

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, AUGUST 9, 2018**

PRESENT:	Kenneth Staton Jon Blackwell (Absent) Randy Tobler	Lindsey Dalley Ryan Wheeler Lon Dalley
	Joe Davis Lon Dalley Bryan Mortensen	Susan Rose Jeannie Poynor
	Byron Mills	Vernon Robison (MV Progress)

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 July 12, 2018 (For Possible Action)

On motion of Randy Tobler and seconded by Ken Staton, the Board voted 3-0 in favor to approve the minutes of the July 12, 2018 meeting.

3. Award the bid for Baldwin Springs Project to Nickerson Company Inc. in the amount of \$72,756 (For Possible Action)

Joe Davis reminded the directors that we've been talking about this for quite a while. We went out to bid and received two responsive proposals that were actually complete. The pumps are very similar (same manufacturer, different models). Lane's proposal was \$122,000. Sunrise went thru the proposals to make sure everything was good and they recommended excepting the proposal from Nickerson. Joe also recommended accepting the proposal from Nickerson. It will be about 12 weeks before we get the pumps and motors here but the installation will be pretty quick.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 3-0 in favor to accept the bid from Nickerson Company, Inc. in the amount of \$72,756 for the Baldwin Springs Pump Replacement Project.

Ryan Wheeler came in at 4:03 PM.

4. Update on the Nevada State Engineer's Workshop (For Discussion Only)

The State Engineer held a workshop out here concerning available water resources in the six basins. It was a really good meeting. It needed to be held and it got all of the individuals together at the table. We have agreements with SNWA, CSI, the Tribe, & F & W. The agreements say that CSI would be cut back to zero, and SNWA would be cut back to 724 AF which would replace the Jones Springs water.

When CSI submitted their maps for their subdivision to the State Engineer's Office, the State Engineer denied them. It was a smart thing for the State Engineer to do but it is going to go to litigation. Why take water from a thriving community to start a new one? There are a lot of permits holders out there and we all need to be on the same page. They're going to have to do some capping on stuff. If everyone was pumping what they were permitted to pump, then it would be detrimental to the spring flows. On the 23rd of August, they're going to meet with the HRT members. We've been meeting quarterly to talk about the resources and how things

work. They want to sit down with us to decide who else should be included in the meetings. Joe handed out a sheet which had an overview of our water system. Right now the district has over 10,000 afy of potable water resources. We're currently using 2,945 afy. With the agreements that we have in place, we don't take caps. Everyone else has to and they have to cut back. However, if the State Engineer did step in and wanted to curtail pumping he would start with permitted rights. Certificated rights are held because they are needed for communities. If he did take a scorched earth approach, we would still have our 1,445 afy at Arrow Canyon which are certificated rights. Baldwin Springs is also certificated. It's owned by MVIC but we have a perpetual lease on that water. We also have the Jones Spring water and the Logandale Well water. We basically have 5,215 afy so we could almost double in size with what we have if the State Engineer does takes the scorched earth approach.

Joe thought it would be nice if the directors had this information in case someone was asking them about our water resources. We can still grow. That doesn't include the other agreements that we have out there. We have a lot of MVIC shares that we can turn into potable resources with treatment. It's expensive but we could do it if we needed to. A lot of conservation could also be done to stretch it out. We also have the church lease agreement. There's a 1,000 afy there. We can't base a community on leased water because that water can go away and then what would we do? However, we all know there is other water out there that the district might be able to acquire.

We're still sitting good but from a management standpoint we have 10,000 afy of water until the State Engineer tell us we don't. Joe feels like our standing is better than CSI or anyone else's because we actually have a community that exist, we are utilizing the water and we have all of these agreements that state that they have to curtail their pumping.

Ryan and Lindsey both attended the meeting. It was extremely informational and was productive. There wasn't any negativity either. The tribe contacted us and we talked about us sitting down off to the side to see if some of the agreements that we have we could honor amongst ourselves in order to help each other out. John Entsminger, SNWA's General Manager, actually came back and sat down with Joe to talk about our resources. They know the contracts that we have out there and the agreements that they have to honor.

Lindsey asked if he was looking for an out.

Joe said that John actually gave him some insights for us to solidify more water resources. He was very open in his communication. He told Joe some stuff he didn't know.

Marilyn Kirpatrick is the chair of the SNWA board, she loves our community and she knows that we are a thriving community. She calls Joe weekly so that he's up to speed on what's going on and to see if he has any concerns.

Joe asked Ryan what his take was on the meeting.

