11. POA Meeting Presentation Discussion**

Johnson asked the Board to consider what he should report on at the SVPOA meeting at the end of the month. It was agreed the backflow testing requirements should be explained.

### **12. Christy Lane Water Main Project Summer 2017-Update- Hans**

Burkhart reported he reached out to contractors in Reno and locally, but got little response because they are all so busy. Six local contractors have picked up drawings and intend to bid on the project. If acceptable bids are not received, the project will be postponed until 2018 and bid requests will be sent out in February.

### **13. Proposed Budget 2017/2018-Review**

Collin presented the draft FY 2017/18 Budget. He explained changes from previous budgets and clarified specific line items. Discussion followed as the budget was reviewed and revised. Stepner noted the budget and billing do not coincide. The two options are either to align the billing with the budget or re-calculate expenses in time for the July billing. The Board discussed how to get revenues in to cover Capital Improvements, which are done mainly in the summer months. Stepner suggested the entire 50 or 100 year Capital Improvement report be considered to determine what the needs for each fiscal year are.

Discussion continued regarding the revenues, expenses, and timing of Capital Projects. Johnson suggested the proposed budget for the Christy Lane project may need to be adjusted based on bids received. Stepner will calculate charges based on May to May usage. The final budget will be presented at the June 5 meeting.

#### **14. PSD Operation & Maintenance Contract Review & Approval**

Burks presented the proposed contract with SVPSD. Last year the cost was \$6,575/month or \$78,900 for the year. This year's contract is approximately \$450/month higher because of a 7% increase in SVPSD negotiated labor costs. It is \$7,025/month; \$84,300 for the year. All basic services will remain the same and meter reading has been included. Additional services will be billed at Time and Material based on the rate of the SVPSD employee doing the job. Once this agreement has been approved by SVMWC, it will go to the SVPSD Board for a vote.

Discussion followed as details of the contract were reviewed. During discussion, the Board noted the need for a contingency in the SVMWC budget for items to be performed by SVPSD such as annual hydrant flushing and the unanticipated cost of replacing snow poles. **ACTION: Burks will email the proposed budget to Johnson for action at the next SVMWC Board meeting.**

Burks said a "not to exceed" cost can be set for flushing hydrants. However there is the issue of backflow testing. SVPSD can do inspections to identify which properties need to do annual testing or letters can be sent to owners asking them to comply as necessary. SVPSD does not do the testing. SVMWC can ask SVPSD to inspect all properties this year or half or whatever is deemed appropriate. The Board considered the options and potential costs. Burks recommended hydrants be flushed every year, but valve turning can be done in phases. These costs are not included in this year's proposed SVMWC budget. **ACTION: Burks will provide SVMWC with costs to inspect and assess backflow testing needs. He will also provide a "not to exceed" cost for flushing fire hydrants.**

Eric Poulsen said SVPSD sends owners letters explaining the law and a list of contractors, with phone numbers, that can do the test. **ACTION: Burks will send Stepner the letters SVPSD sends owners to notify them of the backflow test requirement, including the initial contact, a 30-day follow up, and final notice. Stepner will draft an email to owners.**

#### **15. Capital Improvement Project Review**

This was discussed during Item 13.

#### **AGENDA ADDITION: Power Line demolition at Well House 1**

Johnson reported the underground power line to Well 2 was knocked out when the Utility Pull box was hit on April 9. The damage was done either by a plow from Squaw or a grader. Burks added that there were cars in the area and the wires were live, but luckily, no one was hurt. Johnson said the repair was \$4622.04. He sent the bill to Mike Livak at Squaw Valley Ski Holdings, who suggested SVMWC pay half. Livak suggested the box is not marked. In fact, there has been so much dirt removed with snow removal in past year, the grade is down and the Well House utilities are exposed. Livak agreed to refill the area to grade. Discussion followed regarding the damage done and who should pay for it. **ACTION: Johnson will propose that Squaw should pay the entire bill and refill the area to grade. SVMWC will pay the cost to put in markers for the Underground Utilities which will be bollards filled with cement. Option 2 would be that the Mutual split the cost of the repair and the Ski Corp pays for the bollards.**

#### **16. Upcoming Board Members Election**

This was discussed during Item 7.

#### **17. Future Meetings**

- **June 5<sup>th</sup>, 2017 @ 4 PM**
- **June 29<sup>th</sup>, 2017 @ 4 PM**

- **August 10, 2017 @ 3 PM**
- **September 2<sup>nd</sup>, 2017 11AM Board meeting, then 1 PM Annual Members Meeting & Election followed by Special Board meeting to appoint officers and set meeting dates**

**ADJOURN**

There being no further business to come before the Board, the meeting adjourned at 5:48 PM.

Respectfully submitted,

Judy Friedman

Recording Secretary

THE PAPER TRAIL SECRETARIAL & BUSINESS SOLUTIONS