

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
WEDNESDAY, SEPTEMBER 12, 2013**

PRESENT: Kenneth Staton
Randy Tobler
Jonathan Blackwell

Scott Carson
Lindsey Dalley

Joe Davis
Lon Dalley
Jeannie Poynor

Susan Rose
Bryan Mortensen

Byron Mills

Vernon Robison, MV Progress
Dalton Tom, Southern Paiute Veterans
Lucy Spotted Eagle, Southern Paiute Veterans

Shannon King, MVHS Soccer Team
Richard Jones, MVHS Booster Club
Larry Skaggs – Southern NV Mud Racers

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 August 8, 2013 (for possible action)

On motion of Chairman Staton and seconded by Randy Tobler, the Board voted 4-0 in favor to approve the minutes of the previous meeting held August 8, 2013.

3. Moapa Valley High School Boys Soccer Team – Donation – Janet Leming (for possible action)

Shannon King was at the meeting to request a donation for the MVHS Boys Soccer Team. She explained that the money would be used for equipment, gloves, and jerseys. They are short on equipment because the last coach took some of the equipment when he left. They are also holding some fundraisers.

On motion of Lindsey Dalley and seconded by Randy Tobler, the Board voted 4-0 in favor to donate \$100 to the Moapa Valley High School Boys Soccer Team.

4. Southern Paiute Veteran's Pow-Wow – Donation – Dalton Tom (for possible action)

Dalton Tom is the Chairman of the Southern Paiute Veteran's Association. He reminded the Directors that last year we gave them a donation and he would like to request a donation again this year. They really appreciate the donation, it helped them out a lot. The Pow-Wow is not just for American Indians but for all Veterans. They are going to use the money to give all of the Veterans in attendance something to take home to help them remember the 2013 Pow-Wow.

There will be dance competitions with dancers coming from Northern Nevada, California, Colorado, Arizona and Idaho. There will be around 300 dancers competing in 15 different categories. There will also be a drum completion. Their budget runs between \$17,000 to 22,000. Admission is free and so is parking.

On motion of Chairman Staton and seconded by Randy Tobler, the Board voted 4-0 in favor to donate \$100 to the Southern Paiute Veterans Association for the 2013 Pow-Pow.

5. Moapa Valley High School Booster Club – Donation – Jill Barraza (for possible action)

Richard Jones was at the meeting to request a donation for the Moapa Valley High School Booster Club. He has been involved with the Booster Club for the last twenty years. They help with all of the activities at the high school not just sports activities. Last year they donated \$22,000 back to the high school; \$5000 went to the football team & \$1,500 to the swimming team. They gave money to other school groups as well as giving out seven \$500 scholarships.

In the past the District has given a \$100 donation and paid \$100 for a ½ page sports ad in the sports directory.

On motion of Lindsey Dalley and seconded by Chairman Staton, the Board voted 4-0 in favor to donate \$100 to the MVHS Booster Club and to purchase a ½ page sports ad from the advertising fund for \$100.

6. Southern Nevada Mud Racers – Moapa Valley Fire District Benefit – Larry Skaggs (for possible action)

Larry Skaggs said that he doesn't need any money. He's been out hustling money from different business in Southern Nevada. So far he has received around \$2500 and has around \$3200 promised.

He is going to use the money raised at the event to help out the local fire stations. Station 73 needs a trailer to haul the ATV to Logandale Trails and other areas that aren't assessable in the ambulance and rescue truck. They could also use the money to buy t-shirts and other items that they need. The activity is also to let people know that all of the stations need volunteers.

Larry needs a water truck, water, a backhoe, barricades and cones.

Chairman Staton said that we could probably help him with barricades, cones and water. We can't really donate the equipment because we would have to have an employee there to run the equipment.

On motion of Chairman Staton and seconded by Lindsey Dalley, the Board voted 4-0 in favor to donate water, cones and barricades to use for the day of the event to the Southern Nevada Mud Racers.

7. Discussion and possible approval of the Twin Springs Easement Agreement between Moapa Valley Water District and Southern Nevada Water Authority (for possible action)

Joe Davis explained that this agreement has been passed back and forth for several years now and he thinks that we've finally got to the point where we are actually happy with the agreement the way it is. It's scheduled to be on SNWA's agenda at the end of the month.

