

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF BOARD MEETING
HELD
THURSDAY, APRIL 5, 2012**

PRESENT: Kenneth Staton
Jonathan Blackwell
Randy Tobler

Joe Davis
Bryan Mortensen
Lon Dalley

Vernon Robison, MV Progress

Ryan Wheeler, Forsgreen & Associates
Steve Weber, MWH
Van Robinson, Glendale Holdings (On Conference Call)

Glen Hardy, CC Junior Livestock Show
Maylee Eide, CC Junior Livestock Show

Lindsey Dalley
Scott Carson

Susan Rose
Jeannie Poynor

Bonnie Renaldi, Glendale Holdings
Angie MacKinnon, MWH

Kevin Willard, CC Fair Board
Lori Houston, 4th of July Committee

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 March 8, 2012 (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 previous meeting.

4. Clark County Jr. Livestock Show –Donation – Glen Hardy (for possible action)

Maylee Eide thanked the Directors for their past support of the Junior Livestock Association and asked for the Districts support this year for the Herdsmanship Award.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to donate a \$100 to the Clark County Jr. Livestock Association to go towards the Herdsmanship Award.

5. Clark County Fair Board – Donation of Water – Kevin Willard (for possible action)

Kevin Willard asked the Directors for a donation of water again this year for dust control for the fair.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to donate water to the Clark County Fair Board for dust control.

6. Presentation of the MWH Water Demand Study for the Riverview Master Planned Development (for discussion only)

Bonnie Renaldi, Angie MacKinnon & Steve Weber had a PowerPoint presentation on the Riverview Development they are planning in Moapa. They went through the water demand analysis, the potable water storage for the development and the phasing analysis. There were quite a few questions from the Directors.

Lindsey Dalley asked why they want to lower the amount of water they have to bring to the table since they have enough water.

Bonnie explained that they only want to give the amount they will actually use for each unit. Also, they would be able to save on construction costs because they can install smaller lines. The partners that own the water want to be able to maximize their asset. They want to sell the extra water to other developers.

She said that they are trying to keep the Riverview Development separate from their ROX water because they have different owners. They are doing the preliminary work on the ROX water to be able to get to the point where they can do a water banking agreement with us which would outline our relationship on that water. MVWD will be the water purveyor and the owner of the water but under certain terms. The ruling on the ROX water by the State Engineer requires that the water be turned over to MVWD which hasn't been done yet. They want to turn those over under certain caveats and they are in the preliminary stages of drafting that agreement. As soon as the agreement is done they will be coming back before the Board with it.

Scott Carson still has a problem with the .84 afy. He feels the District can't make an exception for their development without doing it for everyone else.

Bonnie said that all single residences aren't the same. The water usage of an apartment or condominium are different than a single residence on a two acre lot with landscaping that doesn't have irrigation rights. Also, all of their homes will have water saving devices in them.

Randy Tobler wanted to know what happens when the people change out their water conserving devices and put in cheaper ones that aren't water saving. Who's going to control that?

Bonnie said that they are going to monitor the water usage in their first development. If it doesn't measure up to the standards then their agreement with us would demand that they go to a higher standard. There are also several sets of rules that will be enforced by other people. One is Clark County. They no longer allow turf use and all of the water conserving features in the house are required by Clark County Code. Riverview will have their own CC & R's that would be enforced by the homeowners association but they will only be able to control what's happening on the outside of the house not the inside. Bonnie said that the monitoring plan may require them to look at the water usage of the 1st 100 homes built to see if they are using more than the allotted .84 per single family residence. If so, then they would have to bump that allotment up for the next homes that are built.

Chairman Staton explained that this item is for discussion only. He asked Bonnie when they need to have the Board's decision as to whether the Board will lower the amount to .84 afy or not. Bonnie said that before they can begin to work with us on the conceptual design of the expansion system they will need to know what those numbers are.

It was the general consensus of the Board that they don't want to lower the amount of water currently required for a single family residence. Chairman Staton said that if Glendale Holdings comes up with some other ideas they are welcome to bring them back to the Board for consideration.

3. 4th of July Committee 2012 Show – Donation – Lori Houston (for possible action)

Lori Houston explained that the Pink Ladies are doing the fund raising for this year's 4th of July Fireworks Show. Last year the Pink Ladies were able to get enough money for the fireworks without having to ask local businesses for donations. Lori spoke to the business owners in the valley and found out that they want to be involved. Lori wants to have some kind of benefit for them so she thought that the 4th of July Committee could have a page on the Chamber of Commerce website to do advertisements for the businesses that make a donation. That probably won't happen this year but they are going to put the logos of all the businesses on the 4th of July T-shirts and everything else they do. They are also going to put links to the businesses that made donations this year on the Chambers website.

