

MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
TUESDAY, APRIL 14, 2015

PRESENT: Kenneth Staton
Jon Blackwell (Absent)
Randy Tobler
Lindsey Dalley
Ryan Wheeler
Joe Davis
Lon Dalley
Bryan Mortensen
Susan Rose
Jeannie Poynor
Byron Mills
Vernon Robison
Troy Benson
Lori Houston, 4th of July Committee
Tom Collins, Conference Call
Billy Mildice
Steve Kalb, Overton Breaks

ORDER OF BUSINESS: At 3:30 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. Board Member Training (Discussion Only)

Byron Mills, the District's attorney, gave the Director's some training on the things they can and can't do as a Director/Board.

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

Billy Mildice was present at the meeting to talk about the Standby Rate. He saw that we removed 25 meters from that rate which is about \$520/month in revenue. He wanted to know how often Staff was planning on reviewing that list since nothing was set at the last Board meeting. He wants to get that setup so he doesn't have to come in and beg for the information. The 2nd question he had was he wanted to know when the meters were installed. He had asked for the information previously and was told it was confidential. He doesn't understand why that's confidential information. Billy said that there are homes on some of the lots that are on the Standby Rate and he wants to know where they're getting water from.

Joe Davis explained that if the meter is off and locked and it's on the Standby rate then no one is living there. Unfortunately any meter installed before 1993 shows that it was installed in 1993. Staff would have dig through boxes of paperwork to find the actual date the meter was installed.

Billy also wants the meters removed that had quick claim deeds done on them because of marriages, divorces, deaths, etc.

Jeannie Poynor said that Billy's referring to three meters that the husband or wife added their new spouse or a child. Technically to her that's not a change of ownership.

Byron Mills said that it's a gray area. She's still an owner, she just added someone. Byron asked Jeannie if the account is still in the customer's name. She said that it is. Byron's only concern is if they're adding a kid. Then they're just trying to get around our policy. It's different then the trust issue because a trust is its own entity. Going from you to a spouse is really just adding a spouse.

Chairman Staton said that the Board could look at it in a future Board meeting.

Billy then asked about banked meters. He wanted to know what that was all about.

Joe explained that bank meters are meters that were purchased years ago when there was a policy where you could buy a meter but not install it. That policy has since been changed. The meter now has to be installed when it's purchased.

Billy asked if the District is getting any storage fees for bank those meters. Joe informed him that we are not receiving a money on those meters.. Billy asked how many banked meters there are.

Jeannie explained that she has a list in her office but she doesn't know off the top of her head.

Randy said that those meters were purchased at least 15-20 years ago and the customers were told they would not be charged anything until they were installed. He's not willing to go back and change that policy. The list is going down on it just like it's going down on the Standby Meters.

3. Approval of the Minutes of the previous meeting held March 12, 2015 (For Possible Action)

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to approve the minutes of the March 12, 2015 meeting.

4. 4th of July 2015 Committee for the 2015 Show – Donation – Lori Houston (For Possible Action)

Lori Houston was at the meeting to request a donation for the 2015 4th of July fireworks show. She explained that last year when she was at Board meeting requesting a donation for last year's show she said someone had mentioned that the District could maybe use funds for advertising instead of making a charitable donation. They've had a lot of people ask about t-shirts but they have to have the money way in advance in order to get them ordered. If we wanted to be a sponsor then our logo would be on the back of the t-shirt. We would be listed in every newspaper article that the 4th of July Committee puts in the Progress, it would be in all of their ads and all of the emails they send out. The t-shirts take about four weeks to get done. The cost to make the t-shirts is a little over \$1400.

Lindsey Dalley is a little loose with donations but when it comes to advertising he has a harder time with that. He thinks if the Board is going to look at advertising he is going to be more critical with that. He would like it to promote something that they specifically want to promote and it needs to be effective. He thinks we need marketing but how we market is something that needs to be discussed.

Ryan Wheeler asked why the 4th of July committee came to the Board for a donation for the 2014 show in September. Lori explained that she wasn't asked to help out with the 2014 show until three weeks before the 4th of July so there was no way she could get here before the show. Normally she comes before the show because she's involved way before July 4th. Lori appreciates all of the donations the District has made in the past.

Byron Mills said that the District's policy is that we can donate \$100/yr per organization. Since we gave in September we have already given the 4th of July committee a \$100 this fiscal year.

