

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 Fetic
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.



Minutes
January 3, 2008
Page 2

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**



Minutes
January 3, 2008
Page 3

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.



Minutes
January 3, 2008
Page 4

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 _____ By _____
Date

¹ Revision per February 5, 2008 Board action.



Board of Trustees
Minutes of Regular Meeting
Tuesday, February 5, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott

Others Present:

None

Board Members Absent:

None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and April Burchett. **Motion by Michael Henningsen to approve the claims for January, 2008 in the amount of \$93,232.12, and to approve the claims paid during January, 2008 in the amount of \$68,057.98.** Seconded by Ronald Wilcks. Motion carried unanimously.

Minutes of January 3, 2008 – The minutes of January 3, 2008 were reviewed by the Board. Mr. Henningsen stated that the word "felt" in the second sentence of the second paragraph on Page 4 of the minutes needed to be replaced with "stated" to clarify the requirement of a Grade III certificate for the Lead Operator position. **Motion by O.P. Brown, Jr. to accept the minutes of January 3, 2008, as corrected.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Engineer's Report – Bruce Scott reported that the Douglas County Manager announced his resignation earlier in the week in order to accept a position in Grass Valley, California.



Minutes
February 5, 2008
Page 2

Discussion followed regarding inspections of the storage reservoirs. Bruce explained that the Division of Dam Safety of the State Engineer's Office has the responsibility for inspections and licensing of reservoirs. The Board asked about the frequency of the State inspections, and whether documentation is provided by the State. Bruce stated that State inspections occur on a routine basis, and that MGSD and RCI staff would be able to perform interim inspections if needed. He also stated that the State Engineer's Office does provide documentation after an inspection is performed. Discussion followed regarding the sedimentation and cleaning of the ponds, and maintenance of the screen.

Bruce mentioned that the bid for the 2008 rehabilitation project will be available in March.

District Manager's Report (see attached report) – Frank Johnson reported on Items 1 and 2 of his report (see attached).

Frank reported that he attended a meeting pertaining to the IS 2 (interruptible service) rates in Winnemucca, and that he had a concern with Sierra Pacific Power Company's proposed policy that a user would have to agree to allow SPPCo. to shut off a pump during peak times, in order for the user to get the lower rate. Frank stated that it would be detrimental and a possible health issue to have Pump Station 4 shut down without MGSD personnel available to operate the necessary valving as damage can occur to the lines and pump station equipment if proper steps are not taken during startup and shutdowns. Frank reported that he discussed the matter with MGSD's legal counsel, who will research MGSD's eligibility for an exemption to this policy.

Frank reported that materials were being delivered for the Pump Station #2 project. Bruce mentioned that Todd Connelly is working with V&C Construction to ensure that the material submittals are approved prior to delivery. Discussion followed regarding approval of change orders. Frank reported that on past projects the District Manager was permitted to approve change orders within reason with the stipulation that the Board Chairman was contacted. This policy was implemented in order to expedite the change order approvals. **Motion by O.P. Brown, Jr. to authorize the District Manager and the District Engineer to approve change orders up to \$20,000.00 to \$25,000.00 for the Pump Station #2 project.** Seconded by Michael Henningsen. Motion carried unanimously.

Frank reported that MGSD's bioslids were being transported to the Lockwood Landfill, as the Dreyer Ranch is no longer able to utilize the biosolids as necessary. Bruce discussed the delays with NDEP review of the Bently biosolids permit, and anticipated it would take another few



Minutes
February 5, 2008
Page 3

months for the Bently permit to be issued by the State. Frank reported that the cost to transport the biosolids to Lockwood is approximately \$1,000 per week.

Frank reported that the flow rate from GRGID was measured, and GRIGID contributed approximately 813,000 gallons per day to MGSD's system. Frank stated this amount was almost half of MGSD's total flow of approximately 1.8 million gallons per day. Frank reported that flow will be measured again in the spring to determine if any I & I (inflow and infiltration) is present within the GRGID system. Discussion followed regarding closer monitoring of the GRGID flows and content.

Mr. Dudley asked about the status of the McDonald's grease interceptor. His concern was that the owner would sell the franchise prior to the deadline agreed to with MGSD. Frank reported that no resolution has yet been made on the McDonald's grease interceptor, and he had inspected several other businesses over the past few months. Frank also reported that he received information regarding a seminar in Phoenix related to drawing up and implementing grease interceptor policies and procedures, and he expressed a desire to attend. The Board agreed, and directed Frank to get more details for the March 4, 2008 Board meeting. Discussion followed regarding educating the public on the grease interceptor issues.

Meeting adjourned at 8:10 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, March 4, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Todd Connolly

Others Present:

George Goodspeed
Jeremy Hutchings

Board Members Absent:

None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson. Discussion followed regarding GRGID fixed costs and the status of the Bently biosolids permit. **Motion by Mark Dudley to approve the claims for February, 2008 in the amount of \$346,593.38, and to approve the claims paid during February, 2008 in the amount of \$70,551.89.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Minutes of February 5, 2008 – The minutes of February 5, 2008 were reviewed by the Board. April Burchett stated that "January 2007" as shown under the Claims Review and Approval has been corrected to "January 2008" on the original minutes. **Motion by O.P. Brown, Jr. to accept the minutes of February 5, 2008 as corrected.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Bently Biofuels Station - Represented by George Goodspeed. Frank Johnson presented building and sewer lateral plans for the proposed Bently Biofuels Station convenience store on Buckeye Road. George Goodspeed stated that the store will be for public use and it will be a smaller version of a 7-11. Discussed followed regarding Mr. Bently's various intention to serve the



Minutes
March 4, 2008
Page 2

public with biofuels products. **Motion by O.P. Brown, Jr. to approve the plan review for the Bently Biofuels Station Convenience Store located at 1350 Buckeye Road (APN 1320-28-000-012) subject to 8 conditions outlined in the letter from Resource Concepts, Inc. dated February 22, 2008, and to sell 6.9 units of capacity to Bently Biofuels Company for the Bently Biofuels Station Convenience Store located at 1350 Buckeye Road (APN 1320-28-000-012). All rules, regulations and requirements of MGSD are to be met and all fees paid.** Seconded by Ronald Wilcks. Motion carried unanimously.