Chairman Staton asked Byron Mills if he was ok with the agreement.

Byron said that he and Joe met with the SNWA people to go over the agreement. We got what we needed in the agreement so he's ok with it. SNWA finally agreed to our terms because they knew that we wouldn't move forward with anything else until this agreement was signed.

Lindsey had a question on #4. It says "SNWA retains the right to fence, landscape, maintain, and use the Easement Area for SNWA's own purposes, as long as such improvements or uses do not **unreasonably** interfere with MVWD's Easement rights described herein". He has a problem with the word "unreasonably". He asked Joe what kind of things could interfere with our easement rights.

Jon Blackwell came into the meeting at this time.

Joe explained that the Baldwin Springs pipeline was installed in 1974. We've had one leak on that pipeline that we had to repair. SNWA wants to turn this easement into a walk path so they are going to be keeping the weeds down on it. If there's a leak that develops we will still have to be able to go in and fix it.

Byron said that we have to be able to maintain our line and SNWA knows that.

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Lindsey doesn't want to have to rely on them for permission to do anything.

Joe said that if we can't get the water out of Twin Springs by gravity feed then we can use easements F & G in order to put a pipeline in. The two easements were given to us by the LDS Church.

Byron said that on page 2, #3 it says, "This Easement is to be used exclusively for the construction, operation, and maintenance of the Water Facilities. MVWD shall not install or cause to be installed any electrical power infrastructure on the Property, and agrees that all water conveyed through the Water Facilities shall be exclusively gravity-fed. To the extent that such easements are valid, for so long as this Easement is in effect, MVWD agrees not to use the easements described as easements F and G in the Declaration of Easements from the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter Day Saints (Recorded October 12, 2001, in Book 20011012 as Instrument No. 00030 of the official records of the Clark County Recorder) for placement of Twin Springs water diversion or conveyance facilities or associated electrical power infrastructure"

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Byron explained that if we lose the easement for some reason, SNWA doesn't want us on the property. What it says in that section is that as long as we have those easements, then they want these conditions. If we lose those easements for any reason, they don't want us on the property. Easements are recorded property rights so they can't just decide that our easements aren't valid anymore. The easements would have to be lost.

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Scott Carson wanted to know why that was in the agreement. Byron asked Joe if there was a time limit on the easements. Joe said the easement says that if the easements are ever found to be invalid, they are valid until the last living heir of Queen Elizabeth dies (or something like that effect).

Byron said that the only limit is what it says in the 2nd to the last line which is "for placement of Twin Springs water diversion or conveyance facilities or associated electrical power infrastructure". If the easements do become invalid we can still drive on this easement.

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Randy asked if we were ever going to need power and Joe said that if we weren't able to get this easement than we would need power. There is a 25' drop in elevation from Twin Springs and the Baldwin pump house and so it's all gravity fed.

Byron said that there is nothing in this agreement that is going to make the Church easements invalid.

Lindsey went back to #4. He just doesn't like that word "unreasonably" being in there. Chairman Staton explained that it says that they can't unreasonably interfere with MVWD's Easement rights. That word is in our favor.

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Randy said that this agreement only makes it so we can use the water. The other agreement we signed was totally one sided.

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On motion of Lindsey Dalley and seconded by Scott Carson, the Board voted 5-0 in favor to approve the Twin Springs Easement Agreement between Moapa Valley Water District and Southern Nevada Water Authority as written.

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Byron asked Joe what our timeframe is to put this line in and Joe said it's not budgeted for this year.

8. Manager's Report

Office Manager – Jeannie Poyner explained that the reports that they have in their books are for the 1st month of the fiscal year. There are some adjustments in there for the end of the year. They also had the final budget report for the end of the year in their books. Our cash flows are at about \$6,800 but we spent \$174,000 in debt service payments.

