

**MINUTES  
MOAPA VALLEY WATER DISTRICT  
BOARD OF DIRECTORS MEETING  
HELD  
THURSDAY, APRIL 14, 2011**

**PRESENT:** Kenneth Staton  
Jonathan Blackwell  
Randy Tobler  
  
Joe Davis  
Ken Bessey  
Jeannie Poynor  
Lon Dalley  
  
Byron Mills  
  
Ryan Wheeler, Forsgren  
Vernon Robison, MV Progress  
Sharon Turley, TTW Holdings  
Robert Johnson, SNWA  
  
Lindsey Dalley  
Scott Carson  
  
Bryan Mortensen  
Susan Rose  
Brian Greig  
  
Joe Leslie, Leslie & Associates  
Joe Gilmer, Blaine Equipment  
Cheryl Bulloch, TTW Holdings

**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. Approve the Minutes of the Previous Meeting held on March 10, 2011 (Action Item)**

On motion of Jon Blackwell and seconded by Randy Tobler, the Board voted 5-0 in favor to approve the minutes of the previous meeting.

**2. Approval of the Minutes of the Special Meeting held March 24, 2011 (Action Item)**

On motion of Scott Carson and seconded by John Blackwell, the Board voted 5-0 in favor to approve the minutes of the special meeting.

**3. Public Comment**

Joe Leslie was present at the meeting to introduce himself to the new directors. He explained that he is a civil engineer with Leslie and Associates. L & A started working for the District in 1973. Since that time they have done over 117 projects for the District. He explained that they would like to be able to do more work for the District in the future.

Robert Johnson, who works for the Southern Nevada Water Authority at the Warm Springs Natural area, explained that they have a set of plans here that need to be signed. They are building a maintenance shed on the property and they need the plans signed so they can get their other permits. He asked if there was some way that that could be done as soon as possible. Chairman Staton explained that he didn't know anything about it but that he would see what could be done.

**5. Approve the Refund of the Service Connections to TTW Holdings for the St. Joseph Subdivision in the Amount of \$112,800 (Action Item)**

Chairman Staton reminded the Directors that a couple of weeks ago Danny Bulloch was at a meeting to request the refund of the Water Resources Fees for the St. Joseph Subdivision. At that time Mr. Buloch was told that he would be reimbursed for the service connections as soon as we had received the revisionary map that had been recorded at the Clark County Recorder's office. The revisionary map was received and has been recorded.

A copy of the recorded revisionary map was available for the Director's review.

On motion of Lindsey Dalley and seconded by Scott Carson, the Board voted 5-0 in favor to approve the refund of \$112,800 to TTW Holdings for their service connections.

**4. Approve the Purchase of a 2011 Tractor/Backhoe from Cashman Equipment in the Amount of \$69,301 (Action Item)**

Joe Davis explained that in the board books there was a breakdown of the actual backhoes and what the bids came in at with & without the trade in. Cashman Equipment bid a Cat 420E ST and a 430E ST. Blaine Equipment bid a 310J and a 310SJ. Both companies have come down in price from the first time we went out for bid. Cashman also raised the trade in value for the District's backhoe. Joe also included the maintenance records for the last three years on the backhoe he would like to trade in. Joe recommended going with Cashman Equipment's 420E ST backhoe strictly because it is \$90 cheaper than the John Deere backhoe. The backhoes that were bid on by both companies are almost comparable across the board.

Lindsey Dalley is not sure if the purchase of a new backhoe is really necessary at this time. He explained that he would only recommend the purchase of a new backhoe if there are a lot of projects coming up in the near future that would warrant the purchase of it. Randy Tobler explained that he has looked at the budget and all of our revenue sources are going down and employee benefits are going up. He feels, if possible, we should try to get by with the two backhoes that we currently have.

Joe Davis explained that the backhoe he wants to purchase was quoted to him back in February 2010 for \$112,000. With the economy the way it is, he feels that now is the time to buy. Joe also explained that there is a safety issue because the backhoe can't move the trench plates. We are required by NDOT to use 6 x 12 or larger plates because smaller plates moved when semi's drive over them.

Chairman Staton asked Lon Dalley and Brian Greig how they felt about the purchase of a new backhoe.

Lon Dalley explained that they use the backhoes every day. If the backhoe isn't working they can't work. He thinks we should to stay ahead of the game and not wait until the backhoe breaks down. He feels that this it's not a want, it's a need.

Brian Greig said that they can't work efficiently without a good backhoe but they will do what they have to do to keep working. He also feels that there is a safety issue when it comes to moving trench plates.

Byron Mills said that if safety is an issue then it would be much cheaper to buy a new backhoe then pay for medical expenses if someone gets hurt.

Joe explained that he spoke with LJ McCormick and Matt Hopkins about helping us out if we get in a bind and they both said they would be able do that.