Minden Gateway Center - Represented by Jeremy Hutchings. Frank Johnson presented plans for the Minden Gateway Center prepared by R.O. Anderson Engineering. Todd Connelly presented a letter outlining 27 conditions of approval. Jeremy requested Board approval to relocate the existing grease interceptor which was installed for the proposed Bully's restaurant for one of the new restaurants in the development. Frank and Todd disagreed, stating the plans are needed in order to determine the appropriate sizing, and that the grease interceptor would not function properly if it was either undersized or oversized for the new restaurant. Jeremy stated that it would be the tenant's responsibility to replace the tank if it is undersized or oversized at the time of actual plan submittal. Discussion followed regarding the potential for structural damage with relocation, storage of the grease interceptor during construction, and the possibility of selling the interceptor to another developer. Discussion also followed regarding alternatives for a sewer stub for future service for the Hellwinkel property immediately south of the Minden Gateway Center. **Motion by O.P. Brown, Jr. to approve the improvement plans for the Minden Gateway Center located at Hwy. 395 and Hwy. 88 subject to 27 conditions outlined in the letter from Resource Concepts, Inc. dated February 25, 2008, and directed Frank Johnson to send a clarification letter to R.O. Anderson Engineering stating that if the grease interceptor does not meet the MGSD ordinance after review of the subject building plans, the grease interceptor will need to be removed and replaced in accordance with MGSD's Oil/Grease Control Policies. All rules, regulations and requirements of MGSD are to be met and all fees paid.** Seconded by Michael Henningsen. Motion carried unanimously.

Engineer's Report – Todd Connelly reported that the 2008 sewer line televising project is nearly complete, and is subject to Frank's review and approval.

Todd reported that construction has begun on the Pump Station #2 project, and the construction is going well, and that he is setting up weekly progress meetings to ensure that the construction stays on track. Frank stated that the pumps tend to overheat and shut off in the summer months,



Minutes
March 4, 2008
Page 3

so a change order may be presented for an air cooling system.

District Manager's Report (see attached report) – Frank Johnson reported on EDU allocations and effluent disposal amounts for the month (See Items 1 and 2 on the attached report), and that the effluent pumping agreement with Bently will take effect in September resulting in an increase to the pump station power bills. Frank mentioned the reservoirs were last inspected by the State in September 2005 and that Mike Rogers is scheduled to attend a class on dam safety for owners on March 27 in Carson City. Frank discussed a proposal to join an intrastate wastewater response agency. The Board concurred.

Frank presented a cash flow analysis and a letter from Richard Peters outlining the past and project outflow, which recommended that care be taken in approving capital improvement projects. Frank suggested delay of any line rehabilitation projects in an effort to save costs for the upcoming fiscal year. Frank reported that Craig Olson asked that the Board be reminded that the bidding services provided by HDR Engineering is not a part of the contract. This cost averages \$14,000 to \$15,000.

Frank reported that Granite Construction's insurance company has denied MGSD's claim again. MGSD's legal counsel suggested demanding \$12,000.00 to save litigation fees. The Board concurred.

Secretary's Report - Bonnie Fetic requested that the Board authorize Frank Johnson, Jerome Etchegoyhen , O.P. Brown, Jr., and herself to be authorized to wire monies between MGSD's three accounts at City National Bank. **Motion by O.P. Brown, Jr. to authorize Bonnie Fetic, Frank Johnson, Jerome Etchegoyhen, and O.P. Brown, Jr. to transfer funds between MGSD's general, payroll, and money market accounts at City National Bank.** Seconded by Mark Dudley. Motion carried unanimously.

Meeting adjourned at 9:10 p.m.

Approved _____ By _____
Date _____



Board of Trustees
Minutes of Regular Meeting
Tuesday, April 1, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott

Others Present:

Kent Neddenriep

Board Members Absent:

None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bruce Scott. **Motion by Ronald Wilcks to approve the claims for March, 2008 in the amount of \$393,534.66, and to approve the claims paid during March, 2008 in the amount of \$64,929.50.** Seconded by O.P. Brown, Jr.. Motion carried unanimously.

Minutes of March 4, 2008 – The minutes of March 4, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of March 4, 2008.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Gardnerville Ranchos GID - Frank Johnson reported that Gardnerville Ranchos GID is requesting the purchase of 20 units of capacity, and a check has been received for the capacity fees. **Motion by Michael Henningsen to sell 20.0 units of capacity to the Gardnerville Ranchos General Improvement District under the terms of the Supplement to the 1974 Agreement between GRGID and MGSD and are to be used within the Gardnerville**



Minutes
April 1, 2008
Page 2

Ranchos General Improvement District Boundary. Seconded by O.P. Brown, Jr. Motion carried unanimously.

Park Cattle Company - Represented by Kent Neddenriep. Bruce Scott presented a tentative subdivision map prepared by R.O. Anderson Engineering, for 16 parcels located south of Bently Science Park. Bruce reported that a portion of the project is within MGSD's service area and that Park Cattle Company is requesting an amendment to MGSD's service area boundary to include the entire project, and he presented a drawing showing MGSD's current service area boundary and the portion of the subdivision not within the boundary. Kent Neddenriep reported that if the service area boundary adjustment is approved, a private sewer system is proposed consisting of 15 individual lift stations connecting to a force main which would in turn connect to the main serving the Community College in the Bently Science Park. Bruce pointed out that the Board is not approving the proposed sewer system at this time, but they need to decide if they would consider noticing the service area boundary amendment for public hearing. Discussion followed regarding the reasons behind the location of the current service area boundary and the process to amend the boundary. Bruce stated that after approval of the service area boundary amendment by the Board, the developer could then apply for a contract of service. Discussion followed regarding the mechanics of a lift station, and how it functions during a power outage. **Motion by O.P. Brown, Jr. to authorize MGSD staff to notice a public hearing for the May 6, 2008 Regular Board Meeting regarding an amendment to the MGSD service area boundary as requested by Park Cattle Company to include APN's 1320-27-002-001, 1320-28-000-006, 1320-28-000-010, 1320-33-001-004, and 1320-34-001-001 within the Service Area Boundary.** Seconded by Mark Dudley. Motion carried.

Minden-Gardnerville Sanitation District – Tentative Budget for 2008-2009 – Frank reported that he met with Richard Peters regarding the tentative budget for fiscal year 2008-2009, and presented the tentative budget to the Board. Frank stated that the proposed operating budget is \$1,864,774.00, an increase of approximately 8.0 % from 2007-2008, and includes a decrease in repairs and maintenance, an increase in the health insurance benefits for employees, a small increase in lab supplies, a small increase in office supplies, and a substantial increase in sludge removal due to the disposal of biosolids to Lockwood. Frank reported that the salaries and benefits are also higher due to an additional employee. Frank stated the capital expense budget is projected at \$3,410,000 for the Digester improvement project, and that the anticipated revenue (excluding tax revenue) is \$1,606,972.00. **Motion by O.P. Brown, Jr. to accept the tentative budget for fiscal year 2008-2009.** Seconded by Michael Henningsen. Motion carried unanimously.



Minutes
April 1, 2008
Page 3

Engineer's Report – Pump Station #2 Project: Bruce reported that V & C Construction's attention to paperwork has been a problem, but it appears that the problems have been worked out and that V & C's quality of work is good. Bruce also stated that the project is on track and that the pumps are expected in the next week or two.

Bruce stated that the Town of Minden is negotiating an agreement with Douglas County to extend the water service north on the Heybourne Road alignment, which will require an easement from Mr. Bently.

