

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF BOARD MEETING
HELD
THURSDAY, JULY 12, 2012**

PRESENT: Kenneth Staton
Jonathan Blackwell
Randy Tobler

Joe Davis
Bryan Mortensen
Lon Dalley

Vernon Robison, MV Progress
Ryan Wheeler, Forsgren Associates

Lindsey Dalley
Scott Carson

Susan Rose
Jeannie Poynor

Jared Bushman, MVHS Soccer Team

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 June 12, 2012 (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 June 12, 2012 with the correction of the Taylor's name from Thomas to Taylor.

3. MVHS Boys Soccer Team- Donation – Janet Leming (for possible action)

Jared Bushman was at the meeting to request a donation for the Moapa Valley High School Boys Soccer Team. He explained that they have a lot of missing uniforms and no money to buy new ones. They have raised around \$600 but need \$2,500. He explained that all of the money donated will be used to purchase new uniforms.

On motion of Chairman Staton and seconded by Scott Carson, the Board voted 3-0 in favor to donate \$100 to the MVHS Boys Soccer Team. Randy Tobler abstained.

4. Approval to purchase governmental accounting software from Pelorus Methods for \$13,500 (for possible action)

Jeannie Poynor reminded the Directors that we've been discussing purchasing new accounting software for a few months now. Staff has done a lot of research on the different kinds of accounting software and last month staff was instructed to place this on the July agenda for possible approval. The other software company's Jeannie & Bryan have looked at cost between \$50,000 and \$110,000. Staff has done a lot of research on Pelorus Methods and Jeannie thinks this software will work just fine for the District. It also cost a lot less money.

Bryan Mortensen has worked a lot closer with the office this last year and has seen what a headache the District's current billing software is. It has potential but their customer service is non-existent. We've been asking them for months to make it possible for us to print bills with the same addresses all together at either the beginning or the end of the bills so Jennifer doesn't have to go through all the bills to find the ones that go together. Last week they finally told us they could do that. He can't say enough bad things about their customer service. Pelorus will do everything we need it to do plus more. Jeannie and Bryan have talked to other Pelorus customers and they love the software and can't say enough good about their customer service. It's will also free up a lot of time in the office so that other projects can be done.

Chairman Staton asked how long it would take to get it up and running. Jeannie said we would like to go live on October 1st. Polorus said the conversion could take a week or two so they'll start the conversion process near the end of September. When the new software is up and running there will be two days of training which will involved all employees.

Scott Carson asked how much we pay for support right now. Jeannie explained that we pay \$2,000 to RVS plus we pay for any custom programming they do for us. We also pay \$900 to Business Works. Pelorus will be \$1,800 a quarter. Bryan said that we will get the Board the exact amount that the District is paying for support on all of the different programs we're using to see how much more we will be paying for support.

Randy Tobler asked if all of our computers will work with the new software. Bryan explained that all of our computers are fairly new so there shouldn't be an issue but Jeannie can check with Pelorus to make sure we don't have to purchase any new computers or upgrade the ones we have.

On motion of Lindsey Dalley and seconded by Scott Carson, the Board voted 4-0 in favor to approve the purchase of new governmental accounting software from Pelorus Methods for \$13,500.

5. Secondary Water System-Phase 1 (for discussion only)

Joe Davis explained that Lindsey had asked this to be put on this month's agenda. Joe didn't hear from any of the Directors prior to today's meeting so he asked them if they had anything they wanted to change or add to the current criteria for the secondary water system.

Chairman Staton asked if staff had anything they thought needed to be changed. Joe said that the communication between MVWD and MVIC had been broken but he thinks that's been repaired. Scott Millington would like to have one of our Directors sit down with one of MVIC's Directors to talk about the program. That will get the ball rolling. We have almost a year until we have to know what we're going to do.

Scott Carson wants to make sure that any shares that become available are offered to the first person on the list. Joe said that's how we do it now and we will definitely continue doing that.

