



Board of Trustees
Minutes of Regular Meeting
Tuesday, January 5, 2010
7:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

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

Staff Members Present:

Frank Johnson
Sarah King
April Burchett
Bruce Scott
Bill Peterson
Craig Olson

Others Present:

Peter Beekhof
Ray Wilson
Richard Peters

Board Members Absent:

None

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 Mark Dudley. Motion carried unanimously.

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson, April Burchett, and Bruce Scott. **Motion by Michael Henningsen to approve the claims for December, 2009 in the amount of \$180,823.15, and to approve the claims paid during December, 2009 in the amount of \$70,318.40.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Minutes of December 1, 2009 and December 17, 2009 – The minutes of December 1, 2009 and December 17, 2009 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of December 1, 2009 and December 17, 2009.** Motion seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.



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HDR Engineering -- Represented by Craig Olson. Craig presented a proposal to amend the engineering services contract for the anaerobic digester expansion project. Craig stated that the project went longer than expected, and additional services were needed such as the coating, which resulted in excess engineering and inspection costs. In addition, the operations and maintenance manual and startup services were not included in the original contract amount. Mr. Dudley expressed that it might be preferable in the future to break down the project costs during the project in order to anticipate cost overages during the project. Frank Johnson added that the project was completed with no change orders. **Motion by Michael Henningsen to approve the amendment to the engineering contract for HDR Engineering for the Anaerobic Digester Expansion Project in the amount of \$47,060.56.** Seconded by Ronald Wilcks. Motion carried unanimously.

Stone Creek LLC - Capacity Extension Request -- Discussion followed regarding the number of extensions previously granted to the project, and the Code requirement of one 6-month extension. In the past the Board granted an extension on the basis of MGSD Code § 22.010 which states, "The Board of Directors...retains the right to grant adjustments and exceptions to the provisions of this ordinance in order to vary or modify the strict application in cases where there are practical difficulties or unnecessary hardships." Bill Peterson suggested that the Code be changed to allow the Board to make decisions based on extenuating circumstances. **Motion by O.P. Brown, Jr., to allow an extension of time for 73.6 units of capacity to Stone Creek, LLC, for a residential development located at 1331 Stodick Parkway (APN 1220-03-202-001) to expire on July 6, 2010. All rules, requirements, and regulations of MGSD are to be met and all fees paid.** Seconded by Mark Dudley. Motion carried unanimously.

Richard J. Peters, Jr. and Co. - Proposal for Auditing Services -- Represented by Richard Peters. Richard presented a letter outlining a proposal for auditing services. Richard reported that the first year fee is the same as this past year, with cost of living increases over the following 2 years. **Motion by Ronald Wilcks to approve a 3-year contract for Richard J. Peters, Jr. and Co., for financial and auditing services, with the amount of the first year not to exceed \$10,422.00, and for auditing services with the second and third years to be limited to the lesser of the cost of living index increase or 5%.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

MGSD Attorney-Client Conference – Triple Sink EDU Calculation Change: Bill Peterson explained that a triple sink is currently being charged as 4 drains per the MGSD Code, and he and Frank proposed a change in the calculation for the number of drains in the sink. Frank and Bruce Scott pointed out that the triple sink is a health department requirement, as opposed to an MGSD



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requirement. Bill suggested that the ordinance language be amended as opposed to reinterpreted, so a customer cannot request a refund of current capacity. Discussion followed regarding applying a credit on the quarterly user fees for those customers who have a triple sink. Bruce suggested that MGSD notify restaurant customers that a change to EDU calculations may impact their business and let the customers contact MGSD for an audit. **Motion by Mark Dudley to amend the MGSD Code § 6.03.02 to adjust the calculation for triple sinks to 2 drains, including 1 for the sink drain and 1 for the floor drain, from 4 total drains, and to authorize the District Manager to notify affected customers of a possible change to their quarterly user fees.** Seconded by Michael Henningsen. Motion carried unanimously.

PERS Contributions for Board Compensation: As a follow-up to an earlier memorandum regarding PERS contributions by Board members, Bill mentioned that the Board fees cannot be reconciled as a meeting fee under NRS Chapter 318. His conclusion is that the Board salaries are subject to PERS contributions. Bill stated that MGSD can request an opinion from the attorney general. Bill will look into the matter further.

Odor Control Fund Reallocation: Bill stated that the Board can reallocate the funds for odor control at any time. Frank felt that as he works on the budget, he would have a better idea on the best alternative for reallocating the funds.

Engineer's Report – Proposed NDOT Project on Hwy 395 – Bruce Scott reported that a proposed project by NDOT on Highway 395 north of Minden may impact the drainage in the Martin Slough, which could in turn impact the Klauber Pond. Bruce will keep an eye on it, and if there is a significant impact, he may suggest that a dam safety specialist inspect the Klauber Pond dam to protect MGSD's liability.

Grease Digestion Project: Bruce stated that the bid notice for the grease digestion has been published, and 5 general contractors attended the mandatory prebid meeting. The bid opening is January 15th, and the bid needs to be awarded at the regular board meeting in February to meet the ARRA requirements. RCI has also begun working on an agreement with Reno Rendering for accepting the grease.

Carson Valley Inn: Bruce reported that the Carson Valley Inn has a demolition permit and are beginning the remodeling.

Walmart: The design engineer had contacted Bruce regarding some questions, so he anticipated that the design plans would be submitted to MGSD in the near future.



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District Manager's Report (see attached report) – **Capacity:** Frank reported that 13.85 EDU's were sold in December and he presented a graph showing that the capacity allocations have been steady over the past few years.

Biosolids: Frank stated that Bently will begin taking MGSD's biosolids tomorrow based on a verbal agreement and that Bently will be working with MGSD Legal Counsel to finalize an agreement.

TV Camera: Frank anticipated that the camera and trailer should be ready for board tour at the February meeting.

Vacation Request: Frank reminded the Board that any vacation requests over 2 weeks required Board approval. Frank requested authorization for 5 days in addition to the allowed two-weeks for a vacation in the spring. The Board authorized the additional vacation leave.

Secretary's Report – April Burchett reported that she will have a draft job description for the district manager position at the February meeting.

Meeting adjourned at 8.45 p.m.

Approved _____ By _____
Date