We received an email from a customer who wanted to thank Denna for all of her help. She said that this office is always so nice and friendly so that was good news. We did have a customer that wasn't happy with us and she sent an email also. She wanted Chairman Staton's personal email address. We told her we couldn't give it to her but that she could send it through contact and we would forward it to him. She didn't believe us. She was unhappy because she had received a late charge and she wanted it removed. She was told that we couldn't do that so she was mad about it.

Water Distribution Superintendent – 1) Leaks - Lon Dalley explained that we had two leaks last month. One was at Whipple & Gadianton in Moapa. The pipe was in carrier pipe and was Interstate pipe. When the lawyers from VVWD were here they said that all poly would eventually split. We've had a few problems with Interstate pipe but nothing like the Vanguard problems. PVC splits are fairly easy to fix. The other one was on Cottonwood & Heyer. It was actually on the work we did when we moved the meters down there. We fixed the leak and also made an adjustment to the customer's bill. We also had a 3" leak on Henrie & Ranch Rd. The pvc split there too. There were two 8" leaks. One was one on Riverview & Hwy 168. The pvc 45° elbow split. The other 8" leak was between Warm Springs & Lytle Ranch. The pvc split on this one also. **2) Customer Complaints** - There was a customer complaint about an easement that we have just north of Waite Street. There's a hydrant and a meter on that line. The customer was complaining about the weeds. We didn't maintain it like we should have so he borrowed his neighbor's lawn mower and broke it. He wanted us to pay for it but Lon explained to him that we didn't ask him to do it so we wouldn't pay to fix the lawn mower. Lon told him that he would put the easement on a schedule to be maintained every six months. The customer was ok with us not fixing the lawn mower. He figured it never hurt to ask. **3) Lead & Copper Samples** – Every three years we have to take lead and copper samples during June, July, August or September. It's required by the State. We have to call residents and ask them to participate because it has to be taken from their taps. Lon had fun trying to coordinate that. He got the results back from the samples and everything looks good. We just have to send the results to the State. **4) Cottonwood Ave. Project** – All the meters have been moved over to the 12" line, all the laterals that came off the side streets have been tied into the 12" line, the hydrants and bollards have been completed, and the concrete's been poured. All that's left to be done is the paving of the patches on the road crossings. Lon's received one bid back for the paving and is waiting for LJ's bid. As soon as he gets that we'll get the paving done and the project will be finished. **5) Upcoming Projects** – Bowman & Leavitt, Hwy 168, and Catherine Lane. These projects have been on the schedule for awhile.

Water Production Superintendent – Bryan Mortensen said that his crew has been doing a lot of work at Arrow Canyon. They built a separate building up there for chemical storage next to the FCC room. They're just waiting for the door and are trying to hang some water and chlorine proof panels inside the building. The piping in the Chloritec system is around seven or eight years old. It's very brittle because chlorine does that. They're going to redo all of the piping, and the chemical pumps while they're up there working. They have a temporary chemical skid up there right now. It's the one that was bought for Baldwin which we weren't able to use. They made some modifications to it. When they're done with it at Arrow Canyon, they'll move it over to Baldwin. We'll have two new chemical pump skids at Arrow Canyon and Baldwin Springs

Production crew installed some special covers on the windows at Baldwin Springs which the State thought we needed after 38 years.

Coyote Springs is really quiet. The production crew is keeping the buildings clean and waiting for word of when SNWA is going to startup.

The District has been really good about maintaining relationships with the County, NDOT and other people out here. NDOT has created a DMV certified NDOT training and testing course at the corner of Hwy 168 and Glendale Blvd. They gave us a key and said that we can use anytime. We have three guys that still need their CDL's so they can go out and practice anytime they want. NDOT actually offers two separate training days four hours each to help them do the walk through and anything else they needed help with. They've really treated our guys well.

We had 46 data log requests and only nine worked. There were a few other customer service requests.