Bruce also reported that Douglas County is looking at flood and drainage areas in the Valley and is proceeding with master planning on this issue. Discussion followed regarding a valley-wide flood map revision project by FEMA.

District Manager's Report (see attached report) – Frank Johnson reported on a request for reimbursement from a homeowner on Bougainvillea for a sewer lateral repair, as outlined in Item 7 of the April District Manager's report (see attached report). Discussion followed line inspections by MGSD at the time the residence was constructed, and the responsibility of lateral maintenance. The Board asked the item be agendized for the May 6, 2008 regular board meeting.

Frank reported that a lateral for a residence on County Road was relocated and connected to the main without MGSD inspection and approval. Frank discussed the matter with Bill Peterson, who felt that the line needed to be exposed and inspected. The Board concurred with legal counsel and agreed that the District Manager send a letter to the property owners demanding the existing and new lateral be uncovered for inspection by MGSD personnel.

Frank requested two Board members to discuss personnel items. Mike Henningsen and Mark Dudley volunteered.

Meeting adjourned at 9:15 p.m.

Approved _____ By _____
Date _____



Board of Trustees
Minutes of Special Meeting
Tuesday, April 8, 2008
12:30 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
Bruce Scott

Others Present:

Craig Olson
Walt Johnson
Tom Crotty

Meeting called to order at 12:35 p.m.

Public Commentary -- There was no public commentary.

MGSD Anaerobic Digester Improvement Project – Craig Olson presented a letter and bid summary dated March 31, 2008 outlining two bids received from K.G. Walters and Stanek for the MGSD Anaerobic Digester improvement project. Craig mentioned that five contractors had attended the prebid meeting, but three did not bid for various reasons. Craig explained the various items contained in the bid: 1) Digester Work, consisting of the new digester and cleaning the existing digester; 2) Trickling Filter Pump Station; 3) miscellaneous improvements, including stairs to the mechanical area of the administration building, a second washer/compactor in the bar screen room, as well as other items; and 4) unforeseen site conditions. Craig reported that K.G. Walters put additional money into Item 3 in their initial bid, which should have been under Item 1, but the overall bid did not change. Mr. Henningsen asked about the difference in the amount of the bid from K.G. Walters on Item 2 as opposed to the engineer's estimate. Craig responded that the amount for a pump was placed under Item 3 which was perhaps more appropriate under Item 2. Discussion followed regarding whether all items should be awarded. Craig stated that future MGSD improvement projects would include an additional secondary clarifier, a second belt press, and a second gravity belt, but Craig and Frank Johnson stated these projects would not be needed for several years. Craig cautioned that Board that the Anaerobic Digester improvement project does not increase liquid capacity in the plant, but it increases capacity in the digester and allows for better treatment efficiency. Discussion followed regarding the cost of the project and the current economic climate. The Board felt that all four items included in the bid were currently necessary and felt it was prudent to award the entire project. **Motion by O.P. Brown, Jr. to accept the bid from K.G. Walters Construction**



Minutes
April 8, 2008
Page 2

Company in the amount of \$4,370,781.00 for Bid Items 1 through 4 of the Anaerobic Digester Improvements Project. Seconded by Michael Henningsen. Motion carried unanimously. Discussion followed regarding the notice of award. Frank asked about mitigating any odor issues that may arise during the digester cleaning. Tom Crotty and Walt Johnson reported that a subcontractor will be handling the digester cleaning, and that odor problems can be mitigated at that time.

Craig reported that HDR's existing contract was for the project Design, and did not include construction management and inspection. Craig presented Change Order No. 2 for construction management and inspection in the amount of \$466,777.00. Frank mentioned that this amount is reflected in the budget for FY 2008-2009. **Motion by Michael Henningsen to approve Change Order No. 2 for the Anaerobic Digester Improvement Project in the amount \$466,777.00 for construction management and inspection costs.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

District Manager's Report – Frank reported that MGSD has received a fax from the owners of the property at 1749 Bougainvillea requesting to be on the May Board meeting agenda to discuss reimbursement for sewer lateral repairs. Bruce reported that they appeared before the Town Board requesting a waiver of the street cut fee to repair the lateral, and the Town Board approved the waiver.

Frank stated that a certified letter was sent to the property owners on County Road who made an unapproved lateral connection to the sewer main. The certified letter stated that the lateral will be uncovered at the owner's expense for inspection by MGSD personnel.

Frank mentioned that he has received reports that a third house on 10th Street may possibly be connected to an abandoned main. Frank reminded the Board that two other laterals on 10th Street were found to be connected to an abandoned main. Frank said that he will monitor the situation and may televise the line if necessary.

Meeting adjourned at 1:30 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, May 6, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott

Others Present:

Donald Robertson
Susan Robertson
Brenda Stein
Kent Neddenriep

Board Members Absent:

None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bruce Scott. **Motion by Michael Henningsen to approve the claims for April, 2008 in the amount of \$273,378.78, and to approve the claims paid during April, 2008 in the amount of \$64,887.15.** Seconded by Ronald Wilcks. Motion carried unanimously.

Minutes of April 1, 2008 and April 8, 2008 – The minutes of April 1, 2008 and April 8, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of April 1, 2008 and April 8, 2008.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Park Cattle Company Public Hearing for Amendment to MGSD Service Area Boundary - Represented by Kent Neddenriep. Bruce Scott informed the Board that the notice for public hearing was published in the Record Courier, and the public hearing for the requested service area boundary amendment could proceed. Bruce recommended approval of the amendment to the service area boundary to allow the proposed subdivision to be served by municipal water and



