

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, MARCH 11, 2010**

PRESENT: James Robison
Robert Jones
Kenneth Staton

Brad Huza

Ken Bessey
Bryan Mortensen

Ryan Wheeler, Forsgren & Associates
Kevin Willard, Clark County Fair & Moapa Valley Little League
Alyssa Eide, Clark County Jr. Livestock Show
Mary Kate Cain, Moapa Valley High School Baseball Team
Scott Carson

Guy Doty
Glen Hardy

Susan Rose

Byron Mills

ORDER OF BUSINESS: At 4:05 p.m., Chairman James Robison 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. Approval of the Minutes of the previous meeting held on February 11, 2010 (Action Item)

On motion of Glen Hardy and seconded by Bob Jones, the Board voted 5-0 in favor to approve the minutes of the previous meeting.

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

3. Clark County Jr. Livestock Show – Donation – Mitchell Eide (Action Item)

Alyssa Eide was present at the meeting to request a donation for the Clark County Livestock Show. Donations will be used for the Herdsmanship Award which is given to the 4H or FHA club that keeps their pen the cleanest and has the best information on the animals in their pen.

On motion of Bob Jones and seconded by Ken Staton, the Board voted 4-0 in favor to give a \$100 donation to the Clark County Jr. Livestock Show for the Herdsmanship Award. Glen Hardy abstained.

4. Moapa Valley Little League – Donation - Ted Leavitt (Action Item)

Kevin Willard was at the meeting to request a donation for the Moapa Valley Little League. He explained that Little League encompasses Girls Softball, Bobbysock Softball, Minor League, Major League, Junior League, Little League, and a Senior League (up to 16 yrs of age). They may also have a Big League (up to 18 yrs of age) this year.

On motion of Glen Hardy and seconded by Ken Staton, the Board voted 5-0 in favor to donated \$100 to the Moapa Valley Little League and to give them a \$100 from the advertising fund for the renewal of our banner.

5. Moapa Valley High School Baseball Team – Donation – Mary Kate Cain (Action Item)

Mary Kate Cain was present at the meeting to request a donation for the Moapa Valley High School Baseball Team. They will be purchasing all new equipment this year.

On motion of Ken Staton and seconded by Glen Hardy, the Board voted 5-0 in favor to donate \$100 to the Moapa Valley High School Baseball Team and to give them a \$100 from the advertising fund to renew our banner.

6. Clark County Fair Board – Donation of Water – Kevin Willard (Action Item)

Kevin Willard was present at the meeting to ask the Directors to donate water for dust control for the roads and parking area at the fairgrounds. They will also use water at the rodeo grounds.

On motion of James Robison and seconded by Bob Jones, the Board voted 5-0 in favor to donate water to the Clark County Fair Board.

7. Discussion of the re-filing of pending applications with the Nevada Division of Water Resources (Discussion Only)

Mr. Huza explained that in late January, the Nevada Supreme Court issued an opinion pertaining to the District Court's ruling on Southern Nevada Water Authority's pending water applications in Lincoln and White Pine County. The ruling basically upheld the lower court's ruling but was somewhat vague in its opinion when it sent the case back to the District Court. The ruling was very specific in the fact that it impacted pending applications that were dated pre 2003.

This Supreme Court action caused a great deal of concern in Nevada's water industry.

Staff contacted Robert Marshall, Esq. and requested a legal opinion on the potential impacts on the District's pending applications. Mr. Marshall was unsure as to the ultimate impacts but indicated a potential for harm did exist.

The District has seven pending applications that could be impacted by an unfavorable District Court determination. To err on the side of conservatism, it was decided to re- file the seven applications. The applications in question are located in Meadow Valley Wash, Mormon Mountains, Table Mountain, Logan Wash and Anderson Wash.

Mr. Marshall also recommended that the District participate in the upcoming proceedings. Mr. Huza has reservations on this concept as other participants that have much more at stake and will likely have highly qualified legal representation fighting the issues. The outcome will benefit all not just those who participated.

A copy of Mr. Marshall's February 22nd letter was available for the Director's review.

The general consensus of the Board was to go ahead and have Mr. Marshall prepare something to let them know that we are concerned about the ruling and have him keep an eye on what's going on. They also put a limit of \$10,000 on his legal fees for this issue.

8. Discussion of the Moapa Valley Water District's Substance Abuse Policy (Discussion Only)

The US –Department of Transportation requires entities that have employees that are required to maintain a commercial driver's license to have pre employment substance abuse testing and thereafter conduct random testing of drivers. The District has routinely conducted the pre employment testing but has not met the random testing requirement. If the District was audited by DOT, the District would be subject to disciplinary action.

Due to the size of our organization, the District can become a member of a consortium and be a part of a larger random selection process.

Staff has recently contracted with "DAT Express" of St. George, Utah. MVWD is now a member of that consortium. The CDL drivers have been tested, supervisors have received the "recognition" training and the District is now considered to be in compliance with DOT standards. The cost to this point is relatively minimal with the total fee to date being less than \$1000.