Master Meter has sent our 1st shipment of registers. Bryan was on the phone with Master Meter today and they think that they can give us 96 registers every six weeks. That will take us three years to change out all the bad meters but it's better than nothing since they aren't offering anything else and we don't know what else to do. We have contacted three other meter suppliers and we're going to have them come down and give us a presentation so we'll know what the price would be if things don't work out. That's not what Bryan would like and not what we asked for but if we can get all of our registers changed out over the next three years and it doesn't cost us anything but time they'll be good for another 7-10 years. We'll start in Overton because those are the oldest registers and work our way up the valley

General Manager – Kane Springs Water- Joe spoke with the gentleman who wants to sell the water in Kane Springs. Joe told him what the appraisal came in at and he was not happy with it. We don't need the water right now but it would have been nice for the future. **SNWA Agreement Modifications** – During discussions on the Twin Springs Agreement, SNWA brought up some of their concerns. They are very anxious to start working on the other agreements. Joe might have some of the agreements at the next meeting for discussion. **Riverview Development** - Leslie and Associates is working on the system modeling for the development in order to figure out line sizes, fire flow demands, and various other things that they need in order to figure out the sizing of the system. We

are still having discussions with them on how to handle the Meadow Valley Wash Water. The applications are in our name but are actually owned by the ROX Owners. We are trying to figure out if we should leave the water in our name which means we will have to make sure we do all of the extensions of time for however long it takes to get the project done or just let them handle it. It would be in our best interest for them to take care of that until they're ready to move forward with the project. We will insist that there is a rider on those applications that says the water has to stay in our service territory. They're having a hard time with that but unfortunately if you look at the way the Order 1169 pump test went there is no water available anywhere but in Meadow Valley Wash. We're talking about 4,000 acre feet of water and it's something we don't want to lose. It's going to take awhile to work out and it will have to be approved by the Board. **Main Line Replacement** – In the last five years we have replaced over 20,000' of 2", 3" and 4" pipe. We've installed well over 40 fire hydrants, we've replaced the pipe where we removed standpipes and installed over 22,000' of large diameter mains between the upper and lower valleys. This has all been done through the Small Main Replacement Program and the Standpipe Replacement Program. We have 177 miles of pipe.

9. **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.

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

- **Litigation**

Chairman Staton called a closed-door session at 5:35 pm. This was seconded by Jon Blackwell.

Chairman Staton reconvened the open-door session at 6:10 pm. This was seconded by Jon Blackwell.

10. **Personnel – Closed Door Session**

Discussion of possible merit bonuses/compensation for certain employees (for possible action)

Chairman Staton said that this item was instigated by what the employees have done for this company and the Directors recognize that. The Directors looked at this a few different ways and Chairman Staton gave credit to Randy because he has been the one who has really worked on this.

Randy reminded the employees who were at Board meeting that when the Directors took office a few years ago they challenged the employees to cut the budget and to look for ways to save money because of the recession we're in. Water sales had decreased so the Directors felt like they had put a big challenge to management and staff. They feel like the employees have stepped up to the plate and gone above and beyond. It started off with over a million dollar project which we would have had to use savings or get a bond to do but management came up with a solution to put a pressure sustaining valve in Moapa which saved the District at least a half a million dollars. There's a whole list of things the employees have done to save money knowing that money was tight. They made the situation work with what they had. The Directors decided that the District can't afford to do a cost of living raise every year which everyone gets no matter what kind of job they do but they decided that if the employees performed they would be rewarded with a bonus.

On motion of Chairman Staton and seconded Lindsey Dalley, the Board voted 5-0 in favor to give every employee a \$1,000 performance bonus on their next paycheck.

On motion of Chairman Staton and seconded Scott Carson, the Board voted 5-0 in favor to give Joe Davis, Bryan Mortensen and Jeannie Poynor a \$1,500 merit bonus for going above and beyond.

On motion of Chairman Staton and seconded Lindsey Dalley, the Board voted 5-0 in favor to change Susan Rose's pay scale from \$22.87 to \$26.28 and to create a temporary pay scale for the position of Executive Assistant II.

Randy explained that this is a temporary pay scale which is only in effect until Susan retires.

Randy wants the employees to understand that this is not ongoing. The Directors will look at how the District's is doing every year and if things look good they'll look at doing this again. This year has been a good year and costs have been kept down that's why they decided to do this.

11. Approval of the October 10, 2013 Board Meeting

The general consensus was to hold the next Board meeting on October 10, 2013 at 4 pm.

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

None

13. Adjournment

The meeting adjourned at 6:25 pm.