Minutes
May 6, 2008
Page 2

sewer. Mr. Henningsen asked if a statement to clarify that the boundary change is appropriate for this particular project, so that a precedent is not set. Bruce responded that there is a combination of things to consider with this amendment request, including residential use and the proposed low density of the development, and recommended stipulating that any lift stations included in the project be private in nature. **Motion by Michael Henningsen to approve the amendment to the MGSD service area boundary requested by Park Cattle Co. to include APN 1320-27-002-001, subject to the following findings: the parcel is nearly surrounded by service area boundary, the subject parcel is adjacent to Bently Science Park which is already being supplied by sewer, the parcel is subject to a proposed subdivision of 16 five-acre parcels, and that it is possible for the project to be served by private lift station or by gravity to be determined at the time of development.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Donald and Susan Robertson – Request for Assistance with Cost of Lateral Repair for Property Located at 1749 Bougainvillea – Represented by Donald Robertson. Mr. Robertson presented the issues and history surrounding the lateral repair at 1749 Bougainvillea in the Winhaven Subdivision. Mr. Robertson stated that the lateral continuously malfunctioned since the property was purchased in 1996, and in January 2008, the lateral was excavated for repair. Mr. Robertson reported it appeared that the lateral was installed improperly with no fill, creating a reverse flow in the lateral. He presented an invoice to the Board for excavation and repair, and requested assistance with the cost from the Board. He felt that that MGSD shared some responsibility, since the MGSD Ordinance states that all laterals must be inspected prior to signing off on the residence. The Chairman pointed out that MGSD is not responsible for lateral maintenance. Discussion followed regarding the current process of construction and inspection of new residences by MGSD personnel. Frank pointed out that these practices may not have been typical when the residence was constructed, since MGSD had different personnel at that time. Bruce Scott acknowledged that the problem with the lateral appeared to be unusual, and that the problem appeared to occur after the initial placement of the lateral. Bruce also pointed out that this is the first problem we have been made aware of in Winhaven. Mr. Henningsen expressed concern that if the Board agreed to reimburse the homeowner, that it would set a precedent for other homeowners to approach the Board for lateral repairs. Discussion followed regarding placing findings on a motion to reimburse the homeowner. **Motion by O.P. Brown, Jr. to approve reimbursement to Donald and Susan Robertson for one-half of the cost of repair of the lateral at 1749 Bougainvillea, being \$1,487.50 due to the following findings: the lateral was not properly bedded, which may have possibly been overlooked by MGSD personnel at the time of initial construction.** Seconded by Ronald Wilcks. Motion carried, with 3 ayes (Brown, Wilcks, Henningsen), and 1 nay (Dudley).



Minutes
May 6, 2008
Page 3

Western Boulevard LLC/Raley's – Plan Review and Capacity Request – Represented by Brenda Stein. Bruce Scott explained that Raley's purchased the old Arby's parcel, and proposes to expand the grocery store. He presented a letter from Resource Concepts, Inc. dated April 29, 2008 outlining 15 conditions of approval for site improvements at Raley's, which Brenda Stein agreed to. Frank Johnson presented the plumbing plan for the proposed expansion, and explained that due to the age of the business, Raley's had been exceptionally undercharged over the years. Frank stated that the expansion would require 66.44 EDU's. As the project has an existing credit of 19.7 EDU's, an additional 46.74 EDU's would be required for the project. Frank also reported that he had met with Raley's representatives regarding the number of drains and the cost for capacity and connection for the additional drains, and he anticipated that Raley's may downsize the number of drains. **Motion by O.P. Brown, Jr. to approve the plans for Raley's prepared by EXD Engineering, subject to 15 conditions outlined in the letter from Resource Concepts, Inc. dated April 29, 2008. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Ronald Wilcks. Motion carried unanimously. **Motion by Michael Henningsen to allocate 46.74 units of capacity to Western Boulevard LLC for the Raley's market, subject to revision upon the final project MGSD walk-through. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Mark Dudley. Motion carried unanimously.

Engineer's Report – Pump Station #2 Project: Bruce reported that V & C Construction was required to remove a significant amount of concrete due to improper construction. Bruce pointed out that the project is coming along, but it is costing additional money for inspection and testing. Bruce expressed his frustration with the quality of work and progress of the project by V & C Construction. Bruce requested authorization from the Board to send a letter to contractor stating V & C's responsibility for additional costs for inspection and testing due to the contractor's mistakes, and the Board directed Bruce to send the letter to V & C. Bruce pointed out that he has never encountered this kind of problem from V & C Construction before.

Granite Construction Reimbursement for Roundabout Main Blockage: Bruce stated he spoke to MGSD's legal counsel who reported that Granite Construction's insurance company is not willing to settle for the damage to the main that occurred during the construction of the roundabout at Hwy. 88 and County Road. Bruce recommended that the Board authorize MGSD's legal counsel file suit for reimbursement. The Board agreed. Bruce stated that he would inform MGSD's legal counsel.



Minutes
May 6, 2008
Page 4

Reservoir Emergency Action Plan: Bruce reported that MGSD received a letter from the State's Division of Dam Safety requiring an Emergency Action Plan for the reservoirs. RCI has prepared a draft emergency action plan, submitted it to the State, and is working with Frank to complete the final plan.

Inspections: Bruce recommended that the Board consider allocating additional MGSD staff for inspection of laterals, grease interceptors, and existing commercial inspections to ensure the adequate EDU's are being charged. Discussion followed regarding grease interceptors, the Fats, Oils, and Grease workshop Frank will be attending in Phoenix in June, as well as the problems with improper sizing of interceptors. Frank said he will have more information after the workshop. Bruce emphasized proper sizing of grease interceptors for optimum function.

Park Cattle Company Request for Special Meeting: Bruce reported that a request has been made by representatives of Park Cattle Co. for a special meeting with the MGSD Board regarding proposed master plan changes and development of the Park Cattle property in the Bently Science Park area, as well as north of Muller Lane and near the Home Ranch area. Bruce recommended that the Board agree to the request for a special meeting with Park Cattle representatives for discussion only, and not make any decisions. Discussion followed regarding flood plain mapping. The Board agreed to the special meeting, and asked that the project engineer hold the presentation to one hour.

Mr. Brown reported that a contractor from Southwest Gas was on Meadow Lane televising the sewer lines. Bruce recommended that MGSD contact Southwest Gas to put them on notice that all work conducted in and around MGSD's mains will require approval by MGSD.

District Manager's Report (see attached report) – Frank reported on Items 1, 2, 4, and 6 of his attached report, which were not previously discussed.

Frank reported that MGSD will need to rent a boom truck to repair the flag rope on the flag pole. The Board agreed.

Frank reported that he received the contract from HDR Engineering for the engineering services for Anaerobic Digester project, which needs to be signed by the Chairman. **Motion by Michael Henningsen to authorize the Chairman to sign the contract with K.G. Walters Construction Company Inc., in the amount of \$4,370,781 for construction of the Anaerobic Digester Project.** Seconded by O.P. Brown, Jr. Motion carried unanimously.



Minutes
May 6, 2008
Page 5

Frank presented an estimated revenue and cost analysis chart for the Board's perusal. Mr. Henningsen emphasized the need to keep an eye on the project expenses in relation to the revenue.

Mr. Brown requested a door sign be made for the front door so the paper sign can be removed. MGSD staff was directed to contact a sign company to prepare a sign.

Meeting adjourned at 9:45 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Special Meeting
Thursday, May 15, 2008
12:30 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

Staff Members Present:

Frank Johnson
April Burchett
Bonnie Fetic

Others Present:

Richard Peters

Board Members Absent:

Michael Henningsen

Meeting called to order at 12:40 p.m.

Public Hearing for Tentative Budget Fiscal Year 2008-2009 -- Richard. Peters and Frank Johnson discussed the tentative budget for fiscal year 2008-2009. Frank requested an increase of \$5,000.00 in the tentative budget to cover anticipated increased fuel costs. Discussion followed regarding tracking fuel usage for each vehicle and for the equipment, including the possibility of purchasing a 500-gallon tank with a key pad with a key code for each employee. It would also be a benefit for safety and locking the cabinets where the gas cans are stored. **Motion by O.P. Brown, Jr. to increase the operating expense in the tentative budget by \$5,000.00 to be included in the final budget for fiscal year 2008-2009 and to adopt the final budget for the fiscal year 2008-2009 with at tax rate of .1224.** Seconded by Ronald Wilcks. Motion carried unanimously.