There was some discussion on advertising and on motion of Ryan Wheeler and seconded by Lindsey Dalley, the Board voted 4-0 in favor to make an exception to the policy and to go ahead and donate \$100 to the 4th of July Committee for the 2015 show since we gave last September for the 2014 show.

5. Discussion and possible approval of Amendment #5 to Overton Breaks Construction Agreement #007-06 - Bill Dyer (For Possible Action)

Steve Kalb was present at the meeting because he is one of the managers of the LLC.

Joe explained to the Directors that Overton Breaks are the only ones that have followed all of the rules and that's why he supports giving them the extension.

Ryan had a couple of questions. He asked if they had paid all of their fees so they could get a will-serve letter.

Joe explained that they have.

Ryan said that Joe's memo stated that no development loans are available to complete the project. Ryan asked if that was true.

Steve said that is correct. There aren't any loans available right now or in the foreseeable future either. Steve thinks that this will probably be the last extension they request. They are probably going to sell it as is or change the lots to 2 acre lots.

On motion of Lindsey Dalley and seconded by Ryan Wheeler, the Board voted 4-0 in favor to approve the request for a contract extension to Construction Agreement #007-06 as conditioned in the attached draft amendment and directed staff to execute Amendment #5, as written.

6. Discussion and possible approval to reduce the impact portion of the meter installation fee (For Possible Action)

Troy Benson was at the meeting to see if the Board was going to lower the impact fee portion of the meter installation cost.

Joe Davis reminded the Directors that the Board has been talking about this for 5 or 6 months. Last month OPD lowered their impact fee. Ryan had asked Joe for a breakdown of what the meter fee consist of. The actually material cost for a 5/8" meter is \$538 and it cost about \$961 to install the meter. The number varies a little depending on where the meter is being installed. The meter costs are broken into two sections. One is the cost to install the meter which is \$1,500 and the other portion is the impact fee which is equity buy in for the development of the system which has already been improved. The impact fee was originally set at \$3963. If the Board is looking at any type of reduction in the cost of a meter it would come off of the impact portion of the cost.

Joe did a breakdown of what the cost would be if the impact fee was reduced by 30%, 40% and 50%. He doesn't see this reduction applying to anything but residential meters. He thinks this should only apply to 5/8" and 1" meters.

Lindsey is interested in making a reduction to the meter impact fee. The other Directors were also interested in doing that.

Ryan wanted to make sure that we're meeting our business plan.

Randy's biggest concern is capacity which is the reason nothing been done before this. We've been waiting for SNWA to get the contract signed so we don't have to worry about that.

Lindsey explained that the issue is if this opens up a flood gate we might not have capacity in the main line from Moapa to the reservoir. He wanted to know how much capacity we have available right now.

Joe said that technically, if you read the letter of intent where we're guaranteeing SNWA 6200 gpm, we don't have any capacity according to two separate flow models. Knowing that SNWA can't deliver more than 3,750 gpm through our system then we do have capacity but if they ever wanted to run 6,200 gpm through our system then that's when we would start to have issues. Those are two caveats that are associated with it. If you look at the negotiations we have going on right now, Joe thinks we are extremely close to what we need. SNWA could decide that they want to pump the 6200 gpm into our system. They don't have the capacity to do that right now because they would have to install infrastructure up there. We would be looking at two years in order for them to get that infrastructure built.

Byron said that the Board would be able to bring this right back to the table for Board action to modify the policy if capacity became an issue.

Lindsey asked if the Board went ahead and did this would it in any way complicate the negotiations we're currently in with SNWA.

Byron said that if anything it's just the opposite. It would show them that we do have a capacity issue or a need. It's more than likely that they're going to assist.

Randy reminded the other Directors that capacity was a bullet point in negotiations and if we keep selling meters we're sending a message. It could go two ways.

Joe said that they need to look at it two ways. We need to prove up on the water we have and selling meters helps us do that. When a meter is purchased it has to be installed and then we generate revenue from it. It also shows SNWA that we aren't sitting out here stagnant, that we do have some growth and we

do have capacity issues that could come to light. They understand that there is a capacity issue and they understand that there is some obligation there.

Byron said that the agreement should be on the May agenda.

Randy thought that maybe the Board could go ahead and do these two motions but in three months if the contract still isn't signed and they're still concerned then it could go away.

Joe said that they can definitely put a caveat in there to revisit it in 5 or 6 months.

