



Board of Trustees
Minutes of Special Meeting
Wednesday, December 17, 2009
12:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

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

Staff Members Present:

Frank Johnson
April Burchett
Sarah King
Bruce Scott

Others Present:

Richard Peters
Ray Wilson

Board Members Absent:

None

Meeting called to order at 12:00 p.m.

Public Comment – Ray Wilson, formerly of the Minden Town Board, was present and introduced himself. He stated that the Board has always operated well, and would like to attend more meetings to see how the Board operates.

Richard J. Peters, Jr. & Company -- June 2008 Audit Discussion -- Richard Peters was present to discuss the audit report for FY 2008-2009. Richard pointed out that although due to the recent expansion projects in which the cash decreased by a significant amount in 2009, the assets still look good. He discussed the increase in accrued liabilities, due to a retainage account for construction.

Richard felt that 2.2 million dollars restricted for odor control could be of better use elsewhere. He suggested that a portion be moved into plant expansion or a portion into the general account and a portion into plant expansion. He felt that it might be worthwhile to approach MGSD's legal counsel regarding the possibility of transferring that money. Bruce discussed the background of the odor control fund. Bruce stated that the current odor control system would need to be enlarged at some point, but it should not cost \$2 million, so he felt that it would not negatively impact the odor control funding needed for other potential projects. Mr. Henningsen pointed out that MGSD does not break down the costs of plant improvement projects to show the actual amount spent on odor control, maintenance, or similar categories. Richard and Frank had discussed this in the past also. Bruce pointed out that if a portion of the restricted funds are moved, unrestricted money can still be used for odor control.



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Discussion followed regarding an expected decrease in capacity and connection fees. Richard pointed out the revenues increased from the prior year, but the interest income decreased substantially. Frank pointed out that although cash was down, about \$110,000.00 was spent on inventory for the belt press, which is an asset, so the cash was actually about the same as the prior year. Bruce pointed out that ad valorem taxes will also be reduced in the coming years due to decreasing property values. Richard recommended that operating expenses should be kept as tight as possible, in order to offset the decreased revenues from the tax sources.

Motion by O.P. Brown, Jr. to approve the FY2008-2009 Financial Statement, dated June 30, 2009, as presented by Richard J. Peters, Jr. and Co. Seconded by Michael Henningsen. Motion carried unanimously.

MGSD Digester Expansion Project – Frank reported that Craig Olson could not attend the meeting, but Craig requested that the release of the retainage in the amount of approximately \$50,000.00 be approved, but that the check won't be released until the last few items are completed. The Board agreed to the release of the retainage account.

District Manager's Report – **Grease Expansion-Power Cogen Project**: Bruce Scott stated that the first publication for bid is in the newspaper for the Grease Digestion-Cogeneration project. The cost in the bid notice is shown as a range since a mixing pump needed to be added to the estimate. Discussion followed regarding whether this item will be included in the amount that was funded, and the possibility of obtaining additional funding.

Frank reported that the County paid for the additional capacity for the Jail Expansion project. He also reported that MGSD received the TV camera, and 2 days of training will be needed to operate it.

Discussion followed regarding natural gas usage and heating the new garage building.

Secretary's Report - April Burchett reported that a memorial buffet will be held for David LaBarbara on January 9th at 3:00 p.m. at Glen Eagles in Carson City.

Meeting adjourned at 1:00 p.m.

Approved _____ By _____
Date