

Lindsey feels that someone like that is trying to find reasons to work on your computers system where as someone who works with a contract is trying to keep everything running smoothly so they don't have to do much work on your computers.

Jeannie explained that we received an RFP from a man was a one man show but he was the same price as everyone else. ITech and Anderson PC will monitor our system 24/7. That's what Datanamics did. If something went down on our system, they knew it before we did and they would contact us so they could get it fixed. Anything that needed to be done they took care of with as minimal down time as possible.

Randy wanted to go through Anderson PC's and ITech's contracts and compare them. The Directors had only been provided with ITech's contract so Jeannie made copies of Anderson PC's contract for each of them.

Randy is on a monthly contract with his IT provider and they bill him for every single thing they do. He can't even move a router. They have to do it. He has to buy their equipment so he wanted to know if we would have to buy all of our equipment from them.

Garry from ITech said that they don't require that we buy our equipment from them. They do resell any of the services they support like printers, servers, computers, routers, switches, etc. They have agreements with distributors to resell that kind of equipment and they try to be competitive on pricing. If we can go down and buy it cheaper than what they can provide it for then they don't have a problem with us doing that.

Steve Bogin with Anderson PC said that they are basically the same as ITech. They sell Dell equipment and mark it up 2%. We don't have to use Dell but they do ask that we meet their specifications. With their contract they don't charge us to help us figure out what we need. It's all inclusive.

Randy asked if we happen to cut or shred a cat 5 cable and we put another one on, will they still warranty it.

Steve said that they charge a monthly fee which includes onsite work. We would just be charged a \$140.00 round trip fee.

Garry said that they will set us up with an IT supply closet for those types of items. That way we don't have to run down to the store when we have a problem that needs to be taken care of right away. ITech gives us a 10 hour block each month which is based on doing regular preventative maintenance and leaving room it there for incidentals. Based on what they see in the industry an organization of this size typically needs about that much support time. Any extra time rolls over to the next month. At the end of the 12 month period they have a server room clean up that's designed to make sure that they're taking advantage of any left over time. Monitoring is not included in the 10 hours.

Steve said that Anderson PC does preventative maintenance quarterly.

Randy asked Garry where the checklist was that has the things that we get for the 10 hours we're allotted.

Garry said that they want to be involved in what's going on here with our computers and the best way to do that is to be physically present. There are conversations that happen when they're here servicing our system. Also, since we are so far out of Vegas they won't be able to pop in and see how things are going.

Steve said that Anderson PC chose us as a 360 customer. The 360 plan is an all inclusive plan and is only offered to customers they feel would be very stable customers. Out of their 200 customers they have around twenty-five 360 customers. A 360 customer gets a flat fee every month which means they take care of all of our needs. The only extra cost would be travel time because we are so far out. There is a charge for after hours which would be time and a half (\$165). We would also have to pay for parts.

Jon Blackwell came into the meeting at 4:50 pm.

Chairman Staton felt that both companies sounded competent and they are both offering basically the same thing. Jeannie had said that ITech was her first choice but she would be able to work with either one of them.

Joe had one concern. Jennifer's husband works for Anderson PC. He doesn't think it would be an issue but he wanted to make sure that Leo wouldn't be able to get our passwords and pass them on to Jennifer. Steve said that they don't keep user passwords on file. They have their own unique administrative passwords.

Randy asked how long the contracts would be for.

Garry said that typically it's a 12 month term which locks in your pricing and service availability. There is also a 30 day out. We would need to give them a 30 day notice if we feel that it's not working out.

Steve said that their contract was for a three years fixed price but Jeannie had asked for a two year contract instead. They have a 60 day out policy.

Jeannie asked Garry what happens when the one year contract expires. He said that we would renegotiate pricing if necessary.

Randy said that a monthly contract is the easiest for Staff but could we hire someone to come in and piece meal it and just call them when we need them? Is it something Staff could make work? How often does Staff really need their help?

Joe said that Staff can make anything work but he feels like if it's piece **mealed** something is going to fall through the cracks.

There were a lot of questions for Steve and Garry about their services and contracts.

On motion of Chairman Staton and seconded by Lindsey Dalley, the Board voted 5-0 in favor to accept the proposal from Anderson PC for a three year contract at \$19,740 for the 1st year and \$1,495/month (\$17,940/year) for the next two years.

5. Approval of the proposal for engineering work for MSM-0062-13 from Advanced Civil Design in an amount not to exceed \$11,350 (for possible action)

Joe reminded the Directors that back in November he had spoke to them about the Overton property we had purchased from Larry Adams. After he got into everything that needs to be done it going to cost over \$10,000. The County is requiring a slope analysis plan because it's a hill. The topographic survey has already been done. That cost \$3,100.

