

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, APRIL 6, 2017**

PRESENT: Kenneth Staton
Jon Blackwell
Randy Tobler

Lindsey Dalley
Ryan Wheeler

Joe Davis
Jeannie Poynor
Bryan Mortensen

Susan Rose
Lon Dalley

Byron Mills

Vernon Robison, Moapa Valley Progress

ORDER OF BUSINESS: At 4:05 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)

None

2. Approval of the Minutes of the Previous Meeting Held March 9, 2017 (For Possible Action)

On motion of Ryan Wheeler and seconded by Randy Tobler, the Board voted 3-0 in favor to approve the minutes of the March 9, 2017 meeting.

Lindsey Dalley came into the meeting at 4:08 pm.

3. Adopt the Master Capital Improvement Plan (For Possible Action)

Joe Davis told the Directors that in the past he has noticed that when we've tried to go back and research stuff in the minutes that the district has paid for, we would have a presentation made at the 50%, the 60%, the 90% and then it just drops out the board minutes. Staff thought it was prudent that we approve it since we received everything we were supposed to get and the 100% completed plan was presented to the Board last month.

Ryan Wheeler said that Sunrise did a great job and he's glad that we hired them. They did a thorough analysis of the system and without staff's valuable input there would have been some kinks. We learned a lot of things, some good and some bad, that we didn't want to open our eyes to. Now when developers come into town we'll know what the weak links are as far as fire service and things like that. It's accomplished what we wanted it to.

Joe explained that it also covers the fact that if we do have to put SNWA's water into our system, it gives us what the worst case scenario will be.

On motion of Ryan Wheeler and seconded by Lindsey Dalley, the Board voted 4-0 in favor to approve the Master Capital Improvement Plan.

4. Approval of the FY18 Tentative Budget (For Possible Action)

Joe explained to the Directors that at the last Board meeting the Directors had asked staff to bring back the budget with what the Directors had wanted changed. The budget now shows a net decrease of \$286,901. It has to be approved the 3rd week of May so Staff would like to hold the next Board meeting on May 18th. We will advertise in the paper on May 10th to meet the requirements for the State. The final

budget will be approved on the 18th. The tentative budget has to be approved today since the State has to have it by April 17th.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to approve the tentative budget as presented and to establish a public hearing on the budget at 4:00 PM on May 18, 2017 at the Moapa Valley Water District, 601 N. Moapa Valley BLVD., Overton, NV 89040.

5. Discussion on BDR S-934 legislation concerning pending rate increases (For Possible Action)

Joe explained that Warren Hardy had made him aware of a bill that was snuck into the legislature that was trying to limit us and Virgin Valley Water District from being able to increase rates 5% or more. It would require us to get approval from Clark County to do it so that night Joe started sending out emails to garner support thru Marilyn Kirkpatrick's office. Joe spoke with Warren and the legislative council immediately struck MVWD from the bill so it's now dead. Marilyn called Yolanda and told her it has to be dead for VVH2O and MVWD. It's a eye opening experience that an individual can have his lobbyist get a bill submitted. While Joe, Lon, Lindsey and Ken were up in Reno at the NVRWA conference, they went down to Carson City to talk to our legislators. They got an opportunity to talk to Joe Hardy, James Oscarson, Pete Goicoechea, and Chris Edwards. They're the ones Joe was emailing that night. They all said they would look into it and when they did they were not happy with it. Being able to meet with Pete and James since they have ties here, was very beneficial to the District. However, without the support of Warren Hardy we would never have known about this bill. He put a lot of effort into this. Joe thinks that we need to have a lobbyist. We're going to pay Warren for his help with this. VVH2O and Mesquite both have him representing them. They pay \$2,500/month which is \$30,000/year. That includes a lot of stuff. There are still four bills that are working their way thru the legislature. They are SB271, SB289, SB134, AB298 and SB461. Warren has been working on them and one of them is a bill thru SNWA to change the monitoring mitigation plan. If you read it literally, even if your right is junior, if the State Engineer says that they'll accept your plan and you have the capability to supply mitigation water, then we're stuck taking mitigation water. It supposed to be geared towards domestic wells but it says "or other water rights". If it's only domestic wells then why does it say other water rights? As Joe read thru it, he's using the scenario of that pipeline coming down from Ely. What would stop them from telling us that they'll just supply us with water and then four or five years later they could say that they will be a whole seller and that way the Dace stay happy. Warren also contacted SNWA on this. The next morning Joe had amendments from Warren saying that they wanted to change the verbiage and he asked Joe what he thought about it. Joe thought that was extremely powerful that their lobbyist was willing to change the bill just on the fact that Warren sat down with him and gave him his concerns. Joe only wanted two things in there. One was that municipalities are exempt or two, it has to be mutually agreed upon before the State Engineer can make a deal. They say that's what the bill says but it doesn't say it in plain English. If that's true, they need to fix it. Warren's still working on it. Joe can't believe Warren's level of influence. He's worked for us before and Joe thinks we need to compensate him. He's done a great service for us. It's only going to get worse. There are 19 water bills that are moving forward right now. Warren's sitting in on, and testifying on all of them.