District Manager's Report – Frank reported that there will be a preconstruction meeting on Tuesday May 20 with K.G. Walters for the Anaerobic Digester project.

Meeting adjourned at 1:00 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Special Meeting
Thursday, May 22, 2008
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.
Michael Henningsen
Mark Dudley

Staff Members Present:

Frank Johnson
April Burchett
Mike Rogers
Bruce Scott

Others Present:

Rob Anderson

Board Members Absent:

None

Meeting called to order at 12:10 p.m.

Park Cattle Company – Presentation for Development -- Represented by Rob Anderson. Rob presented a drawing of proposed development on the Park Cattle Company property located to north, east, and west of the current MGSD Service Area Boundary. Rob pointed out that portions of the proposed development are located both within and outside of the service area boundary. Discussion followed regarding projected sewer flows from each part of the development, various alternatives for sewerage for each area, projected plant capacity at build-out, and possible expansion of the current plant to serve those proposed developments outside of the service area boundary. Rob requested that MGSD consider modification of the service area boundary for developments north of Muller and adjacent to Hwy 88. Bruce Scott pointed out that more data would be needed in order for the Board to consider servicing the areas outside of the service area boundary. Bruce also pointed out that the Board would need to make a policy decision regarding whether the Board would be willing to look at service area boundary amendments. Rob also presented a drawing showing the current developed areas within MGSD's service area. Discussion followed regarding the estimated flow at build-out within the service area boundary, issues with the North Valley Treatment Plant, precedence for a service area boundary change, prioritization of serving projects within the current service area boundary, capacity and connection fee rates, and the potential demand of areas within the service area boundary that currently utilize septic systems. Bruce recommended the Board decide which areas MGSD would be willing to consider in the future and let the County know. Discussion also followed regarding public reaction to expansion of capacity, odor control issues, tertiary



Minutes
May 22, 2008
Page 2

treatment, and MGSD's policy regarding lift stations. The Board authorized the District Engineer to proceed with a plant capacity and master planning study.

Bruce also asked Rob about the grading at the Monte Vista site on Hwy. 395 north of the Dreyer Ranch. Rob stated the grading was to resolve floodplain issues, and that the existing sewer manholes are to be raised during the grading. Bruce requested a set of plans. Rob stated he would provide a set of plans to RCI.

Meeting adjourned at 1:05 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, June 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Todd Connelly

Others Present:

Kent Neddenriep

Board Members Absent:

None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bonnie Fetic. **Motion by Michael Henningsen to approve the claims for May, 2008 in the amount of \$199,269.54, and to approve the claims paid during May, 2008 in the amount of \$71,185.50.** Seconded by Ronald Wilcks. Motion carried unanimously.

Minutes of May 6, 2008, May 15, 2008, and May 22, 2008 -- The minutes of May 6, 2008, May 15, 2008, and May 22, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of May 6, 2008, May 15, 2008, and May 22, 2008.** Seconded by Mark Dudley. Motion carried unanimously.

Public Comment— There was no public comment.

Park Cattle Company -- Request for Annexation for Properties located South of Bently Science Park - Represented by Kent Neddenriep. Frank Johnson reported that an application, annexation fee, legal description, and preliminary title report have been received from Park Cattle Company for the annexation of properties located south of Bently Science Park, and that



Minutes
June 3, 2008
Page 2

the parcel is not contiguous to the current MGSD District Boundary but is within MGSD's Service Area Boundary. Todd Connelly recommended that the Board authorize MGSD staff to publish the parcel as a contract of service. **Motion by O.P. Brown, Jr. to deny the application for annexation from Park Cattle Company, to accept the application from Park Cattle Company for contract of service for properties located South of Bently Science Park (APN's 1320-27-002-001, 1320-28-000-006, 1320-28-000-010, 1320-33-001-004 and 1320-34-001-001) and to direct MGSD staff to notice the public hearing for contract of service for the July 1, 2008 regular Board Meeting. All rules, regulations and requirements of MGSD are to be met and all fees paid.** Seconded by Michael Henningsen. Motion carried unanimously.

Martin Stahl – Plan Review and Capacity Request for Commercial Project located at 1482 Southgate Dr. – Todd Connelly reported that a plan review was performed for the proposed commercial project for Martin Stahl, and he presented a letter dated May 22, 2008 outlining 11 conditions of approval. Todd stated the main concern addressed in the letter was regarding the connection of 4 laterals to the main. Frank Johnson presented architectural drawings and stated the project required 5.6 units of capacity. **Motion by Ronald Wilcks to approve the plans for the Martin Stahl commercial project prepared by Owens Engineering, subject to 11 conditions outlined in the letter from Resource Concepts, Inc. dated May 22, 2008 and to allocate 5.6 units of capacity to Martin Stahl for the proposed commercial building located at 1482 Southgate Dr., subject to revision upon the final MGSD walk-through. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Engineer's Report – Easement Abandonment at Minden Gateway Center: Todd Connelly presented an easement abandonment request from Minden Gateway Center. Todd explained that due to the re-parceling of the development, the public utility easement is no longer required. Todd stated there are no utilities in the easement, and any future utilities will be subject to easements. **Motion by Michael Henningsen to abandon the 5-foot public utility easements located on the south and west sides of APN 1320-30-701-015, and to authorize the Board Chairman to sign the easement abandonment document.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Pump Station #2 Project: Todd Connelly reported on the status of the pump station project, and that most of the problems are anticipated to be mitigated prior to project completion. Discussion



Minutes
June 3, 2008
Page 3

followed regarding the problems and extra costs associated with monitoring of the project by RCI. Todd reported that V&C will be responsible for the cost overages. Todd also reported that the startup date was scheduled for June 11, 2008, with the pump test occurring on June 12th.

District Manager's Report (see attached report) – Frank reported on Items 1 and 2 of the attached district manager's report, which were not previously discussed.

Anaerobic Digester Project: Frank reported that K.G. Walters has begun locating the existing lines within the plant in order to proceed with their excavating and dewatering wells, and construction is scheduled to begin in two weeks.

GRGID Agreement: Frank reported that the GRGID agreement documents were included in the Board meeting packets, and recommended that he first meet with MGSD's Legal Counsel and District Engineer before further discussions with the Board, in order to get a clearer view of the details involved in the agreements. Discussion followed regarding monitoring the GRGID flow with MGSD's flow meters.

