

Corrected Minutes per 2/5/08 Meeting



Board of Trustees
Minutes of Regular Meeting
Thursday, January 3, 2008
7:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Jerome Etchegoyhen
O.P. Brown, Jr.
Michael Henningsen
Ronald Wilcks

Staff Members Present:

Frank Johnson
Bonnie Feticc
April Burchett
Bruce Scott

Others Present:

Craig Olson
Richard Peters
Robbie Oxoby

Board Members Absent:

Mark Dudley

Meeting called to order at 7:00 p.m.

Election of Board Officers: Motion by O.P. Brown, Jr., to retain Jerome Etchegoyhen as Board Chairman, O.P. Brown, Jr., as Board Vice Chairman, and Ron Wilcks as Secretary-Treasurer. Seconded by Ronald Wilcks. Vote: 3 ayes, 0 nays, 1 absent. Motion carried.

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson. Discussion followed regarding an invoice from Microease for an additional 30 hours of work for the accounting software. Frank explained that LaVonne Ghanavati is working with Microease for a detailed explanation of the additional fees, and the invoice is not included with the claims for December. Frank also recommended that the invoice not be paid until all the issues with the software can be resolved. **Motion by Ronald Wilcks to approve the claims for December, 2007 in the amount of \$133,305.87, and to approve the claims paid during December, 2007 in the amount of \$76,491.22.** Seconded by O.P. Brown, Jr. Vote: 3 ayes, 0 nays, 1 absent. Motion carried.

Frank reported that as of December 31, 2007, the operating budget is at 26% of the total budget, and that the sludge removal budget is at 300% of its budget due to paying Dreyer Ranches for biosolids removal.



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Minutes of December 4, 2007 – The minutes of December 4, 2007 were reviewed by the Board. **Motion by Michael Henningsen to accept the minutes of December 4, 2007.** Seconded by O.P. Brown, Jr. Vote: 3 ayes, 0 nays, 1 absent. Motion carried.

The Board expressed concern that an operator was hired without the Board being present at the interviews, and directed Frank to include the Board in the interview process in the future. Frank stated the item was discussed at the November or December meeting. The Board directed the November minutes be pulled and reviewed. This item was discussed in the November minutes, but there was no statement about interviews proceeding without a Board member present.

Public Comment— There was no public comment.

HDR Engineering -- Anaerobic Digester/Trickling Filter Project Status -- Represented by Craig Olson. Craig presented an estimated construction cost table, showing cost estimates and improvement priorities (attached). Discussion followed regarding the various reasons for the increase in the estimated costs for each improvement, the bidding climate, and cash inflow projections. The Board asked Craig about the possibility of deleting items after the bids are submitted. Craig stated that a notice must be placed with the bid that the Board reserves the right to delete specific items depending on availability of funds, and the Board has the right to reject all bids. **Motion by O.P. Brown, Jr. to authorize HDR Engineering to proceed with noticing the bid for Plant Improvements to include an Anaerobic Digester and Digester Control Building, Trickling Filter Pumping Station, and Miscellaneous Improvements shown as Priority Items 1,2, and 6 of the Minden-Gardnerville Sanitation District Cost Breakdown for Anaerobic Digester Facility Estimated Construction Cost (attached and made part of the minutes), with the right to delete any item after the bids are received depending on availability of funding.** Seconded by Michael Henningsen. Vote: 3 ayes, 0 nays, 1 absent. Motion carried.

MGSD -- Bid Award for Pump Station #2 Project -- Bruce Scott presented a bid tabulation for the Pump Station #2 project, with the low bids from V & C Construction, Peterson Construction, and WES Construction. He recommended accepting the bid from V & C, but cautioned the Board that additional monitoring will be needed to keep the project within budget. Discussion followed regarding widespread cost estimates for various items. **Motion by O.P. Brown, Jr. to accept the bid from V & C Construction in the amount of \$911,150.00 for the MGSD Pump**



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Station #2 Project. Seconded by Ronald Wilcks. Vote: 3 ayes, 0 nays, 1 absent. Motion carried.

Richard J. Peters & Company - June 2007 Audit Approval and Cash Flow Analysis Presentation -- Represented by Richard Peters. Richard presented the financial statement for fiscal year ending June 30, 2007. Richard discussed various items included in the financial statement, including an increase in operating revenue of 2.5%, decrease in operating expenses, and the increase in other revenues. Discussion followed regarding project expenses and income for capital improvements. Richard recommended that the Board look at each project as a necessity for capacity. Discussion followed regarding current allocated capacity and the need for expansion at 85%. Frank reported that MGSD is currently approximately just over 80% of capacity. **Motion by O.P. Brown, Jr. to accept the Audit Report prepared by Richard J. Peters, Jr. & Co. for the Minden-Gardnerville Sanitation District fiscal year ending June 30, 2007.** Seconded by Michael Henningsen. Vote: 3 ayes, 0 nays, 1 absent. Motion carried

Engineer's Report – Bruce Scott mentioned that the final map for The Ranch at Gardnerville LLC was recorded without the abandonment of the interceptor easement.

Bruce Scott reported that the 3-year contract with Hydrotech is completed, and he would like to work with Frank Johnson to put another contract out to bid for TVing and line cleaning. Discussion followed regarding coordinating with GRGID regarding line cleaning to ensure that their lines are not cleaned after ours. The Board directed Frank and Bruce to put together a bid.

Bruce discussed the possibility of providing some mathematics training to the Operators for higher grade certification. The Board directed Frank and Bruce to work together on this item.

District Manager's Report (see attached report) –Frank reported Bently has begun taking effluent, so the power bill for the pump station will increase. Frank also reported that there is a community workshop in Winnemucca on January 7 to discuss the changes to the interruptible electrical service rate structure, and he anticipated attending.

Discussion followed regarding educating the public regarding grease interceptor issues. The Board directed a pamphlet be submitted in the quarterly statements for businesses.



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Frank reported that MGSD had experienced ongoing customer service problems with Wells Fargo Bank, and recommended changing the accounts to CityNational Bank. The Board directed Bonnie Feticc to work with CityNational Bank to change both the general and payroll accounts.

Frank reported that he would like the Board to revisit the compensation for Mike Rogers, who has been performing the duties of Lead Operator since December 2006. Mr. Henningsen ~~felt~~ **stated**¹ that the position required a Grade III Certificate, and that Mr. Rogers should obtain that before the Board approved an increase in salary. Mr. Brown felt that Mr. Rogers was a valuable employee and that he should be compensated for the duties performed. Discussion followed regarding the schedule for the Grade III examination, and the possibility of a salary adjustment for a limited time. **Motion by O.P. Brown, Jr., to compensate Mike Rogers an additional \$1,000.00 per month as Acting Lead Operator until the results of the Grade III operator test in which he is eligible to participate are received, and after passing the Grade III exam, he will then assume the position of permanent Lead Operator.** Seconded by Ronald Wilcks. Vote: 2 ayes, 1 nays (Henningsen), 1 absent. The Chairman voted aye. Motion carried.

Meeting adjourned at 10:00 p.m.

APPROVED

Approved _____ By _____
Date

¹ Revision per February 5, 2008 Board action.