Randy said that we would be selling a meter which is what we want to do right now. Troy Benson isn't the only one who has inquired. At the same time, if this contract keeps lingering on, they can still eliminate one of their bullet points.

On motion of Chairman Staton and seconded by Randy Tobler, the Board voted 4-0 in favor to reduce the impact portion of the meter installation charge by 50% and review it every quarter until the SNWA contract is finalized.

There was some discussion as to whether this reduction would apply to commercial ¾" & 1" meters as well.

A new motion was made.

On motion of Chairman Staton and seconded by Ryan Wheeler, the Board voted 4-0 in favor to reduce the impact portion of the meter installation charge by 50% for ¾" & 1" residential and commercial meters and to review this every quarter until the SNWA contract is finalized.

Ryan would like the board to consider lowering the impact fee on all meters when they revisit this in three months.

7. Discussion and possible approval to adjust the Payment in Lieu of Dedication fee from \$7,500 to \$2,500 (For Possible Action)

Tom Collins was on speaker phone for this portion of the meeting. He was requesting that the Board lower the Payment in Lieu of Dedication fee.

Joe explained that Tom Collins has a piece of property that he wants to split. Anytime anyone wants to split a lot they have to pay the Payment in Lieu of Dedication fee. The fee was created in 2005. At one point the fee was \$9,200 for each new lot that was created. It was based on what an irrigation share cost. Since then the Board has looked at it and decided that maybe that fee was artificially inflated so they dropped it down to \$7,500. The Board asked Joe to see if he could get a realistic number on it. Joe did some research and came up with \$2500. He provided the Directors with a breakdown showing how he came up with the \$2,500. Joe took the costs for drilling the Arrow Canyon well, building the arsenic treatment facility and the pipeline system that brings the water from the tank to our system. If you divide that out by how much we get out of Arrow Canyon #2 which is 1759 af you get \$2,261.31. One thing that wasn't included in that is any of the environmental work, engineering work and some other things that were done. Because of that he rounded it up to \$2,500. He feels like the \$2,500 is more representative of what the cost would really be to bring water to the table. Tom has a 40 acre parcel that he wants to split in half. In order for that to be split in half the District has to sign off on the map which says that we are guaranteeing we will provide service to the customer. The Board has been talking about reducing the Payment in Lieu of Dedication fee for about 16-17 months.

Lindsey told Tom that he is on the water resource committee. Whether the Board reduces the fee or not it's really critical that we remain vigilant and constantly look for water resources. Lindsey thinks that it's wise to reduce it and there are four reasons why we're in a position now to reduce the fee. He wants to make sure that the Board separates reducing the fee from our desire to acquire more water resources. They are two totally separate issues. There are four things that have happened that allows us to consider reducing the fee.

- 1) We've reduced our overhead & we have numbers to calculate the resource costs
- 2) We're on the cusp of reducing some debt such as the church lease costs & some 340A expenses for employees
- 3) We negotiated some new options to utilize water resources without having to pay for them until we use them
- 4) And we just recently re-negotiated the Twin Springs agreement with SNWA and made additional potable water available for our pumping

Those things have given us a little window of water that we have available. We're a water company, we want to sell water so why don't we find ways to sell water. We also need to continue to aggressively go after water whether we're charging a water dedication fee or not.

Chairman Staton understands where Lindsey is coming from and he agrees with him 100%.

Randy explained that the whole thing was based on irrigation shares, which is something the Board wanted to get away from. He's comfortable with this new breakdown and reducing the fee to \$2,500. The water dedication ordinance is there because we were having a lot of growth at that time. Since we're not really having any growth right now he might even be in favor of putting it on hold for a little while. They could review it annually if they wanted to.

Ryan has also thought about it being zero as well because Lindsey and management have done a great job in creating a water resource portfolio but we live in a world where there's a limited supply. He thinks what Joe has done in calculating this cost is good and we're able to back it up at any time. The cost of developing water and taking care of our system and the pipelines and the arsenic treatment facilities is always something that we need to keep in mind. He's ok with the \$2,500. He'll go with what staff has presented. Maybe the Board can look at this every year, analyze it and base it on development and meters sold. It's part of the Boards responsibility to manage our water resources wisely.

On motion of Ryan Wheeler and seconded by Lindsey Dalley, the Board voted 4-0 in favor to adjust the Payment in Lieu of Dedication fee from \$7,500 to 2,500.

