

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, SEPTEMBER 9, 2010**

PRESENT: Ken Staton, Chairman
Glen Hardy
Guy Doty

James Robison
John Blackwell

Brad Huza
Joe Davis

Susan Rose
Bryan Mortensen

Vernon Robison, MV Progress
Ryan Wheeler, Forsgren

Debbie Cooper, MVHS Booster Club
Kelby Robison

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. Approval of the Minutes of the previous meeting held on August 12, 2010 (Action Item)

On motion of James Robison and seconded by Guy Doty, the Board voted 4-0 in favor to approve the minutes of the previous meeting.

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

Glen Hardy came into the meeting at this time.

3. Moapa Valley High School Booster Club – Donation – Debbie Cooper (Action Item)

Debbie Cooper was at the meeting to request a \$100 donation and \$100 for advertising which would enable the District to get a full page advertisement in the football, basketball and volleyball program.

On motion of Glen Hardy and seconded by John Blackwell, the Board voted 5-0 in favor to give a \$100 donation and a \$100 from the advertising fund to the Moapa Valley High School Booster Club for a full page ad in the football, basketball and volleyball program.

4. Southern Paiute Veterans Association Donation (Action Item)

Mr. Huza explained that Staff recently received a request from the Southern Paiute Veterans Association for a contribution to assist in holding their 2010 Pow-Wow. This organization has scheduled the event for November 6th and 7th.

Although this organization is not one of the organizations that requests contributions annually, Staff felt that because the Paiute Tribe is located within our service area, the Board may want to review and discuss the request. The typical contribution made to organizations is \$100.00.

A copy of the letter of request was available for the Directors review.

The Directors asked Mr. Huza to write a letter to the Southern Paiute Veterans Association and explain to them that the District would like to make a donation to their association but they would like to have a representative present at the October meeting to request the donation.

This item was tabled until next month.

5. Approval for Staff to prepare and forward a comment letter to Clark County Administrative Services regarding the Moapa Valley incorporation issue (Action Item)

Mr. Huza reminded the Directors that the Clark County Administrative Services Department had forwarded correspondence to the District regarding the proposed incorporation of Moapa Valley. At the August meeting, the Board indicated that the submission of comments was appropriate and a letter should be prepared expressing the following positions on the incorporation.

The Board did not want to take a favorable or descending position on the incorporation issue, but did want to relay its support of the public process involved in the incorporation.

The Board wanted to recommend autonomy among existing and any future governmental agencies.

The Board wanted to be on record that it could not support any implementation of tariffs, taxes or fees that could be imposed upon the District that would negatively impact the customers of the District.

A copy of the letter that Staff prepared was available for the Director's review. Mr. Huza explained that the letter could be modified as necessary to reflect the wishes of the Board.

The general consensus was that the letter was fine.

On motion of James Robison and seconded by Guy Doty, the Board voted 5-0 in favor to instruct Staff to prepare the comment letter on the proposed incorporation as directed and forward it to the Clark County Administrative Services Department upon signature of Chairman Staton.

6. Meadow Valley Wash Update (Discussion Only)

If the Board recalls, during the August meeting Staff informed the Board of EPA's decision to require the District to use the remainder of the funds in the water resource grant by December 2011 or forfeit the grant. The consensus of the Board was to have Staff present options for the use of those monies.

Staff examined three options for the use of the grant funds. One of the main criteria used in the evaluation is the project schedule. From a Staff perspective, it makes no sense to embark upon a project that will potentially take years to complete if the District only has fifteen months to complete.

Option 1 Design and Construction of a Secondary System

Option 1 entails the design and construction of a secondary water delivery system that would extend from a diversion point on the Muddy River to the major turf facilities in the area of the Clark County Schools and Clark County Fairgrounds. The project would require the construction of a river diversion north of the "Wells Siding" diversion, a river diversion in the general area of Whipple Street, the installation of a pump station, the installation of a pipeline and the installation of a storage tank in the general area of the East Logandale Tank.

The regulatory permits for this project will be significant. These permits would have to be obtained within 8 months to meet the overall project schedule. Permits to construct both river diversions would have to be obtained from BLM. Staff met with BLM staff on August 26th on permitting issues, schedules, etc. The meeting ended with BLM's indication that the District would be contacted early in the week of August 30th. To date no contact has been received from BLM. This is typical for BLM over the past several years. The Army Corp of Engineer's would also have to issue permits. In a meeting with ACOE, their staff indicated the work would not impact a significant area and permits should occur with 45 days of application. NDEP was unsure about their involvement in the permitting process as the project would entail allowing a portion of the natural flow to continue in its historic path. The ability to obtain all of the necessary permits, rights of way, etc. in a timely manner is doubtful.

Staff anticipates the engineering selection and plan preparation could be accomplished within six months. The construction time is estimated to be nine months.

The anticipated cost for this project is \$1,300,000. The amount of available project funds is approximately \$1,300,000 (\$700,000 Federal, \$600,000 MVWD).

