

**MINUTES  
MOAPA VALLEY WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
HELD  
THURSDAY, JUNE 13, 2019**

**PRESENT:** Kenneth Staton  
Jon Blackwell  
Randy Tobler  
Lindsey Dalley  
Ryan Wheeler  
Lon Dalley  
Joe Davis  
Lon Dalley  
Kiley Bradshaw  
Susan Rose  
Jeannie Poynor  
Byron Mills  
William Leavitt  
Valerie Leavitt  
Lanny Waite  
Ivan Wollenzien  
Elwyn Adams  
Dusan Slepavic  
Vonda Williams-Gustauson  
Jim Hardy  
Doug Barlow  
Don Whipple  
Vaughn Evans  
Bryant Robison  
Corinne Messer  
C. Slepavic  
Jean Gottchalk

**ORDER OF BUSINESS:** At 4:04 p.m., Chairman Ken Staton called to order the regular meeting of the Moapa Valley Water District Board of Directors. The agenda items were addressed in the following order:

- 1) **Public Comment (May be limited to five minutes)**
- 2) **Approval of the Minutes of the previous meeting held April 9, 2019 (For Possible Action)**

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 5-0 in favor to approve the minutes of the May 23, 2019 meeting.

- 3) **Revisit the banks service connection policy (For Possible Action)**

There were quite a few people at the meeting for this agenda item.

Joe reminded the directors that we talked about this last month and decided to put it on this month's agenda so the board could revisit it.

One of the problems is that the timeframe is too short to be able to sell the meters that are on the list. We tried to contact everyone on the banked meter list to see if they wanted us to add them to the list to sell their meter for them. Its 1<sup>st</sup> come for 1<sup>st</sup> serve. The seller tells us how much they want to sell their meter for & that's what we will sell it for. We have been able to sell a few meters on the list.

Lindsey asked how the process works. Joe explained how staff has been handling it.

Ryan Wheeler doesn't think that there should be a deadline.

There was a lot of discussion between the board members and the public also shared some comments and their concerns.

Joe explained why we are trying to get these meters off the books and the options that customers have.

Lindsey thinks the time frame should be extended. He also thinks we shouldn't sell any meters until all of the meters that are on the list to sell are gone.

Most of the customers were fine with selling their meter for the going rate but there was a few that did not want to sell theirs.

After much discussion on motion of Ryan Wheeler and seconded by Randy Tobler, the Board voted 5-0 in favor of having the banked meters sold prior to MVWD meters. When a developing property owner desires to purchase a meter, they pay the going rate. MVWD then purchases the banked meter. If an owner of a banked meter desires to sell their meter for an amount less than the going rate, then they can call the district and request such. This policy will go forward until June 30, 2020. At that time we will offer to make a payment to the owners of the banked meters if their meter hasn't been sold by that timeframe.

**4) Legislative Update - Warren Hardy (For Discussion Only)**

There was nothing discussed under this item.

**5) Discussion and possible approval of the modification of reimbursement 003-009 (For Possible Action)**

Joe explained that he and Lon met with Mr. Hardy about the reimbursement area he has on a lot he owns in Logandale. The directors asked Mr. Hardy if he had any great ideas. They talked about some of the scenarios out there and they also talked about some of the pros and cons and how we got to where we are today. Mr. Hardy had come up with an idea that he thought was viable so they said they would put him on the agenda and asked him to come to today's board meeting.

Mr. Hardy explained that he has a banked meter he purchased in 2000 from a relative. He spoke with Joe and Lon about installing that meter on a vacant piece of property that he owns. That's when he found out that there was a reimbursement area on that lot. His concern with the reimbursement area is that when the district made the formula by the acre and it states in the reimbursement area it's for brokers and meters. He's looking at one meter on a four acre parcel. All the sudden now he's being charged forward for development of those four acres. He understands the reason for the reimbursement area but he's being asked and everyone in the same situation who only want to install one meter, are being asked to pay for all the property that they own. Everything around them is ½ acre parcels. The other thing he thought was interesting is that if he goes to the county and he wants to build a house on his four acre piece of property, if he has it in a green belt, they don't charge him for the full four acres. He takes a ½ acre out and they back charge him for seven years taxes on that ½ acre. He's not assessed on the other 3 ½ acres as long as it stays in a greenbelt.

Joe explained that in Las Vegas you pay by the frontage of your property. There are parcels that would never be able to get water to their property that will benefit from this line. One or two acre properties might not be able to be developed if they are behind someone. In order for them to get water the board decided that they would look at an aerial view and look at the lots to see how many acres were in each parcel. They then took the costs of the project and divided it by the amount of acres that could be serviced by it, and that's what they would be charged for each acre.