8. Discussion on long term debt pre-payment (Discussion Only)

Joe reminded the Directors that at the last few Board meetings some of the Directors have expressed interest in some of the extra money that has been put into savings. For example, in FY2014 there was \$641,000 that we were under budget. Out of that money \$300,000 was Vanguard Lateral Replacement money. Staff has looked at the bonding that we have and we actually have a bond that we're paying a lot of interest up front on. We have an annual payment of \$93,000 on the \$1.7M bond for the next 35 years. If you times that by 35 years we would actually be paying \$1,688,830 in interest on that bond. Joe and Jeannie had two options for the Board to look at. One would be to make a \$300,000 payment on July 1, 2015 which would save us \$720,889 in interest and shorten the length of the bond by 10 years and 11 months. The other option would be to make a \$500,000 payment on July 1, 2015 and that would save us \$1,007,527 in interest and shorten the length of the bond by 16 years and 1 month. Just leaving that money sitting in a savings account generates hardly any interest but if we were to pay the bond down we would save a lot on interest and it would put us in a better position.

Byron asked if there was any prepayment penalty for paying off a bond early.

Joe said that there would not be a penalty for making a prepayment on this bond.

Chairman Staton said that he's in favor of putting some money towards this bond. He doesn't know why we wouldn't if there isn't any prepayment penalty. We should pay as much towards it as we can.

Lindsey is in favor of it as well. He did have a question that goes back to our water portfolio. If we did make a \$500,000 payment on the bond would that deplete our cash to where if we had an opportunity to buy water would we still be able to do it?

Joe explained that we have over \$6M in the bank.

Randy would like to look at any surplus in four ways.

- 1) Pay down debt
- 2) Improve infrastructure
- 3) Buy water resources
- 4) Part of the reason we have a surplus is because management and employees have done a great job at cutting costs and the Board decided not to go with a COL all the time but to make sure it's a reward based system.

He would like to start that philosophy going forward. Randy is more in favor of the \$300,000 option.

Ryan would also like to use the money to either pay down debt or as they talked earlier in the meeting about a capacity issue that could limit our entire system to deliver water, what's the proper time to save our resources to address that. He asked Staff if the timing is right to do this or should they be doing something else with the money.

Joe said that it's a great question. We are always going to need infrastructure. One of the things that we've talked about in the past was to set money aside in order to repair our capacity issue that's coming thru the narrows. The question originally was should we split it and do a 50/50 thing with ½ of it going to one thing and the other ½ going to an account that clearly defines it as money for the narrows line. Some of the funds that would be coming from negotiations with SNWA could go into an account over the next so many years that would be used for funding that portion of the narrows line. From Joe's perspective we could save \$720,889 which is astronomical. If we're looking at long term, our base rate covers the debt payments we've incurred. We could look at decreasing our debt in a shorter period of time so maybe we would be able to look at the base rate and some other things. We would be able to put money into that account like the ¼¢ sales tax which can be used for infrastructure and the payment that would be coming in from SNWA. We are also going to need to build some tanks to increase our storage.

Ryan reminded the Directors that in FY17 we're going to be spending nearly double what we normally do. Is that going to adversely impact us or do we need to put this money into an account for that year when we have expenditures planned over what our normal capital expenditures are?

Joe said that's up to the Board. Expenditures are going to continue to climb and we have a lot of infrastructure that needs to be done.

Randy said that we're really looking at Arrow Canyon.

Ryan said that meter change outs are also scheduled for that year. There are also three pipeline projects schedule for this year and Staff has also talked about adding another one.

Joe said that if he had his choice he would actually rather improve our infrastructure since we're already able to make our debt payment.

Randy is good with either one, he just wants a strategy so that if we have money it's not just sitting in the bank doing nothing for us.

Jeannie reminded the Directors that next fiscal year we will be drawing down our cash by \$465,000 so we're going to see the cash balances lower at that point. If you add the additional \$300,000 you're going see the amount being depleted even more. Next year we have another list of things to be done. The auditors have been saying that instead of sitting on that money we needed to either pay down debt or put it towards capital improvements. Even though we have \$6M sitting in the bank a lot of it is restricted for bond covenants and other things. We don't have \$6M sitting in the bank that we can do whatever we want with it. There's places it has to go.

Randy wanted to clarify that not all of it is earmarked. The District has chosen to have a safety net there. We're not required to do that.

Joe said that this is a discussion item only. He just wanted to get a discussion going on what the Board wanted to do with the money we have in the bank.