Randy asked about moving shares from one ditch to another. Last year we had considered letting the Ag Farm use some of our shares but we would have had to move them to a different ditch. Randy explained that if shares are moved to a different ditch, MVIC will not move them back to the ditch they were previously on. Randy would like to wait to make a decision until after all of the lease letters have come back so we can see where we stand. Joe explained that the letters just went out this week so we should have an answer at the August meeting.

Randy asked if the name of the program could be changed from Secondary Water System- Phase I to Leased Water Program. The general consensus was to change the name of the program to the Leased Water Program.

Joe said he, Lindsey, Scott Millington and a MVIC Director will meet to go over the criteria and see if there is anything MVIC would like to change or add to it.

Jon Blackwell came into the meeting at 4:55 pm.

6. Manager's Reports

Office Manager – Jeannie Poynor had a new graph for the Directors. This graph showed the monthly revenues, the monthly employee costs and debt service. Employee costs are broken out into MVWD employees and 340A employees with a total for both of them. She spoke with Randy today and he would like to see a total number in the bottom corner of the paper the graph is on. Jeannie explained that at the end of May, revenues were at \$2,698,038, debt was 24% of revenues and employee benefits were 46% of revenues. The 46% includes Brad Huza's benefits. We should end up at the end of the year at about 94% of what was expected on revenues.

We've been using Payclix for a month now and it's running wonderfully.

Interim Water Distribution Superintendent – 1) Leaks - Lon Dalley informed the Directors that there were seven leaks last month. There were two 1" leaks on meter laterals (one on Navajo and one on Janet Circle), one 2" leak at the intersection of Omer and Isola, and three 8" leaks at Hidden Valley and Nevada Energy. A PRV has been installed in Hidden Valley so we shouldn't have any more leaks at NV Energy. There was also one 14" leak downstream of the Baldwin headhouse.

2) Customer Complaints- There was one for no water which was a broken line on the customer's property and the rest were reports of the leaks which were mentioned above. **3) Omer Street Project-** Omer Street is almost finished. We were scheduled to move the meters over to the new line this week but due to the 8" leaks we had this week, we are a little behind schedule so it has been moved to next week's schedule. The bac-t samples came back good so we're ready to move those meters. **4) Lytle Ranch PRV** – The plumbing is done. We're working on getting the SCADA system in. SCADA allows us to be able to see what's going on out there on the computer.

5) Upcoming Projects- MV Blvd/Liston Asphalt Repair – This was scheduled to be done last Thursday but something unexpected came up with the dollar stores NDOT permit. LJ McCormick said that it won't be next week but the week after. **Leavitt/Doty/Gann Streets Project** - This project will be started as soon as the Omer Street is completed. **Cottonwood Project** –The pipe for this project is out in the yard. Joe has started the paperwork for the project. Lon hopes soon to be able to take some of it off of Joe's plate.

Water Production Superintendent – Bryan Mortensen explained that production is still a little over last years. Hopefully that will continue.

Bryan has talked a lot this year about the Chlortec. The unit has been a good one but it's starting to get old. We've replaced most of the major components so hopefully it will be good for awhile. This unit generates the chlorine up at Arrow Canyon.

We backwashed the arsenic vessels at Baldwin Springs because we thought we had some iron coming through the system which wasn't the case but it was good for testing and training. The backwashing is probably what caused the leak up there.

NDEP did a sanitary survey up at Coyote Springs. They had a bunch of recommendations for LVVWD. One recommendation was for LVVWD to use smaller screens on their reservoirs and air vacs so little bugs can't get into the water. There are 86 air vacs from Coyote Springs down to the 3 million gallon tank. There's a discharge line that's on the outside of the air vac and there's a screen on it. The State wants the discharge line turned down so that nothing can sit on it. It will cost about a \$1,000 to make that change which we will do and bill SNWA for.

Both of the backflow devices at the dechlorination facility failed the same week. We had to shut that facility down and order new parts. They've been repaired and the facility is back online.

We are still working with Master Meter. They have a crew coming out not next week but the following week and they are going to change out 100 meters that aren't data logging. They will send them back to Israel and have their scientist take a look at them. They will change the meters they take out with brand new ones. This will be done at their expense,

There were 62 customer service requests. There were 48 data logs, four requests for high/low psi, four for leaks at the meter and six miscellaneous requests.