When the LDS Church was having problems getting that strip of land taken care of down in Logandale, Advantage Civil Design was the only company that was able to get it done. After speaking with them Joe felt comfortable with them taking care of this for us.

On motion of Randy Tobler and seconded by Jon Blackwell, the Board voted 5-0 in favor to instruct staff to sign the engagement letter with Advanced Civil Design for an amount not to exceed \$11,350.

6. Manager's Report

Office Manager – Jeannie Poynor explained that the budget reports in their Board books were for September, October and November. Revenues are at 45%. She reminded the Directors that this is the slow time of year. Expenses are at 31% which is good. Jeannie added to the bank account spreadsheet the designated funds since it has changed on the audit. Instead of having all of it in restricted funds it has its own category now. Designated funds are set aside for things that the Board has requested Staff save money for.

Jennifer Whipple had her baby on January 8th so she is now on maternity leave. Shanna Burton started on Monday. She will be filling in while Jennifer is gone. She was supposed to have a couple of weeks of training before Jennifer left but that didn't happen. Joe explained that Shanna used to work for the District so she is familiar with our policies. She does have to learn how to use Pelorus but it's a lot easier than RVS was.

Scott Carson asked about the Arsenic Replacement Fund. There is over \$400,000 in that account and he wanted to know if we had to keep putting money into it. Joe explained that we wanted

to make sure that we had money set aside when we needed to replace the arsenic media but we are still doing really well with the original media that was put in when the plant was first started. We have replacement media sitting in reserve so we won't need to purchase media for quite awhile. The price for arsenic media is also going down so that will save us money also. Unfortunately we do have some areas that are critical that we are going to have to do something with. We started putting money in the arsenic media replacement fund in 2010.

Water Distribution Superintendent – 1) Leaks – Lon Dalley explained that weren't a lot of leaks the last couple of months. In November there was a leak in Logandale (1"), three in Moapa (1", 4" & 12") and a 6" in Overton. In December there were two 1" leaks (one in Logandale & one in Moapa), three 3" leaks (all on Henrie Rd), and one 4" (Overton). The Henrie Road line has lots of leaks but it's going to be a big job to replace that line. **2) Customer Complaints**– There was a customer complaint about a leak and one about no water which was an issue on the customer's line. **4) Bowman Rd. Project** – We are all but done. The line was tied in today and all of the meters have been moved over. The only things left to do is concrete valves and make sure that type II is laid on the ground. **5) Upcoming Projects** - The Hwy 168 project will start in February. Lon is still in the process of getting the paperwork done. **6) Miscellaneous** – Lon hasn't made any progress towards securing a blanket permit from the County for ROW work.

Water Production Superintendent – Bryan Mortensen explained that water production is staying pretty steady; at least it's not dropping.

Bryan's crew is done with the Arrow Canyon project.

The Sate looks at the usage we give them every month on our diversions and they really keep an eye on the diversions at Baldwin Springs and Jones Spring. The 10" mag meter we have at Baldwin is getting old and not reading quite right. Bryan's crew took it out and cleaned it up but now it's really gone crazy. We are going to have to replace it and that will be a big expense.

The 340A facility is still shut down. Bryan's crew is taking this opportunity to getting some things done up there so it will be ready to go if they ever turn it back on. SNWA will be paying for all the work done up there.

384 meter registers were switched out and sent back to Master Meter for warranty replacement. We are still getting 192 registers from them every month. The guys are blowing through them which is good since there's almost 3,000 left to do.

There were five meter setter installations done. While the guys were in there replacing the registers they fixed any meters that had pinhole leaks in the setter.

We recieved 40 data log requests; seven worked. There were three high/low psi requests which were on the customer's side, two water quality requests which were also on the customer's side, 10 meter leaks and five miscellaneous requests.

