

**MINUTES  
MOAPA VALLEY WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
HELD  
THURSDAY, AUGUST 13, 2020**

<b>PRESENT:</b>	Kenneth Staton Jon Blackwell Ryan Wheeler	Lindsey Dalley Randy Tobler
	Joe Davis Lon Dalley Jeannie Poynor	Kiley Bradshaw Susan Rose
	Byron Mills	Christa Bilbrey KB Homes (Phone) Scott Bleazard KB Homes (Phone)
	Scott Farnsworth (Phone)	

**ORDER OF BUSINESS:** At 4:02 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 9, 2020 (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 July 9, 2020 meeting.

**3) Move to instruct staff to terminate the construction agreement with KB Homes Nevada Inc. and refund \$178,840 for monies paid for 30 meter connections and 8 payment in lieu of dedication of water rights (For Possible Action)**

Christa Bilbrey and Scott Bleazard were at the meeting to talk to the board about a refund on the monies they paid for water connections, the 8 Payment in Lieu of Dedication of Water Rights, and the water shares they gave to the district.

Joe explained that back in 2017 representatives from KB Homes reached out to us about their project. We had it on the agenda and we discussed it in the meeting. At the next meeting it was on the agenda again but no one from KB Homes was at the meeting so no action was taken. KB Homes recently reached out to us. The memo is basically the same memo we had back in 2017. Joe just updated it to include the notification that was on the February 9<sup>th</sup> and the March 9<sup>th</sup> meetings. KB Homes asked to be on the agenda. Unfortunately, they couldn't attend the meeting in person so the best we could do is have them call in.

Christa said that she reviewed the memo that was sent to her and they agree with the refund of the 30 meter connections for \$141,000. She had a question in regards to the Muddy Valley Irrigation Shares. She doesn't see where it says anything about a refund on those shares.

Joe explained that the Water Rights Dedication Ordinance was created in order to require developers to bring water to the table so the district could serve their project. Some individuals that had started their mapping process before the WRDO was in place came to the directors and they requested that part of their projects be grandfathered in so they wouldn't have to bring water to the table. The directors made a compromise and said that the ones that had started their projects were given some exemptions. After the WRDO was approved in 2005, MVIC Irrigation Shares and ground water permits would 100% pay for us to service their project. What ended up happening was KB Homes was able to pay Water Dedication Fees with existing resources that we had at that time and you had an exemption to pay for those. Then you would have enough water to service that project. You ended up bringing four MVIC Irrigation Shares for your project. We were holding our water resources for your project and we couldn't sell that water to

anyone else. That's why Section 15.10 was put in the WRDO to allow a little skin in the game for the developer that want to come in and try to do something. The district had to hold onto these things and that's why the 10% was deducted from the water rights. That's the interpretation that came out of the 2017 meeting. It would have been nice if you would have made it to that meeting when everything was fresh in our minds.

Christa felt that the district is double dipping because we are keeping the MVIC Shares.

Joe explained that the WRDO was in full force when KB Homes came into the district to start the project.

Randy Tobler had an observation. If you were just a average Joe coming in and buying a meter we make you install it and you would be paying a monthly fee. You guys have been allowed for over 10 years to not contribute to the infrastructure we've maintained and we still had to guarantee that you could get that water. The average Joe has been paying a bill regardless of whether he used it or not. For him, when he's representing all the rate payers, there's got to be an equitable stake in there as well.

Scott Bleazard asked if he bought a lot in Logandale today, would he be able to get a meter for that lot.

Joe explained that there are some lots that have an exemption on them so we could sell them water but with the States Order 1309, if a developer came to Joe, they would have to bring 100% of the water to the table before he could service a development. For an individual some lots were exempt because they were created before 1975 which was before the WRDO was approved.

Lindsey Dalley explained that Order 1309 is from the State Engineer's Office and we have no control over that. They have control of the water and how it's going to be used. We used to have water available but the State Engineer came out and said that this is the only water available. Now that they have slashed the water resources that were available to us.

Scott clarified that the board's decision was to reimburse KB Homes \$178,840. Scott said that he would have to talk to their legal counsel about what the board is proposing. He would like to know if that's the boards final answer and if that's ok with the board.