Lon Dalley said that the backhoe is used almost every day and it's used hard. It's 12 years old and has over 5,000 hours on it.

Scott Carson wants to make sure that if we do purchase a new backhoe that the maintenance is kept up on it. Joe said that the maintenance program was cut back about 18 months ago but that program has since been reinstated.

On motion of Jon Blackwell and seconded by Lindsey Dalley, the Board voted 3-2 in favor to purchase the 420E backhoe from Cashman Equipment for \$46,301 with the trade in of the old backhoe. Scott Carson and Randy Tobler voted against the motion.

**6. Discussion and Possible Approval to Revise the Policy on the Markup of Materials and Services (Action Item)**

Randy Tobler explained that he has spoken with Mike Featherston and from now on Mike will take care of scheduling the backflow tests for their devices. MVWD is the regulatory agency and shouldn't be involved anyway.

Since this item has been taken care of no action was taken.

## 7. Approve the Tentative Budget for Fiscal Year 2012 (Action Item)

Randy Tobler met with Jeannie Poynor to go over the budget and some items were changed. Jeannie went through and reduced everything except employee related items by 2%. She also removed the line item for the purchase of MVIC Shares.

Bryan Mortensen explained that the money budgeted for new office space in the shop (#17) is no longer necessary. He has moved over to this building and he and Joe did some rearranging to the current office in the shop.

On motion of Randy Tobler and seconded by Lindsey Dalley, the Board voted 5-0 in favor to approve the tentative budget as presented and to establish a public meeting on May 19, 2011 at 12 pm at the Moapa Valley Water District, 601 N. Moapa Valley Blvd, Overton, NV 89040.

## 8. Manager's Reports

**Senior Accountant-** Ken Bessey explained that things have been different in the office. They have made a change to the schedule for his employees. Everyone is now on the 4-10 schedule. This will be a rotating schedule. It seems to be working out so far.

Ken received a phone call from a customer who had dealt with Julie when setting up a new account. The customer said that it was the best customer service he had ever had.

**Water Production Superintendent** - Bryan Mortensen updated the Directors on some of the things that the water production crew did last month.

- 1) Performed annual maintenance on the Arrow Canyon motors
- 2) Had crossover training for production & distribution staff
- 3) Performed weekly and monthly preventative maintenance on production assets and equipment
- 4) Repaired the starter relays at the Intermediate Booster Station
- 5) Rebuilt the 12" pump control valves at Coyote Springs
- 6) Started up and sampled the 24" transmission line after repairs
- 7) Repaired the reduced voltage starters for boosters 1-3
- 8) Replaced /upgraded the ultrasonic meter at the Bowman Discharge Station
- 9) Performed AVAR maintenance at 24 sites on the 24" transmission line
- 10) Performed weekly and monthly preventative maintenance on 340A assets and equipment

**Water Distribution Superintendent** – Joe Davis explained to the Directors that crews have been exercising valves throughout the distribution system. This included the gathering of GPS locations, size, valve function and maintenance data to help the future GIS program.

Crews have also been cutting the roads in the Valley Heights Subdivision in preparation for the replacement of the 1" poly laterals. 84 laterals are still in need of replacement out of the original 96 meters installed. This project will consist of removing the asphalt, pulling out/in new poly services, and the replacement of the asphalt.

Two meters have been installed in the distribution system and two are on order to help narrow down the lost and unaccounted for water.

Last month there were four 1" leaks, one 2" leak, and one 3" leak in the system.

## 9. Director's Preference

Chairman Staton asked Ryan Wheeler to update the Directors on the Arrow Canyon 24" transmission main project. Ryan explained that Forsgren designed the plans, the specifications, the costs estimate and the technical memorandum. He met with Brad when the plans were at the 30%, 60% and 90% level. Those plans were reviewed by Brad. Last week he dropped off the 100% plans and now the project is ready to go out for bid. The original schedule was for the ad for the construction of the pipeline to be in the MV Progress next Wednesday and a pre-bid conference would be held on the 21<sup>st</sup>. This conference is the time for contractors to ask any questions they might have about the project before they put in a bid. The bid opening was supposed to happen on May 4<sup>th</sup> and then the bid would be approved at the May 12<sup>th</sup> meeting. As part of the Forsgren's contract they will do an evaluation of all the bids so that the Directors can make an informed decision at that meeting. Ryan asked the Director's if they still want to move forward with the construction of this project.

Scott Carson asked if this was something that could be done in house and what the deadline is on the grant. Bryan Mortensen explained that right now the deadline is December 31<sup>st</sup>.

Ryan said that the project is supposed to be completed by December 16<sup>th</sup>. In the specifications the project is supposed to be substantially complete by October 31<sup>st</sup>. If not, the contractor will have to start paying a fee to the District. The project should start the first of June.