The last remaining part to the substance abuse issue is the adoption of a comprehensive policy. The District presently has a drug policy but does not address all of the DOT requirements.

For the April meeting, Staff will have a draft of the comprehensive substance abuse policy prepared and ready for Board discussion and possible action.

9. Review of the Tentative Budget for FY 2011 (Discussion Only)

Mr. Huza explained that Staff is in the process of completing the tentative budget for fiscal year 2011 (July 1, 2010 thru June 30, 2011).

A copy of the draft FY 2011 budget, showing the revenue and operating expense estimates, the capital improvement budget, the 340A budget and the five year capital improvement plan was available for the Director's review.

It is anticipated that the water sales revenues will increase slightly. Staff used the 7% increase recommended in the Red Oak – December 2008 study for budget projections. The revenue increases will be greater than what was experienced last year.

The expected revenues from the other sources are also expected to be less in the upcoming year. The ¼ cent sales tax sharing program is anticipated to approximately the same as this fiscal year. The decline from earlier years is a result of reduced spending.

Staff has also revised its projections for new service connections to 6 for the upcoming fiscal year. This should be an achievable estimate.

As the operational fund receives its funding from water revenues, the level of service our customers receive will not be diminished as a result of the downturn in the amount of connection requests.

New this year are capital improvement project forms. These forms will hopefully provide additional descriptions on the proposed projects.

The complete tentative budget will be on the April agenda for adoption.

10. Manager's Report

Senior Accountant –Ken Bessey explained that things are where they should be on the budget. Water sales have leveled out but should start to rise since warm weather will soon be here.

Water Production Superintendent – Bryan Mortensen explained that his crew is continuing to work with Trace Detect on the arsenic analyzers.

Last month the production crew did a line stop at Jones Springs and installed a new valve.

The new service truck was delivered. The production crew had training on the crane and have already put it to good use.

Weekly and monthly preventive maintenance was performed on production assets and equipment.

The production crew also had Cathodic Protection training for the 340A project.

Water Distribution Superintendent – Joe Davis was not at the meeting so Mr. Huza updated the Directors on the distribution crew's activities for the last month.

Three meters were installed, one on the Moapa Indian Reservation and two in Logandale. No fire hydrants were installed.

The standpipe on the corner of Bonelli and Andersen was replaced with a fire hydrant through the Standpipe Replacement Program.

A 20" carrier pipe was installed under the river on the west end of Whipple while MVIC was diverting water into the reservoir. Crews will begin replacing the water line toward the end of March.

Nine leaks were repaired last month, ranging in size from 1" to 6". Most leaks were repaired with minimal customer interruptions. Four leaks were caused by construction taking place on Catherine Lane.

There were two customer service request regarding pressure, two on leaks, one on an exposed pipe and one on a pothole at the intersection of Wells and Mills. All were investigated by District personnel.

General Manager – 1) Dechlorination Facility - No new construction has taken place at this site over the past month. SNWA has not received the NPDES permit so start up has been postponed. The full operations schedule has been modified from April 2010 to June 2010 by SNWA.

2) Intermediate Booster Station - The intermediate booster station project is proceeding ahead. The project includes the installation of the larger booster pump and a new pressure reducing valve station at the Mining PRV site. To date, the removal of existing pumps, piping and motors in the intermediate booster station has been completed. The Contractor has also started work on the Mining PRV upgrade.

3) Small Water Main Replacement Project - Staff has received NDEP approvals for the small water main improvements. Staff anticipates receipt of the materials for construction in the upcoming days. Pending obtaining the Clark County dust permit, construction should commence in late March. The Lawson /Casaby area is schedule to be the first area of construction.

4) Exploratory Drilling – Meadow Valley Wash - Mr. Lewis, owner of private lands in the Meadow Valley Wash Area has recently indicated that he would consider granting an easement on that property. The hydrogeologist has reviewed the proposed site and feels the site would be acceptable. Staff met with representatives of the owner on February 26th on site to discuss the project. To date, the owner has not contacted the District. As this is a grant eligible project and the District has been attempting to obtain right of ways from both private land owners and the BLM for a period of almost five years, it may be time to reconsider redirecting the funds by requesting a grant amendment.

11. Ratify payment of February Expenditures

On motion of Glen Hardy and seconded by Ken Staton, the Board voted 5-0 in favor to ratify payment of the February expenditures.

12. Director's Preference

13. Personnel-Closed Door Session

Mica Leatham had been hired as a Maintenance Worker. He will start in April. Applications are still being taken for the Water Operator position since that position has not been filled yet.

14. Approval of the April 8, 2010 Board meeting

On motion of James Robison and seconded by Glen Hardy, the Board voted 5-0 in favor to hold the next Board meeting on April 15, 2010 at 4 pm.

15. Adjournment

The meeting adjourned at 5:40 p.m.