Lindsey said that when the board visited this back in 2017 the points that Randy made were that the KB Homes tied up those water resources without paying for the infrastructure, development and maintenance. Lindsey agreed with Randy. That has a value because that State came down and slashed our water resources quite severely now and that's a huge benefit for someone that has that.

Joe said that Virgin Valley had a lot of developers coming in and they tied up a lot of their resources. Those resources are still tied up today. If a developer comes to us today, what leverage do you have to make them bring that project to completion? For every year you don't complete that project, you're going to lose a portion of the rights.

Scott can understand our position and he will do his part to get things moving. He understands that they haven't been paying for their portion of the upkeep and maintenance of the system all these years.

On motion of Randy Tobler and seconded by Lindsey Dalley, the Board voted 5-0 in favor to instruct staff to terminate the construction agreement with KB Homes Nevada Inc. and refund \$178,840 for monies paid for 30 meter connection and 8 payment in lieu of dedication of water rights with this being paid in full.

**4) Ratify the District's filings of, and participation in, the Notices to Participate and Notice to Intervene filings of Petitions for Judicial Review of State Engineer Order 1309 (For Possible Action)**

Joe explained that there has been eight petitions for judicial review concerning Order 1309. There is SNWA, CSI, Apex, The Center for Biological Diversity, NV CoGen, Georgia Pacific, Republic, MVIC and Lincoln County. Seven filed in Clark County but Lincoln County filed in Lincoln County. Basically we filed motions to participate in case something comes up so we would be able to discuss it. On the one that was filed in Lincoln County, we actually filed a motion to intervene. The motions have been filed in Clark County because everybody did agree to consolidate them into one.

The State Engineer is trying to change the venue from Lincoln County to Clark County and add that in.

On motion of Jon Blackwell and seconded by Lindsey Dalley, the Board voted 5-0 in favor to ratify the District's filings of, and participate in, the Notice to Participate and Notice to Intervene in the above mentioned filings of Petitions for Judicial Review of State Engineer Order 1309.

5) **Manager's Reports**  
**Office Manager**  
**Assistant General Manager**  
**General Manager**

**Office Manager** –Jeannie Poynor explained that we have to take all the employee's temperature and have to ask the special questions. Jeannie asked some people what questions they ask and she used some of those questions.

Joe said that we're supposed to have safety protocols in place. We're supposed to analyze every project we're going to do in the future. We don't make the guys wear a mask when they're outside working but they do have to put them on when they are in their vehicles.

Jeannie had the financial dashboard, the budget report and the revenues put in their board packets. The auditors will be here this week to do the audit. Revenues are up. We exceeded our goal. Expenses are down so far so that's another plus. These are unaudited totals so they could change. The other thing we wanted to talk about is Jeannie read that Las Vegas Valley Water District and NV Power are resuming normal as in late notices and shutoffs. We stopped doing late notices and shutoffs the end of March. She was wondering if the Board is interested in setting a date on when they wanted to resume that. We have several people on the Covid-19 can't pay list. There is a whole page that have been paid which they paid up to this month's bill. There is one customer that hasn't paid since February and they now have a balance of \$745.85. We have other people on here that are making payments. We have one person on there who has a balance of \$800 and the last time she paid was June 8<sup>th</sup>. At least she's making payments. We have 10 people that just didn't pay their bill last month. Brenda has been really good about calling people and reminding them that we didn't receive a payment and we aren't foregoing these bills and she ask them if they would like to make a payment. There are some people we just can't get ahold of.

There was some discussion about what we can do about the ones that aren't making any payments and what should be done about it.

Ryan thinks that we need to do something about the ones that we can't get ahold of. Other entities are moving away from this and there's no reason why we shouldn't. When this 1<sup>st</sup> came out there were a lot more restrictions and people were having a hard time going to work but business are opening up now. There are still hardships out there. He thinks we just need to choose a timeframe like September. We can pick a date for those who haven't paid or we can't get ahold of.

Jeannie explained that we do have a payment plan to pay that off in three months so we do work with people. Jeannie said that we need to pick a date so we can let people know that we're going to resume late fees and shutoffs. She said that we can send a letter out to them.