Byron said that there are other water bills that affect the District. There's SB127 which says that the county commissioners can appoint Board members to the local government. It's been amended so now it's for counties under 100,000 so every county except Clark and Washoe are affected by this bill. It would be nice to hear about these things before it's too late.

Joe would like some direction. As long as the Directors are ok with this, he can talk to Warren and have something more formal for the next board meeting. As of right now the bill is dead. Even when the bill was submitted you couldn't find it. If you searched Moapa Valley Water District nothing would come up. When you finally found it, it said an act relating to ground water allocations. It wouldn't pull up on a water search. Finally this Tuesday it started showing up when you searched water.

Chairman Staton thinks Joe needs to sit down with Warren and see what we can work out.

Randy said that we can ask if he'll do ala carte. It never hurts to ask.

6. Manager's Reports

Office Manager – Jeannie Poynor said that the financial dashboard was included in their reports. The budget is looking good, revenues are at about 77% as of the end of February which is good and expenses are at about 50% so that's really good. Things are going good in the office.

Assistant General Manager - 1) Production – Lon Dalley explained that we pumped 64,368,000 gallons in March from Warm Springs. We pumped 46,656,000 out of Arrow Canyon Well #1, 11,520,000 was pumped out of Arrow Canyon #2 and 6,192,000 gallons was pumped out of Baldwin. The last three days are estimated totals. **2) Arrow Canyon Well Level** – Lon reminded the Directors that we're going to have the pumps set at a certain rate every month so hopefully the levels will be more consistent. **3) Meter Installs** – We had a 5/8" meter that was upgraded to a 1" meter. We approved the verbiage last month on upsizing meters. We should be consistent on that from now on. **4) Production Meters** – We're having issues with the production meter at Baldwin Springs. We finally got it replaced a couple of weeks ago. It will also help with our verifying the lost and unaccounted for water. **5) County Road Improvement Projects** – Rice Road is done and they're still working on Lewis Street. The County doesn't do a very good job on doing their homework and getting things together. It's been a big headache. There haven't been any real disruptions to water service so far but they're getting to that point.