General Manager – Lasco Fire Line – Staff met with Lasco representative to discuss the water usage detected on the fire line. They have actually been documenting that the tank level has been dropping. They've been doing it weekly but since Joe and Lon were there they've started doing it daily. All of their inside fire suppression system and the outside hydrants are on an alarm system. If someone hooks to one of their hydrants and uses water it sends the alarm company an alert & they contact Lasco to let them know what's going on. The alarm company was out there three days after Joe and Lon were there and so Joe went up there and met with them. They went through the entire system and showed Joe how they test the system. They physically turn on a 3/4" corp and they run water through it to make sure it sends out an alarm. They let it run for about 60 seconds. They monitored the tank level as they ran the water. Once a year they flow the hydrants outside to make sure they meet fire flows. There was nothing that would explain what's going on there. Joe's still working with them to try to figure out what's going on. There is an altitude valve on the tank so when the water drops so many feet it opens up and fills the tank back up. They are monitoring the tank levels and so are we. It could be something as simple as a hole in the tank since they've never had the tank inspected. We'll see what happens when we read the meter next month. We haven't billed them for anything yet. Joe wants to see how this plays out. **Order 1169** – We are still waiting for the report. Joe heard it would be out before January. Joe and Bryan were at an HRT meeting yesterday and Rick Felling from the State Engineers office said that the report's in review. Joe hopes to have the report by the end of next week or the following week. He thinks they're going to say that there isn't any water available. **Post 2017 Hoover Power**- There was legislation passed which holds back portions of the power that's generated by Hoover Dam. The power they're holding back is suppose to be made available to entities starting in 2017. Joe finally received the final criteria for the call for qualifications. Tribes will have first priority but they won't get it all. Joe hopes that we made a good enough case about why we think that we deserve some of the power. The application has to be in by March 31st & Mendis Cooper is going to help Joe get the application filled out. It comes in minimum and maximum blocks and since we already have an agreement with OPD and they already have the infrastructure it gives us a way to get the power. OPD is going to contact Virgin Valley Water District and see if they want to go in with us. We might be able to get a bigger block that way. Mendis is reviewing the

application since it is pretty intense. **System Flow Model Conversion** - Joe has been speaking with Bowen & Collins about our system flow model. Leslie & Associates had done our original flow model. Bowen & Collins did a flow model for us when we did the booster pump for the SNWA contract so that we could make sure the water could go through our system. When Joe was looking at the model he thought that we were limited on the amount of water that comes down to the Logandale/Overton area. Since then the Riverview group has done a flow model themselves and when you look at peak days they're model is showing that we're at max capacity. That has a huge impact because if we're at max day capacity for meeting State requirements. Our contract with SNWA says that we have to be able to guarantee 6,200 gpm at all times. According to Riverview's flow model the new 24" line from the Moapa Tank on down is at max capacity. We will also be able to give it to another engineering firm that might be doing work for us. **NV Water Resources Conference** - Bryan, Lon and Joe will be going to the Nevada Water Resources Conference on February 3rd through the 7th. **FY15 Budget**– Scott and Joe have been going over some things in preparation for the FY15 budget. **Reimbursement Areas** – Joe's been working on the asset management plan which is something that we have to do. He has to go through and list pumps, motors, electrical systems, transmission mains, buildings, everything. He will have to figure out the expected life; then he'll take the expected life and figure out how much maintenance we've actually done to it and that will give us a new life span. Joe will then categorize that and figure out how much it's going to cost to replace it. If we want to get any type of funding we need to have this done. It will help move us to the top of the list. Most of the small mains we've been doing like Gann Street are lines that the customers have been paying bills on for years. We upgrade the line and put in fire hydrants and it benefits everyone living in that area. Joe asked the Directors if they would like to create reimbursement areas on the lines we've upgraded that have the potential to have developments built on them because of the upgrades we've done. Joe and Scott have been talking about how the District should handle situations like that. Joe doesn't think that it should be done on every small main replacement but there are some unique situations out there that maybe we should create some reimbursement areas for. It all rolls into the asset management plan and the FY15 budget. Joe just received some paperwork regarding the State Revolving Loan Fund. Joe and Scott have been talking about this also. The State has a priority list. If you have a project that you think you would be able to get done in 2014 you could get a low interest loan to do the project. Joe and Scott feel like we shouldn't waste time filling out an application for this year. We had grant money from the EPA which was match money and we gave it back. The Directors decided not to take on anymore debt because we still would have had to put out quite a bit of money to get the grant money. That's why Scott brought up the Arsenic Replacement Fund. He knows that we have some projects that we need to get done and we're going to have to have the money to get them done. Joe thinks we should just tighten our belts and use some of the money we have. In the next few weeks Joe will be having some meetings to figure out what projects have to get done.

7. **Director's Preference**

- **Review Monthly Expenditures**

Randy Tobler disclosed that he has an interest in a small business that is on the monthly expenditures list.

On motion of Chairman Staton and seconded Jon Blackwell, the Board voted 4-0 in favor to refer the monthly expenditures to the auditors. Randy Tobler abstained.

- **Litigation**
- **Discussion on SNWA's proposed contract modifications**

8. **Personnel – Closed Door Session**

9. **Approval of the February 13, 2014 Board Meeting**

The general consensus was to hold the next Board meeting on **February 11, 2014** at 4 pm.

10. **Public Comment (May be limited to five minutes)**

None

11. **Adjournment**

The meeting adjourned at 6:27 pm.