Mark Dudley reported that the boxwoods at the front entrance to the Administration Building are not thriving and discussed his concerns regarding the suitability of replacement boxwoods. He suggested replacing the boxwoods with burning bush. Discussion followed regarding transplanting the surviving boxwoods in a different location at the plant. **Motion by Michael Henningsen to replace the boxwoods at the entrance of the administration building with a plant deemed suitable by A & C Landscaping, with one-half of the cost of materials to be paid by MGSD, and that the surviving boxwoods be transplanted elsewhere at the plant.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Frank reported that due to the concerns mentioned earlier, the fuel is being kept under lock and key, and that he is looking at the cost of truck-mounted fuel tanks.

General Personnel Session – Frank Johnson reported that he met with Michael Henningsen and Mark Dudley to discuss evaluations and recommendations for employee compensation for fiscal year 2008-2009. Frank proposed a cost of living increase of 4.1%, and reported that the existing employee compensation scale was still comparable with similar entities. Frank presented tables showing the current compensation scale with COLA increases from 2.5% to 4.1%. Frank recommended that each employee receive the COLA increase of 4.1% effective July 1, 2008, as well as, where applicable, the standard 5% step increase effective on the anniversary date of the



Minutes
June 3, 2008
Page 4

employee's certification. Mr. Henningsen expressed concern regarding the current economy, and he requested that MGSD employees be reminded that the Board is being very generous during an economically difficult time. **Motion by Michael Henningsen to accept the 2008-2009 MGSD salary scale at the rate increase of 4.1%.** Seconded by O.P. Brown, Jr. Motion carried unanimously. Frank stated he included a salary increase request of \$5,000.00 (approx. 6%) for the District Manager in the FY 2008-2009 budget, which is the average salary increase he has received over the past few years. Discussion followed regarding the benefits of the District Manager position, as well as breaking down a cost increase into COLA and merit increases. **Motion by Michael Henningsen to increase the District Manager's salary to include a 4.1% cost of living increase and a 2% merit increase effective July 1, 2008 as the result of fine job performance over the past fiscal year.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Discussion followed regarding concerns with the Park Cattle Company development.

Discussion followed regarding the term limit law and the status of the challenges by the Secretary of State.

Meeting adjourned at 9:00 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, July 1, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott

Others Present:

Kent Neddenriep
Alan Reed

Board Members Absent: None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bruce Scott. **Motion by Ronald Wilcks to approve the claims for June, 2008 in the amount of \$326,439.97, and to approve the claims paid during June, 2008 in the amount of \$76,829.14.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Minutes of June 3, 2008 – The minutes of June 3, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of June 3, 2008.** Seconded by Michael Henningsen. Motion carried unanimously.

Public Comment— There was no public comment.

Park Cattle Company -- Public Hearing for Contract of Service for Properties located South of Bently Science Park - Represented by Kent Neddenriep. Frank Johnson reported that the notice for public hearing for the contract of service for Park Cattle Co. was published in the Record Courier and the public hearing could proceed. Discussion followed regarding various alternatives for sewerage the proposed project, and the service area boundary adjustment approved at the May 6, 2008 Regular Board Meeting. **Motion by Michael Henningsen to approve the contract of service for Park Cattle Company for properties located South of Bently Science Park (APN's 1320-27-002-001, 1320-28-000-006, 1320-28-000-010, 1320-33-001-004 and 1320-34-001-001) subject to the letter from Resource Concepts, Inc., dated May 22, 2008, subject to submittal and approval of improvement plans, and subject to private maintenance of proposed pump stations. All rules, regulations and requirements of MGSD are to be met and all fees paid.** Seconded by O.P. Brown, Jr. The Chairman called for public comment,



Minutes
July 1, 2008
Page 2

and there was none. Motion carried unanimously. Discussion followed regarding the impacts of the proposed master plan amendment for the Park lands.

Alan Reed, Warren Reed Insurance -- MGSD Property Insurance Policy -- Represented by Alan Reed. Alan presented a renewal package from the Public Insurance Agency Pool, which includes MGSD's property, buildings, and vehicles, and stated that the annual premium for 2008-2009 is \$911.00 less than the premium in 2007-2008. Discussion followed regarding costs and coverages, the Pool's process of acquiring competitive quotes, and concerns and challenges for the Pool. Frank stated that Pump Station 2 is almost complete and the insurance policy will need to be updated. Alan also reported that the Pool now offers a wastewater treatment plant pollution policy package through AIG, with a \$2 million liability at a premium of \$4,699.00. Discussion followed regarding the types of pollution claims. Bruce Scott recommended that the Board consider obtaining the pollution policy. The Board directed Alan Reed to proceed with an application for the wastewater treatment plant pollution policy to be reviewed by the District Manager and an update be provided at the August 5, 2008 regular Board meeting. Discussion followed regarding the old Dodge pickup truck. Frank will look into the County auction requirements and dates.

Engineer's Report – Bruce Scott reported that the secondary effluent applications for Bently, Park, and Galeppi are ready to be permitted by the State Division of Water Resources. Discussion followed regarding the place of use areas, impacts of proposed developments, and the changes in the contract amounts which take effect in September 2008.

Pump Station #2 Project: Bruce Scott reported that due to lack of good management or supervision from V & C Construction, there are additional costs for inspection, geotechnical, and electrical engineering on the Pump Station 2 project. In addition V&C has not met the contractual completion date, and some of the additional costs will be recovered through liquidated damages. Bruce requested Board direction on how to handle billing the overages. Bruce recommended charging V & C for 50% to 75% of the extra charges, which amounts to approximately \$20,000 to \$25,000. **Motion by O.P. Brown, Jr. to charge back V & C Construction for 75% of the extra charges plus liquidated damages from the Pump Station 2 project.** Seconded by Ronald Wilcks. Motion carried unanimously. Discussion followed regarding the alternatives for the contractor to protest MGSD's decision.

District Manager's Report (see attached report) – Frank Johnson reported on Items 1 and 2 of the attached district manager's report, which were not previously discussed. Frank reported that a window-mount air conditioner has been ordered for Pump Station 4, since the pumps keep tripping out due to the extreme heat. K.G. Walters will cut the opening in the wall and MGSD personnel will install the unit.



Minutes
July 1, 2008
Page 3

Adoption of Ordinances: Frank Johnson reported that a new boundary map for MGSD has recorded, and that Ordinances 176 and 177 need to be adopted to complete the two annexations shown on the new map.

Motion by Michael Henningsen to adopt Ordinance No. 176 for the annexation of 5.91 acres located at 1362 Highway 395 (APN 1220-04-501-019) owned by Waterloo Center LLC. Seconded by O.P. Brown, Jr. Motion carried unanimously.

Motion by Michael Henningsen to adopt Ordinance No. 177 for the annexation of 4.27 acres located at the intersection of Highway 395 and Highway 88 (APN's 1320-30-701-004 and 1320-30-802-001) owned by Minden Gateway Center, LLC. Seconded by O.P. Brown, Jr. Motion carried unanimously.