**Assistant General Manager- 1) Production** - Lon Dalley explained that water production is where it should be. In July we pumped 111,084,000. 232,000 came out of Baldwin and 110,852,000 Arrow Canyon #1. **2) Arrow Canyon Well #1 Well Level** – There's no change in the well levels. **3) Meter Installs** – There were two (2) 5/8" x 3/4" banked meters so the total for CY 2020 = Five (5). Four banked and 1 upsized meter. The banked meters are gone.**4) Capital Purchases /Projects** –  
Small Water Main Replacement

– We are in the beginning stages of all the Small Water Main Projects: They are:

- Hwy 169 Bore: Bowman Rd./ MV Blvd. and Whitmore St./MV Blvd.
- 12" Replacement, 500' at Isola/Omer (due to leaks)
- Henrie Rd./Ranch Rd. 2700' of 3" line replacement (due to leaks) Sunrise Engineering is drawing plans the plans and submitting to NDEP
- 12" Mining PRV Replacement, looking at options for vault lid to join with CMU block walls

- Equipment Replacement/Purchase: They are: Dump Truck, bids have run in the local paper and being solicited from dealers
- Baldwin Power Generator, sifting through the specs to verify abilities/needs

**6) Arsenic Media** – We're in the process of replacing the media in the vessels at Arrow Canyon one vessel at a time. We have completed two vessels and have started on the next. There are five vessels at Arrow Canyon. The media life has been used up. Baldwin media is still great. We haven't ran Baldwin as much as Arrow Canyon since the replacement.

**General Manager – 1) NV Independent Newspaper** - Joe was contacted by a reporter from the NV Independent Newspaper. Joe spent about four hours with him. He had wrote an article about the ruling when it first came out. Joe really liked his approach. He wrote it right down the middle. He was basically focused on Coyote Springs and how can we move forward with things the way they are. Joe took him to Arrow Canyon and told him our history. Joe said he has a lot of information from SNWA, CSI and us to go thru. We'll see how the 2nd part is. **2) Health Insurance** – Scott Carson got a hold of Joe. He wanted to make sure that we received our Covid-19 rebate. Scott thought the rebate was about \$1800. Usually we start talking about our renewal but it's been moved back to after the 1<sup>st</sup> of the year. It could be March or April. He did indicate that there has been some challenges on our plan because they circumvent the rules a little bit on how everyone was doing Covid-19 in order to keep the prices down so that plan might not be available but the good news is that the prices haven't escalated like they were. Scott's keeping an eye on it. Things could change but he'll keep but he'll keep us updated. **3) Order 1309** - 8 Lower White River Flow System hearing participants filed Petitions for Judicial Review (SNWA, CSI, Apex, Center for Biological Diversity (CBD), Nevada Cogeneration (NCA), Georgia Pacific/Republic, MMIC, and Lincoln County Water/Vidler). The District filed a Notice of Appearance and Intent to Participate in the above mentioned Petitions. 7 petitions were filed in Clark County and 1 in Lincoln County. CSI and SNWA have filed to consolidate the 7 Clark County Petitions while the State of Nevada filed a motion to move the Lincoln County case to join the Clark County Cases. **4) Muddy Valley Irrigation Shares** Staff has been contacted by a valley resident concerning the potential purchase of their Muddy Valley Irrigation Shares. Wishing to keep the water in the valley, they are receptive to working with the District on a term purchase agreement.

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

None

**7) 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.

**Discussion Regarding Future Election of Officers (For Possible Action)**

On motion of Chairman Staton and seconded by Jon Blackwell, the Board voted 4-1 to appoint Randy Tobler as the temporary Chairman of the Board. Randy voted against it.

**- Litigation (Closed Door Session)**

**- Other Related Water Rights Issues**

On motion of Jon Blackwell and seconded by Ryan Wheeler, the Board voted 5-0 to call a closed-door session at 5:15 pm.

On motion of Chairman Tobler and seconded by Ken Staton the Board voted 5-0 to reconvene the open-door session at 6:20 pm.

**8) Personnel**

**9) Approval of the September 10, 2020 Board Meeting**

The General Consensus was to have the next board meeting on September 10 ,2020.

**10) Public Comment (Maybe limited to five minutes)**

None

**11) Adjournment**

The meeting adjourned at 6:21 pm.