The general consensus was that we should put the money toward infrastructure.

Joe will come up with some ideas for infrastructure that needs to be done.

9. **Discussion and possible approval of the proposed changes to section 1.A of the Moapa Valley Water District Policy Manual (For Possible Action)**

Joe explained that Ryan had some questions on the way the policy is written because it contradicts its self. He had Byron look at the current policy and rewrite it.

Byron said that he just clarified that if an employee has a conflict they need to take it to management. Before it said that the Directors can't speak to Staff and later on it says they can. They are just clarifying when they can speak with Staff and when they shouldn't. The Directors can talk to Staff about business but not management problems.

Randy has a different view on it. He thinks they should leave the verbiage in red out of it. He feels like this is micro managing. He thinks management can handle it on their own.

Lindsey wants to give management flexibility. When they had to make the general manager change it was things like this that created the atmosphere of hostility and fear because of the policy. He thinks the policy is fine the way it is.

Ryan feels like this adds clarity that the Board oversees the manager and the manager oversees the staff. When the Directors open it up so that the employees can come to them about the performance of their boss and they don't have to try to resolve their problems with their boss, then they can come to six people instead of one. It creates a hardship on the general manager. He thinks this verbiage clarifies that so they know who to go to.

Randy wants to remove the whole paragraph and Ryan said he would be ok with that.

On motion of Ryan Wheeler and seconded by Chairman Staton, the Board voted 2-2 in favor to accept the proposed changes to section 1.A of the Moapa Valley Water District policy manual as written above. Randy Tobler and Lindsey Dalley opposed so the motion failed.

There was more discussion on changing the policy but no further motions were made.

10. **Approval of the tentative budget for FY 2016 (Discussion only)**

Joe explained that Staff found a mathematical error in the tentative budget that was presented last month. Originally we thought that cash and cash equivalents would be decreased by \$566,000 but it was actually \$465,956. That was really good news. Since we have more money than we thought, Bryan and Lon asked if they could purchase the backhoe we've been renting since September. It would cost \$100,000 and they would credit us for the payments we made while renting it. We have a lot of projects going on and we can't get them all done without another backhoe.

Randy said that he's ok with it because we planned for it and have the money in the bank.

Joe said that right now form 20 says \$-465,959 and it will be replaced with a sheet that says \$-565,956. This doesn't have to be signed by the Directors today but it does have to be sent out to the State tomorrow. We are required to have a public meeting to approve the final budget on the 3rd Thursday in May.

On motion of Ryan Wheeler 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 May 21, 2015 at the Moapa Valley Water District located at 601 N. Moapa Valley Blvd, Overton, NV.

11. **Manager's Report**

Office Manager – 1) Inventory - Jeannie Poynor explained that Staff is still working on the inventory project. Dan & Bryan are working hard at getting the labels on so we can do some test runs. **2) Budget** – We haven't received any 340A funds so cash is down a little bit. It is also partially due to the flooding we had in September. We spent a big chunk of money on repairs.

Water Distribution Superintendent – 1) Catherine Lane Project – We haven't physically done anything on that project yet. We do have all the County permits but we don't have the NDOT permit yet. Lon was going to call them today but he got sidetracked. Bryan has pushed thru all the parts for that project. Once they are received we will start at the back end of the project if we have to. **2) County Blanket Permit** – The 2014 permit was closed out and the 2015 permit is in hand. **3) Water Production**

– We're pretty much where we were in 2014. **4) Misc** – Arrow Canyon rehabilitation is done. We pulled bac-t samples and everything's good. **5) NDWR Filings** - Lon assisted Joe with the wildlife filings. **6) Lasco Bathware** – They wanted us to test their backflow devices so Lon did it. **7) Water Testing** – Lon also did some distribution compliance testing.

Water Production Superintendent –

- 1) No new meter installs yet. We'll see if the Board changes that.
- 2) No meter change-outs were done.
- 3) There were a few customer service requests.
- 4) Staff upgraded four meters, setters and service laterals.
- 5) There were nine demo meters installed (10 registers) for a 4-month test.
- 6) There was also a theft of water at 2635 St. Joseph. Bryan thinks it was just a really excited realtor.
- 7) Staff extracted some arsenic media from the Baldwin vessels. We received the results last week and it's ok to dump it in the landfill. Everything should be done by next month.
- 8) Bryan still has some special parts he needs to order for the security project. The camera's are up and running.
- 9) Staff had to do a little flood cleanup up on Saddle and Glen. We still have some major projects left. We have a little left in the wash as far as putting that road back. We need to repair the line from Hidden Valley Rd to River Rd. That line is still off but we should get to it soon.
- 10) Vanguard repairs in Country Lane are going pretty well. We just have a handful left to do.
- 11) Dan Bevan attended NV Rural Water Associations Conference with Joe. Bryan thinks it was a good experience for Dan.