Anaerobic Digester Project: Frank reported that K.G. Walters is underway with the Anaerobic Digester project, and he anticipates no problems with construction.

Personnel: Frank reported that Operator Jon Kephart has resigned. Frank and Mike Rogers are discussing the feasibility of hiring another operator. Frank also reported that a situation arose regarding a conflict with the salary scale for an employee who obtains higher certification within 90 days prior to his anniversary date. Frank and Michael Henningsen made an adjustment to the policy, as outlined in Item 6 of the attached District Manager's Report. The Board concurred.

Frank stated that he will create a write-up on the alternatives and criteria for grease interceptors from the workshop he attended in Phoenix last week. He anticipates having it available at the August meeting.

Meeting adjourned at 8:50 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, August 5, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott
Craig Olson
William Peterson

Others Present:

None

Board Members Absent: None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson, Craig Olson, and Bruce Scott. Discussion followed regarding the status of the anaerobic digester project. Craig reported that the project is moving ahead smoothly and that due to the project startup, 2 pay requests were submitted for the month of July. **Motion by Michael Henningsen to approve the claims for July, 2008 in the amount of \$997,988.06, and to approve the claims paid during July, 2008 in the amount of \$73,339.42.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Minutes of July 1, 2008 -- The minutes of July 1, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of July 1, 2008.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Holiday Inn Express Minden -- Capacity Request for Hotel located at the Minden Gateway Center, intersection of Hwy. 88 and Hwy. 395 -- Frank Johnson presented a capacity calculation sheet and reported that the proposed hotel would require 30.1 units of capacity with 1 existing unit on the parcel. **Motion by O.P. Brown, Jr. to sell 29.1 units of capacity at a cost of \$119,310.00 to Minden Hotel LLC for the Holiday Inn Express located in the Minden Gateway Center. All rules, regulations and requirements of MGSD are to be met and all fees paid.** Seconded by Michael Henningsen. Motion carried unanimously.



Minutes
August 5, 2008
Page 2

Periferial Storage Inc./Burga & Associates -- Plan Review for Multi-Use Building located at 1424 Hwy. 395, 1221 Eddy St., and 1225 Eddy St., Gardnerville (APN's 1320-33-401-038, 1320-33-401-039, 1320-33-401-048) – Frank Johnson presented plans prepared by Burga & Associates for a multi-use building at Hwy. 395 and Eddy Street. Bruce Scott explained that this is a conceptual request and that the developer is proposing to place a parking structure below ground creating a channel with the sewer main in it. Bruce felt that conceptually it was workable, but detailed plans would be needed before final approval can be recommended. **Motion by O.P. Brown, Jr. to conceptually approve the plans prepared by Burga & Associates for a multi-use building located at 1424 Hwy. 395, 1221 Eddy St., and 1225 Eddy St., Gardnerville (APN's 1320-33-401-038, 1320-33-401-039, 1320-33-401-048) subject to 4 conditions outlined in the letter from Resource Concepts, Inc. dated July 8, 2008. All rules, requirements and regulations of MGSD are to be met and all fees paid.** Seconded by Mark Dudley. Motion carried unanimously.

Open Meeting adjourned at 7:50 p.m. for closed session pursuant to NRS 241.015(2)(b)(2) for Attorney-Client Conference to discuss potential or existing litigation.

Open Meeting called to order at 8:20 p.m.

Engineer's Report – **Pump Station #2 Project:** Bruce Scott reported that the project is substantially complete, with a couple of items needed to be finished by MGSD and the cost withheld from V&C's final payment. Bruce stated there are significant liquidated damages as well as some justified additional costs for V&C. RCI staff is working with V&C regarding the amount of the final payment. Mr. Dudley asked about the timing of final payment and repairs. Bruce explained that technically until final payment is approved by the Board, V&C is still the contractor on the project, so the repairs would occur after final payment is approved. Bruce explained that the construction project did not include connecting the pipe to the dikes, and he recommended that K.G. Walters perform the work under a force account and that a geotechnical report be done to check the integrity of the dam. He has a cost estimate for geotechnical report for \$9750.00. Frank Johnson reported that RCI staff completed an emergency action plan for the ponds and submitted it to the Division of Water Resources Division of Dam Safety. Discussion followed regarding the various testing needed for pond integrity. The Board concurred.

Bruce reported that the PUC proposal regarding responsibility by sewer utilities to locate laterals is still ongoing. It appears that Nevada Association of Counties and some of the larger sewer utility providers are planning to present the issue to the legislature.

Bruce also reported that the sewer system map has been updated.



Minutes
August 5, 2008
Page 3

District Manager's Report (see attached report) – Frank Johnson reported on Items 1, 2, and 4 of the attached district manager's report, which were not previously discussed. Frank reported that the effluent line to Bently had a leak and was repaired. The leakage occurred on MGSD's portion of the line, and there was minimal discharge. Discussion followed regarding the terms of the new agreements with Park and Galleppi which take effect in September 2008.

Frank reported that his report regarding the fats, oils, and grease information from the seminar in Phoenix is almost complete.

Personnel: Frank Johnson reported that Josh Rollings' employment was terminated. Frank presented a proposal for a new entry level position (laborer/OIT), with a salary 2.5% below the Grade I level. Frank explained that it would make clearer to an entry-level employee the amount of manual labor that is required. In addition, Frank reported that he would like to prescreen the applicants, and then call two Board members to interview viable candidates. Also the position would be offered as an initial temporary three month position, progressing into a full time permanent position if the applicant performs satisfactorily during the temporary time period. Benefits would not be required to be paid by MGSD during the temporary time period. Frank reported that two operator positions need to be filled. The Board concurred.

Discussion followed regarding the condition of the north field due to the pump station construction.

Frank would like to give the operators a token of appreciation, such as a gift certificate, for their efforts in taking care of the plant while MGSD is short-staffed. The Board concurred.

Secretary's Report – Bonnie Feticc announced her retirement effective December 12, 2008. Mr. Brown requested that Bonnie draw up a job description.

Meeting adjourned at 9:25 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, September 2, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Bonnie Fetic
April Burchett
Bruce Scott
William Peterson (telephone conference call)

Others Present:

Jeremy Hutchings

Board Members Absent: None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson, April Burchett, and Bruce Scott. Frank explained that the power bill was higher this month due to the running of the dewatering pumps for the Anaerobic Digester Project. **Motion by Ronald Wilcks to approve the claims for August, 2008 in the amount of \$474,746.31, and to approve the claims paid during August, 2008 in the amount of \$74,030.64.** Seconded by O.P. Brown, Jr. Motion carried unanimously.

Minutes of August 5, 2008 -- The minutes of August 5, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of August 5, 2008.** Seconded by Mark Dudley. Motion carried unanimously.

Public Comment— There was no public comment.