On motion of Randy Tobler and seconded by Lindsey Dalley, the Board voted 4-0 in favor to donate \$100 to the 4th of July Committee for the 2012 Show.

7. Approve the Tentative Budget for FY 2013 (for possible action)

Joe Davis explained that the billing software was added to the tentative budget. After Staff has done some more research and decided what they would like to see the new software do, they will sit down with the Directors to see what they think. After that an RFP will be sent out to the different software companies.

There was one page on the NV Dept. of Taxation forms that had to be changed. This year we got the numbers earlier than usual so the numbers in the third column on the Schedule S-2 are different.

We have to have a public hearing on May 17th to approve the final budget so Joe asked if the Directors wanted to schedule the regular meeting on that date instead of having two meetings in May. The general consensus was to do that.

Scott Carson said that he's concerned about wages/salaries and benefits. They add up to almost 40% of the operating revenues. He wants staff to be very careful in the future. He and Jeannie are working on the health insurance to get the best deal possible. Since the economy is stagnant and employees are staying longer, we need to be careful about handing out raises and more benefits.

Joe said that we been extremely fortunate that we aren't hurting like so many other companies. We have quality employees and they understand that revenues are down and that we have to be very careful in our spending at this time. We need to tighten our belts and put money away. We are now doing things in house like cement work that we used to farm out to other companies. We've also put our equipment and vehicle maintenance back to the way it was. This has helped us to take care of things before they become big issues.

On motion of Scott Carson and seconded by Jon Blackwell, the Board voted 5-0 in favor to approve the tentative budget as presented and established a public hearing on May 17, 2012 at the Moapa Valley Water District office.

8. Manager's Reports

Office Manager- Jeannie included in the Board books January and February's budget reports. She explained that the total income is down. This is our slow time of year. Right now we are using some of our savings but that should be changing soon. Cash flows have also decreased for the same reason.

Staff is still looking into the new billing software and Payclixs should be starting up soon.

Joe explained that staff has also looked into changing banks. It's really hard to know which bank is the best since they all have poor ratings right now but staff will keep an eye on them.

Interim Water Distribution Superintendent – 1) Leaks - Lon Dalley explained that we had a few leaks last month. There were two 4" leaks (Carol & St. Joseph/NV Energy low point drain), one 6" (NV Energy), two 8" (NV Energy) and one 20" leak (Baldwin & Arrow Canyon interconnect by Haworth's). **2) Hydrant Maintenance** – Staff started hydrant maintenance a month ago. Hydrant maintenance includes making sure that the hydrants are functioning properly, that the blue dots are out in the road for the fire department, and that the hydrants are flushed. Right now staff is doing hydrant maintenance in Stringtown. **3) Customer Complaints** – There have been some complaints about redish brown water down in Stringtown. It was probably caused by the flushing of the hydrants which stirs up the film that's built up inside the pipes. Staff flushed the lines for an additional 30 - 45 minutes to make sure the water was clear. **4) Water Hookup at MX 6 Well-** There is a company that is bringing down a power line from Northern Nevada and they need a lot of water for dust control. They came to us and asked us if we could provide that water. We didn't have a hydrant up at the well or enough pressure to supply them with the amount of water they were asking for so staff installed some infrastructure to backup the pressure at MX-6 through a pressure sustaining valve and then stubbed out of the main line with a 6" line so they could hookup to it. They are storing the water in three tanks. The project will take a minimum of six months but could actually take more than a year. **5) Upcoming Projects** – We're still waiting on the permits from NDOT for the Blvd/Liston Street projects. It's been approved but they can't find the paperwork. Lon is in the process of trying to get quotes together for the vault for the Lytle Ranch

PRV, The plans on the small main upgrades have been submitted to the State, we're just waiting for them to be approved.

Water Production Superintendent – Bryan Mortensen said that the production crew is continuing on the work up at Arrow Canyon. They are installing a chemical containment unit which will stop things from getting into our electrical components. Some of the bond money was used for the unit. Staff also installed a new vault up there and two injections quills. This will save on overtime.