Ryan thought that it was a good meeting. The other thing that our board members need to understand is that our basin is going to be made into a super basin. We have all of our water resources in this basin and they are going to combine all of the basins into one big basin. He's talked with Joe and Lindsey individually about this. The State Engineer talked about the senior priority rights of the permitted water resources. We might have been in a certain order in our basin but now when we add all these other basins into it, where are we going to fall in the super basin? We need to stay on our toes and he thinks Joe's on top of it.

Lindsey explained that some people think that the water rights down here in Logandale and Overton can be transferred to the Warm Springs area but that's not true. This basin down here is not included in the super basin.

Joe explained that some people who have alluvial water think they can transfer their water somewhere else. It's extremely difficult to do that because its valley filled. In might be in 219 but it definitely is not going to be in the basin where carbonate flows underneath the whole thing. It moves regionally so moving carbonate water around but moving alluvial water is a lot different. Some people have the concept that they have alluvial, so they're going to move it. The Tribe's trying to do it with the water that was given to them by NV Energy thru the settlement agreement that they have. It's been protested. Alluvial water has never been moved so it will be interesting to see how the State Engineer is going to take a stance on it. We're guessing that he's going to say no but you never know.

Ryan asked if the paper Joe gave them was the worst case scenario.

Joe said that it was.

Ryan asked if it would be beneficial for staff to make a request to the State Engineer to get all of the water rights up in the White River flow system basin.

Joe explained that right now if you go on the State Engineers website, it's extremely difficult to find out anything on water rights because there are sub-permits. One permit can balloon out into a big octopus and it's hard to quantify them all down. He thinks the State is working on that. Once they actually get those they'll actually have priority dates that are associated with them and they'll put it in a spreadsheet. Joe will certainly make the request at the next meeting they have. That's one of the things Jay Lazarus has on his list.

There was more discussion and questions on this and Joe answered all of the questions asked by the directors.

5. Discussion and possible approval to increase the Water Resource Fee to \$3,150 (For Possible Action)

Joe said that one of the things that slipped thru the cracks when we doing the rate increase was the Water Resource Fee. It used to be \$7,500 but we reduced it to \$2,500. We had based that cost on the assumption of what it cost to drill Arrow Canyon #2 and how much water we have available out of it to get the cost per acre-foot. The last three years we've been looking at drilling another well. Those costs far exceed the amount that we originally used. Staff thinks its prudent that we actually look at the Water Resource Fee. Instead of just taking a guess at it, the best thing to do is start bumping this fee up every time we do a rate increase. This action will apply the latest rate increase and all future rate increases to the Water Resource Fee.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to adjust the payment in lieu of dedication fee to \$3,150 and instructed staff to apply all future board approved rate increases/decreases to the payment in lieu of dedication fee.

6. Manager's Reports

Office Manager – Jeannie Poynor had the financial dashboard, the budget report and the revenues were in their packets.

The auditors have been here. They're normally here four days and this year they were here just one day. They will do everything else from their office. Ken did a really good job at getting everything ready and sent over to them. They should have the report done for the November meeting.

We did go over on the budget so we had to do the augmentation for that. It's been sent to the state. Everything is going good otherwise in the office.

Lindsey and Randy think we need to put something out about all of our regulatory expenses. It's the government that's stopping growth.

Natasha's last day is next Friday (8/17/18).

Assistant General Manager – 1) Production - Lon Dalley explained that production dropped last month. There were two dips in the trends which both happened when we had the rain. We pumped 67,440,000 gallons out of Arrow Canyon #1 & 33,164,000 out of Baldwin for a total of 100,605,000 gallons.

2) Arrow Canyon Well #1 Well Level – We've been trying to keep the well at 900 gpm to keep it consistent thanks to Bryan and his guys. **3) Meter Installs** – We sold one more meter last month and four more since then which makes 18 meters this year (17 standard residential meters and one delinquent/reestablished residential meter). Most of the meters sold are in Valley Heights.

General Manager – 1) We filed a protest for the BLM filings. They got those submitted in a timely fashion so we've got placeholders in there in case we need to argue with them in the future. **2) CC Fire Department** – Our fire department is no longer part of the Clark County Fire District. They're trying to put together a family day on September 8th with activities for the whole family. They will be raffling off a lot of stuff. Our staff has already donated \$60 in order to give someone \$60 off their water bill. Next year we'll see if we can get Teresa from NVRWA to come down and be Chuck the Duck for us. We can also get our water model out and have some other things there.

7. Public Comment

None

8. Director's Preference

-Review Monthly Expenditures

- Litigation (Closed-Door Session)

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

9. Personnel (Closed-Door Session)

10. Approval of the September 13, 2018 Board Meeting

The general consensus was to hold the next Board meeting on September 13, 2018 at 4 pm.

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

None

12. Adjournment

The meeting adjourned at 4:45 pm.