

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, OCTOBER 10, 2019**

PRESENT:	Kenneth Staton Jon Blackwell Ryan Wheeler	Lindsey Dalley Randy Tobler
	Joe Davis Lon Dalley Susan Rose	Jeannie Poynor Kiley Bradshaw
	Byron Mills	Vernon Robison

ORDER OF BUSINESS: At 4:00 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 September 12, 2019 (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 September 12, 2019 meeting.

3) Approve the bid from Savanic Transport Inc in the amount of \$79,880 for the FY 2020-IRA-04 Arrow Canyon Basin Upgrades/Arrow Canyon Backwash Evaporation Basin Project (For Possible Action)

Lon Dalley explained that we have an infiltration basin in there right now. We are turning it into a evaporation basin. We did the same thing at Baldwin Springs back in 2015. We had to wait until we had the money to do this project.

On motion of Ryan Wheeler and seconded by Lindsey Dalley, the Board voted 4-0 in favor to approve the bid from Savanic Transport Inc in the amount of \$79,880 for the FY 2020-IRA-04 Arrow Canyon Basin Upgrades/Arrow Canyon Backwash Evaporation Basin Project.

4) Approve the purchase of waterworks supplies from Ferguson Waterworks in the amount of \$121,423.15 for the FY 2020-IRA-01 Small Water Main Replacement/Yamashita St. Project (For Possible Action)

This is for the materials, pipes, pipe fittings, valves and whatever other parts and materials that we're going to need. We sent the list of items that we need to four vendors. All four responded to our request.

On motion of Ryan Wheeler and seconded by Randy Tobler, the Board voted 4-0 in favor to approve the purchase of waterworks supplies from Ferguson Waterworks in the amount of \$121,423.15 for the FY 2020-IRA-01 Small Water Main Replacement/Yamashita St. Project.

5) Discussion and possible approval of a rate increase (For Possible Action)

Jon Blackwell came in at 4:10 p.m.

Joe explained that he had updated his original memo. He added the costs that we have incurred since October 4th. He had a PowerPoint presentation for the directors. When you go thru the memo you'll see our whole goal is to get to a point where the board can make a decision on what we're going to do and then it has to be approved by the board. It won't take affect right away. We will have to send out a business impact statement to get the businesses input on how the rate increase will affect them. We will have to look at the responses we get back and see what's going to cause any issues. If we do receive

any responses, we will have to address them. Joe went thru the presentation and he explained our current base rates, volume charges and the potential rate increase. Staff also looked at our dry years And wet years. The purposed rate increase will also cause some people to start conserving water which NDWR would like to see.

Staff tried to make the presentation as simple as possible so everyone could understand it.

Joe also had some staff recommendations and highlighted points of interest:

Staff Recommendations:

- Creation of a 1" residential service connection base rate (pg 4)
- Decreasing the base rate on ¾" and 1" commercial connections to match residential rate (pg 5)
- Increasing the base rate for commercial and residential connections by 7.585% (pg 4 & 5)
- Elimination of the current commercial and residential volume charges
- Creation of combined volume charge consisting of 6,000, 12,000 and over 18,000 gallon volumes

Highlighted points of interest:

- ✚ Proposed changes have the potential to increase revenues between \$208,000 and \$460,000
- ✚ ¾" & 1" commercial service connections base rate reductions (\$6.82 and \$8.18)
- ✚ \$683,039 deficit in the District's FY20 budget
- ✚ FY20 Order 1303 professional services and legal fees total \$60,146.81 (2½ months)
- ✚ The FY20 budgeted revenues have a projected 4% across the board rate increase factor that has yet to be implemented

The directors had a few questions for Joe which he answered.

Lindsey would like to add a \$3.00 fee to every bill from now on for water preservation unless we no longer need the fee.

There was a lot of discussion on the water preservation fee but in the end the general consensus was to only do the rate increase presented by staff.

On motion of Randy Tobler and seconded by, Lindsey Dalley the Board voted 5-0 in favor to approve the creation of a 1" residential service connection base rate as discussed, to decrease the base rate on ¾" and 1" commercial connections to match the residential rates, increasing the base rate for commercial and residential connections by 7.585%, eliminate the current commercial and residential volume charges & create a combined volume charge consisting of 6,000, 12,000 and over 18,000 gallon volumes tentative per the proposed impact statement.

6) Manager's Reports
Office Manager
Assistant General Manager
General Manager

Office Manager – Jeannie Poynor had the financial dashboard, the budget report and the revenues put in their board packets. The budget reports are thru August. Water usage jumped up a little since August was the hottest month of the year so far. A lot of our costs for what has been going on in Carson City probably won't show up until next month.

We have been working with the Les Olson Company on IT stuff. They're doing a really good job.