Jim's idea was to take the developments that are next to the reimbursement area, there are three developments but one of them doesn't exist yet. They are all zoned ½ acre lots. Jim said that if a meter would normally serve a ½ acre then why wouldn't we take all the acres that are in there and divide it by meter connections. If you had four acres you could put four meters on it or you could put eight meters on it and you would only pay 1/8 of the actual charge. His mindset is that we haven't sold any meters in there because the reimbursement is too high. That's where the concept comes from. Some areas have sunsets and if you wait out the 15 years, then you no longer have a RA for that project. The district has a policy that any district reimbursement area does not have a sunset date. For some reason this one we've been talking about does have a sunset date. It was never supposed to have an expiration date.

There were comments and questions from the public which Joe and Lon answered.

The directors are going to think about this during the month and it will be on next month's agenda.

This item died for lack of motion. No action taken.

**8) Discussion and possible approval of a 4% rate increase effective July 1, 2019 (For Possible Action)**

Joe reminded the directors that we were going to do a rate increase this month. We're \$600,000 in the hole. The board had talked about a 4% rate increase but staff believes it just doesn't cut it. When we were going thru the budget process, the directors felt that continuing with another 8% was going to have some

elasticity issues and other issues. Businesses don't have the same tier structure as residences. If we change the business tiers down to what the residential tiers are, we would be able to capture more revenue from the high users. We would have to do a business impact statement because someone that has a 4" meter can use 100,000 gallons before they move up to the next tier so we're losing a lot of revenue. They're the ones that are putting the big impact on the system. Joe is also looking at elasticity. If we raise the base rate up then the base rate across the board is a guaranteed amount of money. Then with the tiers are brought down, it will also increase revenues. The 3<sup>rd</sup> portion of what Joe had was when you lower those numbers down from 8,000 to 6,000 and 42,000 to 36,000. Anything above 42,000 gallons in Mesquite is \$5.00 per 1,000 gallons. It's conservation driven. It causes individuals to conserve which is what the state wants to happen. On the same token, we will have individuals that will continue to use what they want. That's how Mesquite got to be viable. They adjusted their tier schedule and their base rate. We keep going thru all of the scenarios but how are we going to make up the deficit. Our base rate is driven by the fact that we don't have the large amount of customers that other utilities have. When you have a small community and large infrastructure needs, the cost of service is high. We're not just out there wasting money. Somehow, someway, the board needs to make a decision on what we're going to do. The reason Joe put this on the agenda was because our budget was passed and we said during budget time we were going to have a rate increase. The board had talked about a 4% increase so that's why it was on the agenda. We have to do something. Joe had forwarded to everyone the Waterworks information to look at. We can mess around with it to see what we want to do.

Joe would like to get a lot of information together and at the start of the next meeting while everyone's still fresh to go over the information that staff has put together.

Joe explained that we will have to send a business impact statement to all the business in the valley to see how they will be affected by the changes.

There were quite a few questions and comments.

This item also died for lack of motion. No action taken.

**6) Approve the changes to section 4.1.1 of the MVWD Personnel Policy Manual (For Possible Action)**

Joe reminded the directors that at the last board meeting we had an employee that we gave an additional step increase to. The directors had indicated that staff should change the verbiage in the policy. The proposed verbiage change is this:

4.1.1 Employees are rewarded for the work they perform at a competitive market salary. Wages for all employees are based on the criteria established in the Board adopted "Class & Compensation Schedule" (Schedule). The Schedule shall include the numeric pay grade, the positions included in within the pay grade, the amount of six month steps an employee can anticipate to reach the top of the pay grade, provided the employee is meeting the position's expectations, and the hourly compensation for the particular step. In the event an employee is consistently displaying an outstanding work performance and is exceeding the expectations for the particular pay grade and step the employee is located, the Department / Division Manager may elect to recommend to the General Manager a two-step increase for the employee. The recommendation shall be a written detailed report and shall be submitted at the time of the employee's annual performance evaluation. The criteria for the recommendation shall include but not limited to: outstanding job performance, attendance, positive attitude, internal customer service, external customer service, safety, obtaining professional certifications that may not be required by the position but is benefiting the District, care and handling of District's equipment and assets and demonstrate the skills necessary accept responsibilities that would not normally be expected of the position's grade and step. Upon review and concurrence of the submitted information, the General Manager shall ~~present the recommendation to the Board of Director's for action.~~ **approve the recommended two-step increase.**

On motion of Lindsey Dalley and seconded by Jon Blackwell, the Board voted 4-0 in favor to approve the changes to section 4.1.1 of the MVWD Personnel Policy Manual as written.

Byron thought that we should change the word shall to may in the 2<sup>nd</sup> to the last sentence.

On motion of Lindsey Dalley and seconded by Jon Blackwell, the Board voted 4-0 in favor to amend the action to say "the General Manager may approve the recommended two-step increase" in section 4.1.1 of the MVWD Personnel Policy Manual.

7) **Modification of the customer's bill to reflect a Regulatory Service Cost (For Possible Action)**

This item also died for lack of motion. No action taken.

