



Lindsey Dalley asked if the base rights are going away does the seniority stayed with them. Joe explained that the only thing that moves with them is the seniority. He also explained that the State Engineer is going to take the 10% haircut off of each application.

Since the Board was ok with the letters, Joe is going to go ahead and send them out with the deeds.

## 5. **Manager's Reports**

**Office Manager – 1) Bank Transition** – Jeannie Poynor explained that we've been going through the bank transition from Bank of America to Bank of Nevada. It's going well. We had to open an account at America First Credit Union so we could put our cash in there. The majority of our money has been moved over. We're leaving the Bank of America account open to make sure that everything clears before we close it. **2) – Credit Card Auto Pay** – 21 customers have signed up for it. **3) Budget Reports** – We're about  $\frac{3}{4}$  of the way thru the year. Revenues are a little behind last year. They're at 73.99% and last year they were at 74.74%. On expenditures, they're at 56.18% and last year it was 62.52% which is good news.

**Water Distribution Superintendent – 1) Leaks** – There were two 1" leaks. Both were on Vanguard pipe. There were three 4" leaks. One was on Pueblo, one on Ash & Wittwer and one South of Overton. All were on AC pipe. **2) Customer Complaints** – A customer in Moapa complained about water leaking through his meter after he shut it off. District staff replaced the angle stop. **3) Hwy 168** – We have the signed NDOT permit so we are ready to start this project. That should happen the week of May 13<sup>th</sup>. That will give Lon time to get all of the signatures and notices back to NDOT. He will also be able to give the traffic control company notice to schedule setup. **4) Miscellaneous – Hydrant Maintenance** - Hydrant maintenance on the Blvd is done. **Valve replacement** - Four valves on Wittwer around the high school were replaced during spring break. **Asphalt Patches** – The asphalt patches were actually done today. There were 11 of them. Nine were ours and two were the phone companies. J & J Enterprises did them and they did a great job. It was also very inexpensive. **Baldwin Headhouse** – A 14" valve was dropped in near the Baldwin Headhouse to allow us to direct flow of water to different pipelines when needed.

**Water Production Superintendent – 1) Bryan Mortensen** explained that we diverted almost 72M gallons last month so were almost at the 2011 levels. People must be watering more. **2) Staff** continues to work with the contractor at Arrow Canyon #2. The VFD is finally back up. We're testing it right now to make sure that everything's ok. **3) Baldwin Springs** has been running since March 7<sup>th</sup>. Jones Spring has been running since April 28<sup>th</sup> which was the deadline. **4) Coyote Springs** isn't on yet. Things keep getting pushed back because of problems on their end. They are keeping Bryan updated. We've met our deadlines but they are having major issues up there. They said they are going to start the well at 8 am every morning and shut it off at noon. If the well goes down, we will start up Jones. SNWA is paying Bryan's wage and any costs that we incur working on and maintaining their equipment and lines. Our guys have been working really hard getting our part done. The last Bryan heard is that it should be up and running by June 2<sup>nd</sup>. **5) Staff** has changed out another 192 registers. It will probably take another year to get them all changed out. **6) Customer service** request were light last month. **7) We** have 19 hydrant meters in service. We haven't caught anyone stealing water lately so allowing people with arenas to use a hydrant meter has paid off.

**General Manager – 1) Districts MSM Map** – The County has approved everything. We had to sign a form and Larry Adams has a couple that he needs to sign. That should be all that's left to do. **2) Blanket Permit** – We have the blanket permit but we need to go in and sign the new MOU. They want us to have a \$5,000 escrow account and once a month we will send them a report of what we've done. There is supposed to be a \$200 charge for every time that we do any type of work in their ROW. They will come out and inspect what we've done. Joe explained to them that he has a problem with them inspecting work we've done in the dirt. Art asked that we follow the agreement for a year and see what happens. If everything looks good then maybe a change could be made after the year. It's supposed to be \$350 each time and you are supposed to get approval before you do anything. They are allowing us to do the work upfront. They are also going to allow us to do 350' pipeline extensions without having to get an encroachment permit. That's a real win for us. Joe is really grateful to Janice in Tom Collins office. She spent a lot of time helping us get this permit. **3) Water Attorney** - Joe met with John Zimmerman. He flew down on Easter night and Monday morning Joe took him on a tour of our facilities. John is a young aggressive attorney and was recommended by Jay Lazarus. John's going to take care of our appeal. He sent an engagement letter and there's no retainer fee or anything else that's associated with it. This is an in house thing but Joe wanted the Director's to know what is going on. After tonight's meeting Joe is going to sign the engagement letter. That way John can go ahead and contact the other entities. **4) Water Resource Plan & Water Conservation Plan** - They are both required per NRS by the State. Joe went thru the WCP and updated it and it's been approved by the State. The WRP was a real concern to Joe. Back in 2002 we had a contract with Water Resource Consulting Engineers for \$110,000 to do the plan. As far as we can tell we only paid them

\$92,000. We can't find a completed copy or anything in the minutes where a completed plan was ever approved by the Board. In looking thru it, Joe had some major concerns with it. Joe and Bryan spoke with someone who said that they could update our report for \$97,000. It would be six months before we would get the first draft. It's something that we need to have before we even start speaking with the State Engineer about our appeal. Joe has gone through about 1/3 of it. There is one section that he needs help with so he has Jay Lazarus working on that. It will probably cost a few thousand to have a report that we can submit. We need to make sure that we have enough water for growth. Another shortcoming in the first report is that it mentions a membrane system for the Logandale Well but it doesn't get into the specifics. Joe doesn't understand why the report was never completed.

**Jon Blackwell came into the meeting at 4:35 PM.**

**6. Director's Preference**

**- Review Monthly Expenditures**

Randy Tobler informed the other Directors that there is going to be a proposition on the upcoming ballot for a marginal tax. The last two sessions the School District had some bonds which were voted down. Now they're trying it thru the marginal tax which would create a 2% tax on business revenue. If it does get passed it's in there for three years. It was passed in another State and they've had some issues with it. The wording is really confusing. That State can actually change it if they want to and they don't have to wait three years to do it. The teacher's union is the one sponsoring it. Randy is trying to get the verbiage to see if it applies to the water district.

**Chairman Staton called a closed-door session at 5:00 pm. This was seconded by Jon Blackwell.**

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

**Jon Blackwell reconvened the open-door session at 6:20 pm. This was seconded by Chairman Staton.**

**10. Personnel – Closed Door Session**

**11. Approval of the June 12, 2014 Board Meeting**

The general consensus was to hold the next Board meeting on June 5, 2014 at 4 pm.

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

None

**13. Adjournment**

The meeting adjourned at 7:15 pm.