Option 2 Perennial Yield Study – Meadow Valley Wash

If the Board recalls, the Office of the State Engineer denied the Meadow Valley Wash application submitted in 1997 because the estimated perennial yield was less than the sum of the existing permits plus the MVWD request. The perennial yield study the State Engineer is using in his determination was conducted in 1964. Since that time, significant improvements have been made in the technology used in these types of evaluations. From a Staff perspective, it would be logical to examine the validity of the accepted volume of perennial yield in basin 205. If the evaluation of the perennial yield indicated that additional water did exist, the District could make a compelling argument to the State Engineer to act favorably on the applications that were recently submitted. The District would also have a level of assurance that the State Engineer would issue applications should water be found during some future drilling program. At present, the State Engineer has approximately 23,500 ac-ft of permitted ground water rights in basin 205, the 1964 study indicates a perennial yield of \$25,000 ac-ft and MVWD pending applications total 13,000 ac-ft.

Option 3 Upgrade of the Arrow Canyon Transmission Main

The present diameter of the transmission main from the Arrow Canyon complex to the main that conveys the flow from both Baldwin and Arrow Canyon (20" main) is 14". The maximum volume (by permit) to be conveyed from the Arrow Canyon complex is 10 cfs or about 4500 gallons per minute. The velocity in this main is over 9 fps at the maximum flow. Industry standard for transmission mains is between 2 fps and 5 fps. This high velocity has a significant impact on the pump performance and energy consumption. Staff would propose the replacement of the existing 14" main with a larger main (24"). This size main would lower pipe velocities to within acceptable levels, reduce system headloss and save on energy costs. This project would entail involvement with BLM but the impact would be minimal as the District would be upgrading the main in an existing BLM right of way. The estimated cost for this project is approximately \$1,000,000.

Staff feels that the construction of the secondary system is extremely important to the long range future of the District, but has considerable concern over BLM's ability to process and grant the necessary easements in the timeframe mandated by EPA.

To that point Staff would recommend modifying the grant to include Option 2 and Option 3 as presented above.

Staff will have to prepare an amended work plan for submission and approval by EPA to change the scope of the grant.

After much discussion the general consensus was to go with option 2 and 3.

7. Manager's Report

Senior Accountant – Ken Bessey was not at the meeting so Mr. Huza went over the budget report with the Directors. He explained that the expenditures look good and that July's water sales are high because it was pretty hot last month. August water sales should also be high.

The audit is done. It went extremely well. We will probably have the preliminary audit for the October board meeting.

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

- 1) Performed corrective maintenance on pump #1 at Baldwin Springs
- 2) Did warranty repair work to isolation valves on Vessel A at Arrow Canyon
- 3) Did minor improvements to valves at Jones Spring

- 4) Performed annual preventative maintenance on FVC's at Jones Spring
- 5) Performed weekly and monthly preventative maintenance on production assets and equipment
- 6) Continued to work with Trace Detect on the arsenic analysers
- 7) Installed a concrete vault on the 24" dechlor facility discharge line
- 8) Installed an ultrasonic meter on the 24" dechlor facility discharge line
- 9) Performed in-house CDL training for water production staff

Water Distribution Superintendent – Joe Davis explained that last month one meter was removed from the system in Overton and no fire hydrants were installed.

Work is progressing on the Thomas Street upgrade. All of the 8" road crossings have been installed. Crews are now installing the 8" line from Jones Street east to Conley.

On Saturday, August 28th, district crews repaired a 14" leak on MV Blvd. in Logandale. Crews responded at 2:45 pm and had to shut down and repair the line. Full system pressure was restored by 10:30 pm. In excess of 100,000 gallons was lost. District crews repaired seven 1" service leaks last month.

There were four customer service requests last month. One was for a leaking standpipe, one on a high water bill, one for air bubbles in the line from an outage in the area and one report of a leak at the meter.

General Manager – 1) Dechlorination Facility - No new construction has taken place at this site over the past month. Staff anticipates on scheduling start up for the dechlorination facility around September 28th. Full operations schedule has been modified from June 2010 to October 2010 by SNWA.

2) Intermediate Booster Station - The intermediate booster station project is 99% complete. The project includes the installation of the larger booster pump and a new pressure reducing valve station at the Mining PRV site. The facility start up cannot occur until the 340A project commences. The startup will wrap this project up. As stated the project is not scheduled to commence until October.

3) Upcoming Board Meetings - In an effort to plan the remainder of the meetings for the year, Mr. Huza explained that he would like to discuss possible agenda items for the October and November dates. Typically the December agenda is light as this is the night for the scheduled Christmas Social.

For the October meeting, he would like to present the District's annual report.

For the November meeting, he would like to present the rate structure for next year and would also like to have the General Manager's annual review.

Mr. Huza asked the Directors if there were any other agenda items that need to be addressed in this calendar year. They couldn't think of anything at the meeting but said they would call if they had anything.

4) Schedule Conflict - The second Thursday in November is November 11th. As this is a recognized holiday, an alternate should be chosen. The first Thursday of November is November 4th. The general consensus was to hold the November board meeting on that day.

8. Ratify payment of August Expenditures

On motion of James Robison and seconded by Glen Hardy, the Board voted 5-0 in favor to ratify payment of the August expenditures.

9. Director's Preference

10. Personnel-Closed Door Session

- Approval of the December 3, 2010 Christmas Social (Action Item)

On motion of Ken Staton and seconded by Glen Hardy, the Board voted 5-0 in favor to hold the Christmas Social on December 3, 2010.

11. Approval of the October 14, 2010 Board meeting

The general consensus was to hold the next board meeting on October 14, 2010.

12. Adjournment

The meeting adjourned at 5:05 p.m.