General Manager – 1) Hoover Power Allocation - Joe had the opportunity to go down to Phoenix with Delmar Leatham and Mendis Cooper. Western Power Administration has been holding back a little bit of power from their users so that when their contract expires in 2017, they can offer power to other utilities and municipalities. Delmar wanted to go down there to find out what their requirements are and to see if we would qualify, which we do, so we can get our application in. It looks promising but the problem is that you're dealing with a whole lot of other entities. We have the potential to save up to 30% on our power bills. They are trying to weed out everything now so that when they actually put it on the market they won't have bickering back and forth. **2) Bond**

Consolidation - Jeannie and Joe met with Will Jones from Wells Fargo Bank in St. George. He was recommended to us by our auditors. He came down to talk about consolidating our bonds. He thinks that he can do something for us. He is crunching some numbers but we haven't received anything back from him yet. He also asked what we are going to do with the rest of our money. He has quite a few ideas which he's also going to put on paper. **3) Lost and Unaccounted for Water** – We're still crunching numbers on the lost and unaccounted for water. It's at 16% right now. We've had several leaks (14" & 8") but those only drop it down to 13%. We're going to pull everything off of SCADA to see if we can figure out what's going on. Ken's checking all of his figures to make sure that he's got all the right numbers in also. We're also going to drive all our lines that are out in the middle of nowhere to see if we have a leak on one of them. Joe will have an update at next month's meeting. **4) Glendale Holdings** – Van Robinson came out and met with Joe and Lindsey. He wanted to talk about the ROX Water and the Riverview Development. They want to consider the Rox Water as one element and keep Glendale Holdings separate. Van asked Joe how much water resources we have and he wanted to know if we would be willing to sell them more than the 24 meters per development a year that's allowed in the Water Dedication Ordinance. He also had some bullet points on some of the agreements that we have. Joe's going to send those bullet points to Byron for him to review. Van said that they are going to go with our demand factor and that they aren't going to ask us to change our service area rules. Joe doesn't see any problem with selling them the meters. They will also have to pay the water resource fee for each meter. That money would be used to acquire more water. They will still have to have to build storage facilities and infrastructure. They are trying to avoid building a

power line to ROX, a pipeline from there or a treatment facility. Joe has reviewed the ROW and doesn't have any problems with it. There are some flood areas he commented on and he's working on the demand factors. They will also have to have a monitoring program in place in order to keep USF&W happy. **5) Hydraulic Review Team Meeting-** Jay Lazarus attended the meeting in Las Vegas with Joe and Bryan. He was already going out to Nye County so they met him in Vegas instead of participating in the meeting through a conference call. There is suppose to be a quarterly meeting but some individuals wanted to have the next meeting in November instead of September. It was decided that there will still be a meeting in September but the big one will be in November. The State Engineer said that he sees the pump test running until February 2013 while they're compiling all the data. When that's been completed the State Engineer will make the decision on whether to continue the pump test or not. SNWA told the State Engineer that they are going to talk to us to see if we want to continue running the program.

7. Director's Preference

Chairman Staton let the other Directors know that it was Mica Leatham's place that burned down last Saturday. Victor Bitter lived there. Victor was burned on his back and basically lost everything he had. Jon said that he would see if he could get some dumpsters from Discount Dumpster since they owe him a favor and he thinks we can find some people in the private sector that could help out too. Bryan explained that the field guys are going to try to get trucks and trailers and help clean up the property and the ladies in the office are going to get stuff together for Victor like blankets, pots and pans, things like that. Jeannie is collecting money for him also.

- 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 5:30 pm. This was seconded by Jon Blackwell.

Chairman Staton reconvened the open-door session at 6:30 pm. This was seconded by Jon Blackwell.

8. Personnel- Closed Door Session

9. Approval of the August 9, 2012 Board Meeting

The general consensus was to hold the next Board meeting on August 9, 2012.

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

None

11. Adjournment

The meeting adjourned at 6:35 pm.