General Manager - 1) Karen Budd-Falen – Staff has received another memo from Karen Budd-Falen that really stressed from the Districts standpoint that as we move forward with our water resource plan, we really need to make sure that we have some strong criteria in it so not only are we meeting NEPA requirements but it has provisions in it so that if BLM wants to do something, they have to jump some of our hoops and follow our procedures to make sure that we're held whole while we're working with them. It solidifies the District's stance on why we need to be able to get our easements and other stuff that's out there. It changes it from being a one sided view and it makes them have to deal with us on an even keel thru the NEPA process. The memo basically has criteria in there that as we're moving forward we need to make sure we're covering all our bases. Because Clark County owns so much of this out here, we're going to have to go thru them anyway and follow their plan. We want to make sure that their plan and our plan gel together so Clark County recognizes the fact that our plan needs to be included in theirs. That gives us some stance. As we move forward it's going to require some effort from staff in order to make sure that we meet these requirements. Karen is very knowledgeable and she does this stuff for free. It really helps us out. **2) Drinking Water State Revolving Fund (DWSRF)** - Joe explained that every year NDEP wants us to fill out an application for a loan. We can't get a grant because we have too much money in the bank. If we decide we're going to move forward with Arrow Canyon #3 or a tank or even a pipeline, it's going to cost us an estimated \$2.5M to do those projects. How can we pay for that? If you're not on the list, you don't qualify. Being on the list doesn't require us to take a loan. Right now Las Vegas is getting the majority of the money. Now that our master capital improvement plan is done we can leap frog in front of bunch of people. He thinks it would be prudent to fill out the application so at least we get on the list. In two years we might be in a position where we could be ready to move forward. **3) State Legislature** – Joe just wanted to solidify what he said earlier about Oscarson, Goicoechea and Hardy. They were all in committee and as soon as Joe, Lon & Lindsey got there, Joe sent them a text and they came out of committee. They sat down and talked to us. They were extremely gracious. It worked out really well. Joe thinks those ties will benefit the District. **4) NVRWA Conference** – Joe had told the Board that he was thinking about not running again for the NVRWA Board. The other NVRWA Board members wanted Joe to stay on the Board. They also wanted him to be the vice chairman. He decided to stay on the Board but only as a Board member. He just has too much going on with his mom. **5) Victor Bitter** – Victor Bitter was chosen as the Operator of the Year. He's worked for us since 2010. He has tons of credentials and is one of the most knowledgeable guys you'll ever know. He does a fantastic job. We're very lucky to have him. **6) Unaccounted Water** – The timing for us reading the meters and sending out the bills and trying to get the accuracy of it is hard. Joe got the information on Tuesday to calculate the lost and unaccounted for water but he didn't have time to do it because he was dealing with the legislative bill. When Jeannie was going thru Pelorus she found some of our lost and unaccounted for water. It was the way we were asking for information in Pelorus. It was telling us the wrong amount on what we sold. Pelorus got that straightened out for us. We're still 20% off but that's better than 39%. We're still missing a lot but at least it accounts for some of the water. **7) New Vehicles** – Both Bryan and Joe's trucks have issues but Joe's truck is having a problem going into gear. It's happened a couple of times now. They will give us \$5,000 trade in and it cost \$1,500 to fix the transmission. Bryan's truck is also having transmission problems. It's not worth putting any money into them. The cutoff date to order thru State Purchasing is April 27th. The Chevy guy will go ahead and order the trucks and have them sit on his lot until July. We'll pick them up in July and pay for them then. Both trucks are under budget so Joe's going to go ahead and order them. He will have this on the May agenda for approval. If we don't order them now it will be January of next year before we get them.

7. Public Comment (May be limited to five minutes)

None

8. 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.

- **Litigation (Closed-Door Session)**
- **Water Rights Discussion (Closed-Door Session)**

Byron Mills reminded the Directors that we had received a settlement a few years ago from some defective pipe we were using. Someone had called him and asked about that settlement. Byron wanted to remind everyone that if someone asks about a settlement, negotiations or deals that are made, we can't discuss it. There are usually some confidentiality agreements on things like that. Don't give out any information without first talking to him.

9. Personnel (Closed-Door Session)
- Employee Negotiations on benefits and pay scale (For Possible Action)

On motion of Chairman Staton and seconded by Ryan Wheeler the Board voted 4-0 to call a closed-door session at 5:07 p.m.

On motion of Chairman Staton and seconded by Jon Blackwell the Board voted 5-0 to reconvene the open-door session at 6:35 p.m.

On motion of Ryan Wheeler and seconded by Jon Blackwell, the Board voted 5-0 in favor to adjust the Standby policy regarding the holiday hours which will now be 4 hours per day rather than 2 hours per day with the addition of one extra hour on weekdays for the lead standby person on their day off. This is effective immediately. The budget amount is \$10,800. The Board would like staff to bring the Standby language to the Board meeting next month.

Jon Blackwell came into the meeting around 6 pm.

10. Approval of the May 11, 2017 Board Meeting

The general consensus was to hold the May Board meeting on Thursday, May 18th at 4 pm.

11. Public Comment (May be limited to five minutes)

None

12. Adjournment

The meeting adjourned at 6:37 pm.