General Manager – 1) Asphalt Sealing –The sealing inside Valley Heights is done and they did a good job. Joe went up there and watched them. They didn't know he was watching them. They had a kid that was cleaning the road off and he would actually go up into people's driveways to blow off all the dirt. They did a really good job. They're supposed to come out and do the striping tomorrow. Right now our expenditures are at \$50,591. Next month there will be a big increase because we'll have some more from Country Lane that will be included plus the sealing. **2) NV Rural Water Association** – Joe was elected to their Board. The first meeting will be the June 18th. They are talking a lot about fluoride so it will probably be discussed at the June Board meeting. **3) Wildlife Filings** – They are on the State's website so they can be talked about. He doesn't know how long it will take for the NDWR to act on it. They are pretty slow at getting things done. **4) Integrated Water Resource Plan** – We do have some editing that needs to be taken care of. Joe asked the Directors if they wanted to have a PowerPoint presentation going thru it page by page or if they wanted a crow's view of it. He is hoping to have something on the June agenda so they can talk about it.

Chairman Staton said he would be fine with an abbreviated version of it but its Lindsey's decision since he's on the committee.

Lindsey would like to have the broad details discussed. He doesn't want to get too detailed because everyone will get lost.

Joe said that there are some broad points in it but it has to go to the State Engineers office so they have a purpose. It also has a big bearing on the BLM RMP.

5) AWWA Conferences – There are some AWWA conferences coming up. It rotates through the country and next time it will be in Anaheim. Bryan and Lon will be going to that conference. **6) Office Training** – Denna and Julie will be going to an AWWA Customer Service Workshop in August. **7) Joe and Lon sat down with USFW & CSI concerning CSI's infrastructure in Coyote Springs.** It is a contractual thing so Joe asked Byron if that should be in closed-door. It has to do with litigation with the Center for Biological Diversity. The Center for Biological Diversity is suing USFWS. Luckily we're not in the lawsuit.

12. Public Comment

Billy Mildice reminded the Board that he would like to see something in writing on how we're going to handle the Standby rate. Jeannie said that we will look at it quarterly.

13. Director's Preference

Susan Collier letter – Randy read the letter and people make mistakes. The only problem he could see was that Staff told someone else the Ms. Collier hadn't paid her bill.

Byron said that we shouldn't have done that but Joe explained that we ask them for their account number or their PO Box number or something else to identify them.

Byron said she admitted in her letter that she had her friend Gale call the office. He said that Staff didn't do anything illegal.

Lindsey's employees have also messed up so he usually gives them a gift certificate to go out to dinner or something like that to say he's sorry. He's not saying that it's something we should do here.

Randy said that it's rate payer's money so he doesn't think we should send her anything.

Jeannie explained that Staff apologized profusely to her but she wasn't satisfied with that.

Chairman Staton asked about other people complaining about being shut off and Jeannie explained that we have unhappy people every month. We use to call everyone on the Monday before shutoff to remind them that they hadn't paid their bill and it was taking three people all day to call everyone on the list. The Directors decided a few years ago that Staff didn't need to do it anymore.

The general consensus was to not compensate her. Staff will make mistakes in the future and the Directors don't want to set precedence. The Directors asked Joe to write her a letter.

Chairman Staton announced that he is retiring on May 22nd. He's put in 37 years at the MV Telephone Company.

- Review Monthly Expenditures (For Information Only)

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 by Lindsey Dalley the Board voted 4-0 to call a closed-door session at 7:35 pm.

On motion of Lindsey Dalley and seconded by Ryan Wheeler the Board voted 4-0 to reconvene the open-door session at 7:43 pm.

- **Litigation (Closed-Door Session)**
- **Discussion on SNWA's proposed contract modifications (Closed-Door Session)**

14. Personnel (Closed Door Session)

15. Approval of the April 14, 2015 Board Meeting

The general consensus was to hold the next Board meeting on May 21, 2015 at 4 pm.

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

None

17. Adjournment

The meeting adjourned at 7:44 p.m.