

Squaw Valley Mutual Water Company Newsletter

Summer 2012

P.O. Box 2276, Olympic Valley, CA 96146-2276

News on Construction

The Board voted to delete all work on Squaw Valley Road from the Campbell Construction contract because they had not started the work by August 1 and don't have the time to complete the project before construction has to stop on October 15. They also did not want to do the job. The intent is to put the project out for a new bid and do the work next summer. In addition, Campbell Construction has been issued a notice of contractor default since they have refused to perform work as directed in Field Orders issued by Shaw Engineering. All materials the SVMWC has paid for are being photographed and inventoried so that financial adjustments can be properly made.

Much of the pipe laying on Lanny, Sandy, and Christy has been completed. The meter box pits have been dug and all meters installed except for the 139 lots needing new laterals. Paul Sorenson, the onsite inspector working for Shaw Engineering and the SVMWC has been dealing daily with individual requests, photographing the progress, and reports that the quality of the on-the-ground work is good.

As in any project of this type, there have been hiccups such as attaching a water valve to a sewer pipe, the PSD sewer repair crew breaking a water line, and discovering all kinds of unknown pipes underground (from cable lines to abandoned water lines). Such are the problems with systems that do not have accurate maps of their pipes.

You are encouraged to look at the website www.shawengineering.com/squaw-valley-project/ under the construction phase information for meter pit installation records and daily field notes posted under the heading "field reports." They contain pictures of the work being done.

On Replacing Laterals

Members have complained to Board Members and to Office Manager Anne-Marie Giese that contractors are not responding to phone calls and people cannot get bids on replacing laterals. Here is some additional information:

- The plumbing contractors want to do the job all in one pass, so they aren't interested in putting in the lateral until the new water main is carrying water.
- The plumbing contractors want to know where the meter box is and where the water enters the house before making a bid, so home owners need to locate where the water enters the house, or agree to the cost of going through the foundation to a new in-house connection.

See article on page 3 for assistance in finding a plumbing contractor.

You are invited to the

Annual Meeting

Saturday, Sept 1, 2012
10:00am

PSD Community Room
305 Squaw Valley Road
Olympic Valley

2012-2013 Budget Adopted With No Dues Increase

Despite doubling the amount budgeted last year for legal fees and repairs, adding a paid minute taker, and after long deliberations and several votes the Board agreed to no dues increase for this year. To fund the large new budget line (\$83,800) to subsidize the cost of lateral replacement for the 139 lots required to install a new lateral, \$77,503 will be taken from savings that have accumulated over the past couple of years (see article on policy for reimbursement).

The Board adopted a contract with Giese Accounting to handle office management for the fiscal year 2012-2013 for \$30,900, a 3% cost of living increase. John Collins Engineering was contracted for another year to operate the water system at a cost of \$ 99,910, a 3% increase over last year.

Adopted Budget 2012-2013

Income (in \$)

Capital Assessment	264,638
Water Service Charges	216,415
Interest Earned	500
Member Late Charges	4,500
Fee Income	700
Tank Special Assessment Payments	29,280
Savings from previous years	<u>77,503</u>
Total	\$593,536

Expenditures (in \$)

Operating Expenses

Accounting*	5,800
Bank Charges	150
Director's Reimbursement	4,200
Fees, Licenses, Fines	3,000
General Insurance	10,000
Legal	10,000
Maintenance Contract	99,910
Meeting Minutes	2,400
Membership Dues	375
Office Contract	30,900
Office Supplies/Expenses	100
Postage and Delivery	1,600
Printing and Reproduction	1,750
Property Taxes	530
Repairs & Maintenance	20,000
Snow Removal	4,500
Utilities	14,000

Water Testing	3,000
Water Treatment	9,000
Web Page	900
<u>Capital Expenses</u>	
USDA Loan Payment	192,912
Depreciation	75,418
USDA Reserve Requirement	19,291
Lateral Credit (see article)	<u>83,800</u>
Total	\$593,536

*USDA requires an annual audit and we have contracted with McClintock to do this year's audit.

Lateral Replacement Cost Reimbursement

During the debate among members and Board members on how to equalize the cost to the members required to replace their house laterals, many different ways to do this were proposed. The Board finally agreed to reimburse the 139 members affected by moving the water main from the back lot line to the street right-of-way for 75% of the cost of new laterals. The agreement was that the cost would be set by Campbell Construction. They would visit each property and estimate the cost from the planned meter pit in the street to the old box in the back where they knew a lateral was already established. That price was set as the top price. Property owners could contract with any person they wished to do the work, but they would be credited as a maximum 75% of the Campbell estimate.

The cost to the SVMWC for all these laterals was originally envisioned as an assessment against all 281 properties of the Mutual. However, an analysis of the savings over the past several years showed the Board they could absorb the cost, at least this year. So at the June 9 meeting, the following motion was passed. *"Upon presentation of appropriate invoice or receipts demonstrating the lateral replacement is completed, SVMWC will credit up to 35% of a Member's annual water bill each year until 75% of the costs (as set in earlier policy) is met. In addition, they decided, that "Members that submit receipts for lateral work prior to December 1, 2012 shall receive their 35% billing credit beginning with the January 2013 billing."*

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For some property owners, it may take only 1 or 2 years to recover the 75% of the replacement cost at the rate of 35% of the annual water bill. For others the credit may extend 10 years and beyond. Allowing only 35% of the annual dues as credit is to ensure adequate cash flow to run the company. If there are any questions, please contact us at info@SVMWC.com or (530) 583-3674.

Excavating Companies that install water pipes

Andresen Construction

530-587-7965, 530-582-1969,

Longo Inc.

Tim Longo 530-581-4538

Halls Excavating Inc.

www.hall-excavating.com

530-587-6487

hallexcavating@hotmail.com

Pombo Al, Inc.

530-587-4112

Dan Goodrich Excavating Inc.

707-265-7855

Lazzareschi Construction

530-583-9267

Grimes Excavation

530-583-5295

Ron Gregg Excavation

530-583-1889

Ferguson Excavation

530-541-5074

Yankton Excavation

530-546-2535

AM-X Construction

530-587-2878, amx4@me.com

Kern's Excavation

530-587-1255

Berreyesa Excavating

530-525-5413

Clauss Excavation

530-581-5051

Burdick Excavation

530-546-7217

Burt and Burt Excavation

530-546-1012

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.

Intertie with Public Service District

In case of emergency, it is important that the two water companies in the valley be able to render mutual aid. The Public Service District applied for a grant and received \$10,000 to study the best way to do this. The PSD passed a resolution supporting a \$35,000 study with the Mutual paying \$12,500 toward the study. Tim Mattheis and Margot Garcia will work with Mike Geary on how to structure the study so it will cost less.

Long time residents in the Valley will remember that there used to be such an intertie between the two water systems that was operated by a valve near the Old Bear Pen, or where there is now the Indian Rug Store. The intertie was rendered unusable due to construction damage when an underground cable was laid.

Squaw Valley Mutual Water Company
P.O. Box 2276
Olympic Valley, CA 96146-2276

**Squaw Valley Mutual Water Company
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For SVMWC call 530-583-3674
Email: info@svmwc.com
Website: www.svmwc.com

Newsletter Editor: Margot Garcia
mgarcia@vcu.edu
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
April	1,646,550	2,545,000
May	3,967,590	2,894,000
June	4,059,300	3,481,000

In May and June we saw a big pick-up in water
use due to outdoor watering and also more people
in the valley in their homes. In May 2012 we
used 17% more water than in May 2011.

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