The Coyote Springs Treatment Plant is still offline. They have given us notice that the repairs have been made. We're in discussions with them to see the extent of the repairs. Staff found sludge in the forebay and in the reg tank and cleaned them out. We're starting to find sludge in places that it shouldn't be. Production staff opened up the finished water reservoirs at Coyote Springs which are suppose to have clean potable drinking water and found a ferric blanket in them about 6" thick and 35' across. It's even worse in some places in our system. We have to maintain water quality so we are trying to work with them on this issue. Joe had Bryan draft a memo to SNWA which they received last Thursday. They were calling us 4-5 times a day but since they received the official notice we haven't heard a word from them.

Bryan is still working with Master Meter to get the metering issue resolved. The meters are registering water flow correctly and radio reading correctly; it's the part of the meter that does the data logs that is having issues. Master Meter has finally acknowledged that there is a problem. They've sent one of our registers back to Israel and they've asked for six more of our meters that are not data logging correctly. The meters are packed and ready to be shipped out. Master Meter has finally admitted that this is a system wide problem and their putting a lot more time into finding out what's going on. Hopefully we'll find out something in the next few weeks.

For customer service requests last month there were four data logs done out of 25 requests, one complaint on water quality, three leaks at the meter and two miscellaneous requests.

Interim General Manager – 1) Blvd Widening – Joe Davis explained that everything is done on this project except the open grade. The temperature has to be consistently above 80 degrees. As soon as that happens, the project will be completed. The County's happy, NDOT's happy and everything's passed inspection. **2) Moapa Tank Cleaning** – Because of everything that has been going on in Coyote Springs, Lon & Bryan inspected the Moapa Tank. They lowered the water level and found that there is over 1" of ferric covering 2/3 of the bottom of the tank. Joe contacted a dive team and they started cleaning the tank today. They are also inspecting the entire tank. We are paying for it up front but will be billing SNWA for it. When they're done cleaning the Moapa tank they will also inspect the Overton and Logandale tanks to make that we don't have the same problem with them. **3) Spring Valley Ruling** – The State Engineer has ruled on the Spring Valley applications for SNWA. They actually got more water than they did last time. Last time they got 71,000 afa, this time they got a little under 84,000 afa. They will have to use the water in stages. They were given 38,000 afa the first eight years but they will have to monitor it to make sure there are no impacts to the aquifer. If there are no impacts they can then go up to 50,000 afa for the next eight years with monitoring, and then it increases to the maximum of 61,27 afa in that area. Data will be monitored every year for impacts. This could have a huge impact on us because we are at the end of the White River Flow System and all of the applications are in that flow system. It's something that we have to keep on top of. The whole ruling is around 595 pages. Joe is going through it trying to get the whole logistics of it. After he has gone through it, he is going to have our hydrologist go through it. **4) USDA Rural Development** – Joe and Randy attended the NV Rural Water Association's Annual Conference in Reno. USDA presented the District with a recognition plaque for being the first company to receive a loan from them in 1959 when we were the Moapa Valley Water Company. There's going to be an article and a picture in the Progress about the award we received from USDA. While Joe and Randy were at the conference they attended a class on financial accounting. The instructor is going to send down some more information which will hopefully be beneficial to the District.

9. **Director's Preference**

Chairman Staton reminded the rest of the Directors that last month there were some people at Board meeting who were requesting changes to the Off & Locked Meter policy. He asked if the Directors or employees had any suggestions of what could be done for them. No one had come up with anything.

Lindsey Dalley had attended an Advisory Board meeting and had spoken with Ken Paul regarding the water quality issue they had up at Perkins Elementary School. Mr. Paul said that they are still having issues up there. Lindsey told him that we would help them out anyway we could. Bryan

Mortensen thought that everything was taken care of because we hadn't heard anything else from them. He explained that we are more than willing to help out anyway we can and that he would contact Mr. Paul.

- Review Monthly Expenditures

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

On motion of Chairman Staton and seconded by Jon Blackwell, the Board voted 4-0 in favor to refer the monthly expenditures to the auditors. Randy Tobler abstained.

- Litigation

No update.

- Committee Assignments

This item has been tabled until next month.

7. Personnel- Closed Door Session

- Interim General Manager's Six Month Evaluation (for possible action)

Chairman Staton called a closed-door session at 6:30 pm. This was seconded by Jon Blackwell.

Chairman Staton reconvened the open-door session at 7:05 pm. This was seconded by Jon Blackwell.

On motion of Chairman Ken Staton and seconded by Scott Carson, the Board voted 5-0 in favor to move Joe Davis from Interim General Manager to General Manager and increase his salary to \$90,000 effective immediately.

8. Approval of the May 10, 2012 Board Meeting

The general consensus was to hold the next Board meeting on May 17, 2012.

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

None

10. Adjournment

The meeting adjourned at 7:10 pm.