Assistant General Manager- 1) Production - Lon Dalley explained that production was way low. We don't know why. In September we pumped 87,536,000 gallons. We pumped 87,472,000 out of Arrow Canyon #1 and 64,000 out of Baldwin. We had to turn Baldwin on to get arsenic samples. **2) Arrow Canyon Well #1 Well Level** – The measurement is the same because the usage has been the same. **3) Meter Installs** –We installed two 5/8-3/4 banked meters. Total meters so far this CY is 26 (6 sold & 20 banked meters). The banked meter list has really gone down. **4) Yamashita Street Project** – We received the vault yesterday and it's huge.

General Manager – 1) 1303 Hearings - There were quite a few employees that were watching the hearings on their own time to stay abreast of what was going on. **2) Rox Water Applications** – We had that water put in Riverview's name but there were permit restrictions on them. They had contacted us wanting to move five of the apps which was 177 AF of water down to Glendale. Joe told them that he was uncomfortable with

that with the state of affairs right now. We've spent a lot of money with NDWR moving it down to Glendale with the irrigation water that's there. It's not prudent for us because it's closer to the river and it could affect the river and we don't know if the State Engineer is going to put basin 205 in the super basin. We just don't know what's going on right now. They tried to sneak them in anyway. They showed up as temporary permits so we protested them. The most frustrating thing was that when we were in discussions, we answered back that we were unwilling to have that happen just yet but we were willing to discuss it. Our attorney sent a letter saying that when you look at what's going on with the State Engineers Office we just can't do it but we are willing to discuss it. They never responded to anything we sent them. They just went ahead and filed them. It's extremely frustrating to us. We received a letter from NDWR. We're going to wait to see if we hear anything from Riverview. We have deed restrictions on those applications where they have to get our approval to do that. They're trying to circumvent the rules. **3) NDWR** – Up at the State Engineers Hearings everyone argued about Rox which is 1000' underground. Our allies going in were SNWA, Moapa Band of Paiutes, F&W & NPS. We are all still carrying along that avenue. That out layer was NV Cogen. When they submitted their report, everything that they submitted solidified what we were saying. They're on the lower part of the priority list like us. Joe said that Jay Dixon, who was NV Cogen's hydrologist made a lot of good points in our favor. They're going to be a good ally for us. Some of the high powered attorney's assessment is that nothing's going to change. The State Engineer is trying to make sure that all their legal obligations are met so they can exclude themselves from all the lawsuits that are going to come at the end. Jay and Joe had a different view on that. When the original order came out it was all about priority date and nothing else. We're already using the water and our community is a thriving community. Joe thinks we did a good job. There was a statement made that said you can't interfere with the economic viability of local communities. That was a huge win for us. We hope that one of two things will happen. 1) That they will designate municipal use as a preferred use and 2) that they will recognize the district's legal obligation to service our service territory. There were some questions about subdivision maps. Joe thinks that all major subdivision maps that come to us should have to bring potable water to the table. A major subdivision is a 5 parcel map or more. The Engineer's office would like to have a decision in 240 days but they could take up to 18 months. We've been permitted out of the Arrow Canyon Well 6700 AF and 6700 AF is what the district has relied on for moving into the future so that's what we're requesting. We've submitted applications for the certificated 3100 AF and we've already put that water to beneficial use. Jay made the statement that the district has a 50 year water resource plan, the district is charged thru the NV legislature to secure water resources for the future growth of the community and we are meeting all of those obligations with every mandate from the NV legislature. In order to continue to meet those, we should be awarded our full maximum amount at Arrow Canyon. The Moapa Band of Paiutes wants to expand at the Tribal Plaza. We let them know that we're not trying to do a water grab so they won't have water resources. We're trying to make sure that the resources that are here are used for our communities and the tribe is part of our community. We should have a link to the transcripts of the hearings soon. The attorneys are supposed to take the transcripts and send a report to the State Engineer. Other than that it's a waiting game. We're on the same page as MVIC. There was a few questions and comments from the directors on this situation. **3) Major Subdivision Maps-** We're going to have this on next month's agenda. We need to really think about that it's one thing if you have a 240 lot development that comes in or even a 100 lot development that could really tie up our resources. For us to change the way we're handling things in the short term while we're trying to figure these things out, things could get better. We might be overly cautious but Joe would rather be overly cautious than extend ourselves out to where we have to offer these resources to someone and then we end up having to wonder what are we going to do. All of those maps are going to be sent to the State Engineers Office and they will be scrutinized extensively.

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

None

8) Director's Preference

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

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

9) Personnel (May be limited to five minutes)

None

10) Approval of the November 14, 2019 Board Meeting

On motion of Lindsey Dalley and seconded by Ryan Wheeler, the Board voted 5-0 in favor to hold the next Board meeting on November 14, 2019 at 4 p.m.

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

None

12) Adjournment

The meeting adjourned at 5:50 pm.