9. **Manager's Reports**

**Office Manager**

**Assistant General Manager**

**General Manager**

**Office Manager – 1) Financials/Budget** - Jeannie Poynor had the financial dashboard, the budget report and the revenues put in their board packets. The budget is thru April. Revenues aren't looking to good. Jeannie doesn't think we'll meet our expected revenues with it being as cool as it's been. Expenses are also down so that's good. We're at 83% of the year.

**Assistant General Manager – 1) Production** - Lon Dalley explained that production is down because of the cooler weather. In May we pumped 74,612,356 gallons. We pumped 49,344,000 gallons out of Arrow Canyon #1, 13,583,356 out of Arrow Canyon #2 and 11,685,000 out of Baldwin. **2) Arrow Canyon Well #1 Well Level** – Arrow Canyon Well #1 level was normal. Lon still has concerns about not being able to sound it manually so we can read it more accurately. **3) Meter Installs** –We installed one banked meter in May. That makes a total of 11 meters through May. Seven meters were sold and four banked meters were installed.

**General Manager –1) Baldwin Springs Pump Replacement**– Staff has the two pumps installed. We had estimated that the cost would \$100,000. The bids came in at \$232,000. We purchased the pumps & the vfd's ourselves and paid around \$70,000 for them. We spent about \$15,000 on man time and other things so we saved around \$100,000 by doing it ourselves. **2) District Security Upgrades** – We have camera's outside, and locks on the doors going to the restrooms and the board room. When we had a bomb threat awhile ago, the first thing that Metro asked was where our cameras were. We also have a camera up front that shows the lobby doors and the lobby. We originally slated \$15,000 for the security system but we were contacted by an individual that used to do our IT stuff for us. He is working for another company that has sells security systems. It's bigger, better and faster. The best thing is that it all runs off of our phones and you can setup protocols with it. We spent \$5,000 on it so we saved a lot of money. We will probably be budgeting sometime in the future for cameras at our head houses. We have video at the head houses but all you can do is look and see what's going on. Half the time the videos are down because there's a computer running them and the lines that are feeding them use too many gigabytes. Baldwin hasn't been up for three months. The systems stores seven days of data on the camera itself but it also saves it to the cloud. We have instant access on our phones. If there's any action or anyone touches the camera it shows on our phones. We installed it ourselves and we are now in compliance with the Infrastructure Security Act. **3) Leak Detection Equipment** – Mason Stratton is running our GIS and mapping division. He's been doing a great job in there. He's a fantastic individual. With the leak detection equipment that we purchased, he's actually been finding some leaks out in the field. We even found some for MVIC. We've bought 10 loggers and it can handle 20 so we are probably going to purchase more. Since we've had it, which has been almost a year, we've only made it thru Overton and up to the airport because we have such a large area to cover. He's going to have Mason come to the board meeting to show the board what we're actually doing out there. Joe would like to do that in July. **4) Pool/Pact Training** – Pool Pact came in and talk to Staff about our insurance rates and about training that they have for staff. They highly encouraged board members to attend the training. There's training on ethics, the open meeting law and they also cover potential new legislation requirements. We would have a board workshop before the board meeting started. **5) Rox Water Change Application** – Van Robison contacted Joe concerning 464 acre feet of water. They are currently in the process of trying to transfer the place of diversion. We had it up there in Rox and they want to move it to Henry Road so that it can be used for some fields down there. That water has restrictions on it without our concurrence. Joe told them that we have some definite heartburn over it. We want to take a slow steady approach to see what impact this is ultimately going to have. For one thing, we are moving it closer to the river and Arrow Canyon. With the Sate Engineer talking about diminished flows in the river so it could have some impacts. Bob Marshall was the one that wrote and dealt with all of those change applications originally. Bob retired and Greg Morrison told his place. We have to be very careful with this. We can't afford to lose any of our resources so Greg is going thru all the boxes to figure out what has happened in the past on this issue.

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

None

11) **Director's Preference**

- Review Monthly Expenditures
- Litigation
- Other Related Water Rights Issues

On motion of Ryan Wheeler and seconded by Chairman Staton the Board voted 5-0 to call a closed-door session at 6:40 p.m.

On motion of Chairman Staton and seconded by Jon Blackwell the Board voted 5-0 to reconvene the open-door session at 7:07 p.m.

**12) Personnel (Closed-Door Session)**

**13) Approval of the June 13, 2019 Board Meeting**

The general consensus was to hold the next Board meeting on July 11, 2019 at 4 p.m.

**14) Public Comment (May be limited to five minutes)**

None

**15) Adjournment**

The meeting adjourned at 7:10 pm.

<h1>Approved</h1>	
Date:	<u>7/11/19</u>
Approved	<u>4</u> to <u>0</u>
Those Opposing:	
Those Abstaining:	