Joe feels confident that the District would be able to do the project in house if allowed by EPA. This is something that needs to be checked into.

Joe and Bryan will be speaking with EPA next week about the grant and with NDEP on the plans.

The general consensus was to go ahead and advertise for bids for the construction of the 24" line.

It was decided to move the regular board meeting back to May 19<sup>th</sup> at 4 pm so that the bid for the construction of the Arrow Canyon pipeline can be discussed and possibly approved at that meeting.

Lindsey Dalley wants to work on a statement reiterating that the Board wants to remain independent of SNWA or LVVWD. He wants it to be clear so if in any issues come up in the future the Directors can refer back to the resolution and remember where they want to go. He wants all the Directors to be on the same page when it comes to negotiating agreements, deals, and contracts. It was the general consensus that Lindsey would work on that resolution.

Lindsey also asked Joe when he wanted to tell the other Directors about the county issue. Joe explained that the Clark County Water Reclamation District wants to purchase an 8" meter and put in on Deer Street. They also want to install a 16" water main and run it to their treatment facility. They need to do this for fire protection. Their water main would parallel our waterline for about 1,000'. It would then run out into the middle of nowhere where there are no easements. Joe explained that it would be great to have a 16" line running out there for future development. CCWR would use about 100 gallons a day. He told CCWR that they will have to come in and talk to the Director's about putting that water main in our easement since we normally don't allow people to put a private waterline next to our waterline.

Joe also received a call from SNWA today regarding the parcel map for their Warm Springs project. They want to build a metal building on an existing lot which already has a water meter. Joe told them that they can hook up to the existing meter if they choose. They asked for a will-serve letter but Joe explained to them that they just have to take their bill to the county to prove they have water service at the parcel. That problem has been resolved. They still need to have the map signed. Joe told them that we are waiting for an easement from them for Twin Springs. He was told that it's at the legal dept. and that they didn't know there was a rush to get it done. Joe was trying to use the parcel in Warm Springs as leverage to get the Twin Springs Easement signed. Robert Johnson said that the final draft has been circulated for review. They're just waiting for any comments that might come back. It will then have to be approved by our Board. SNWA's legal counsel is anticipating putting it on their agenda for the 3<sup>rd</sup> Thursday in May. Robert said they won't be able to build the maintenance building if the plans are not signed before July 5<sup>th</sup> when the new fire code goes into effect. The costs would exceed their budget.

Since we will be meeting the same day as SNWA, Byron Mills suggested having a special meeting on May 12<sup>th</sup> at 12 pm to sign the easement agreement. The general consensus was to go ahead and have a special meeting on the 12<sup>th</sup>.

**Review Monthly Expenditures** – There were a few questions about the expenditures which Joe Davis and Ken Bessey answered.

On motion of Chairman Staton and seconded by Jon Blackwell, the Board voted 5-0 in favor to refer the monthly expenditures to the auditors.

**Litigation** –

**Chairman Staton called a closed-door session at 5:55 pm. This was seconded by Lindsey Dalley.**

#### **10. Personnel- Closed Door Session**

- **Discuss the Chain of Command and Organizational Chart**
- **Discuss the Hiring of a New General Manager**

**Jon Blackwell made a motion to reconvened an open-door session at 6:45 pm. This was seconded by Ken Staton.**

#### **11. Approval of the May 12, 2011 Board Meeting**

On motion of Chairman Staton and seconded by Jon Blackwell, the Board voted 5-0 in favor to hold a special board meeting on May 12<sup>th</sup> at 12 pm for the review and possible approval of the Twin Springs License Agreement and to hold the next regular board meeting on May 19<sup>th</sup> at 4 pm.

Chairman Staton read the following letter which he received from Guy Doty.

**“To: Ken Staton Chairman, MVWD Board of Directors**

**From: Guy Doty, former Director**

***I learned just yesterday about Mr. Brad Huza’s resignation as Manager. I also gather that this may be too late to make any difference at this time, especially if a decision by the Board has already been made and a severance package offered and accepted.***

***As a former Director and in my association with Brad for the last six years, I have found him to be considerate, dedicated, and devoted to MVWD and its issues. Because of his exceptional management MVWD has moved forward through very difficult times.***

***While I don’t know all the details of his resignation, I find it difficult to believe that after just four months of service from a new Board of Directors that there has been such an abrupt falling out of confidence and support for Mr. Huza. The level of his treatment by the Board seems extreme and with little regard to his actual guilt or innocence.***

***I won’t be able to attend the scheduled MVWD Board meeting today. But instead, while it may be too late to ask for any reconsideration in Brad’s behalf, I would ask for the record that this letter be read and entered in the minutes of today’s meeting”.***

#### **12. Adjournment**

The meeting adjourned at 6:50 pm.