Minden Gateway Center, LLC -- Tentative Subdivision Map Approval located at the Minden Gateway Center, intersection of Hwy. 88 and Hwy. 395, Minden -- Represented by Jeremy Hutchings. Jeremy explained the subdivision map is being submitted to allow the development to go forward. Discussion followed regarding sewer service to each building, the number of buildings on each parcel, blanket easements for utility service, and existing and proposed CC&R's. Bruce presented a letter outlining 4 conditions for conceptual approval of the tentative map. Bruce also pointed out that Parcel 2A is a parking area, and does not have a building on it.



Minutes
September 2, 2008
Page 2

Frank reported that the EDU's on existing Parcel 6 will need to be assigned to proposed Parcels 6A, 6B, 6C, and 6D, as the capacity needs to be assigned to individual parcels and not blanket more than one parcel. Jeremy stated he will send MGSD a letter to designate the EDU's on Parcels 6A through 6D. **Motion by O.P. Brown, Jr. to approve the Tentative Subdivision Map for Minden Gateway Center, LLC subject to 4 conditions outlined in the letter from Resource Concepts, Inc. dated August 18, 2008. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Michael Henningsen. Motion carried unanimously.

Emergency Telephone Conference with MGSD Legal Counsel – MGSD's Legal Counsel Bill Peterson reported that MGSD received a letter on August 28, 2008 from the Douglas County Clerk's Office which stated that Trustee Bud Brown was ineligible to run for re-election in November, due to the new term limit law. The Clerk has issued a deadline of September 4, 2008 to file a response, which is why the emergency telephone conference was not on the agenda. Bill explained that the term limit law applied to any elected official that has currently served more than 12 years. There is a question about when Mr. Brown actually began serving on the Board of Trustees. The minutes of December 10, 1996 contained a motion to appoint Mr. Brown to fulfill Vic Pedrojetti's unexpired term to the first Monday in January 1997, and the January 7, 1997 minutes have a motion to appoint Mr. Brown to fill Vic Pedrojetti's unexpired new term beginning the first Monday in 1997. If Mr. Brown's term of office began in 1996, he has served more than 12 years; however, if he began serving in 1997, then he has served less than 12 years. Bill further explained that MGSD could argue that according to the Nevada Revised Statutes the Trustee for a General Improvement District formed under NRS Chapter 318 begins serving his or her term after the bond and oath of office are filed at the County Recorder's Office. April Burchett reported that she spoke with the Douglas County Clerk's office, who stated to her that Mr. Brown's oath and bond were filed on January 7, 1997, which was not possible since the oath was not administered until the evening of January 7, 1997, and April believed that the oath and bond was probably filed at the Clerk's office on January 8, 1997. Bill stated he would be willing to prepare a response letter to the Clerk's Office outlining MGSD's position that Mr. Brown's term of office did not begin until January 8, 1997, but he cautioned that the Clerk would most likely disagree with MGSD's position, which would then bring the matter before a judge. The Board directed Bill Peterson to prepare the response letter and email it to MGSD staff on September 3, 2008 for immediate submittal to the Douglas County Clerk's Office.

Engineer's Report – **Pump Station #2 Project:** Bruce Scott presented a summary letter regarding payment to V&C Construction for \$35,749.48, which includes deductions in the



Minutes
September 2, 2008
Page 3

amount of \$25,830.19 for liquidated damages and additional inspection costs. He also reported that there will be a small amount still owing V & C due to some final items. **Motion by O.P. Brown, Jr. to approve Payment #6 for V&C Construction in the amount of \$35,749.48 for the Pump Station #2 project.** Seconded by Ronald Wilcks. Motion approved unanimously.

Discussion followed regarding the Town of Minden proposed improvements to County Road, as well as the Town office reorganization plans.

Bruce reported that the State Engineer's Office issued the secondary effluent permits for Galeppi Land and Livestock, Park Cattle Company, and Bently Agrodynamics. Bruce explained that Bently's biosolids permit is still being held up at NDEP, and that Bently's application is being politically tied in with the County's North Valley treatment plant applications, so there is no indication on when this matter will be resolved.

District Manager's Report (see attached report) – Frank reported on Items 1, 2, and 3 of the District Manager's report which were not previously covered during the meeting.

Personnel: Frank reported that both Laborer/OIT positions have been filled. Andrew Marshall began on August 28th, and Anthony LaRocca will begin on September 15, 2008. The Board directed Frank to make an offer of employment to Sarah King for the administrative position.

Vehicles: Frank reported that safety lights were installed on the trucks as recommended by the State during their safety inspection. The lights were installed by Douglas County at a cost of approximately \$2,300.00. In addition, the County has offered to provide maintenance services for the district vehicles. The Board asked about oil changes and other similar simple maintenance. Frank stated that MGSD's staff would still perform the simpler maintenance items, but the County would perform the maintenance such as transmission, transfer case, and differential maintenance, all items that MGSD is not set up to perform. The maintenance would be provided at "cost" to the District, which would be a substantial savings over taking the vehicles to the dealer or local shops as is now currently done. Frank said he will look into this further, and the Board concurred. Frank also reported that the County now participates in the State vehicle auctions in Reno, and they no longer auction vehicles. The Board directed Frank to put a notice in the paper to sell the old Dodge.

Grease Program: Frank presented a report regarding processing Fats, Oils, and Greases based on the workshop he attended in June and other research he has conducted. MGSD currently



Minutes
September 2, 2008
Page 4

requires grease interceptors to be pumped on regular intervals; however, compliance has been an issue. Frank explained that technology is now available to process brown grease to increase methane production and convert it into electrical power. Frank believed that it was possible that enough methane would be generated to supply not only the plant's needs, but also additional power could be generated to sell to the power company. Concerns raised by the Board included taking in too much grease, scheduling of deliveries, the need for additional personnel, the cost of new equipment, the cost of an engineering study, and the impact to MGSD's current customers. Bruce Scott recommended that the Board approve the engineering study by Paul Cockrell, and also recommended that Board members tour the facility at Watsonville, California, which Paul Cockrell designed. Bruce pointed out this project does not increase capacity, but it does cut down operating costs. The Board directed Frank to ask Paul Cockrell to make a presentation at the October meeting, and to pay Mr. Cockrell's expenses to come to MGSD for a presentation.

Meeting adjourned at 9:00 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, October 7, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Sarah King
April Burchett
Bruce Scott

Others Present:

Brenda Stein
Paul Cockrell

Board Members Absent: None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bruce Scott. Discussion followed regarding the status of the Pump Station 2 project. Mr. Brown expressed concern regarding the cost of the safety lights for the trucks. Frank explained that the lights were upgraded pursuant to a recommendation from the OSHA inspector. **Motion by Michael Henningsen to approve the claims for September, 2008 in the amount of \$617,152.91, and to approve the claims paid during September, 2008 in the amount of \$70,727.46.** Seconded by Ronald Wilcks. Motion carried unanimously.

Minutes of September 2, 2008 – The minutes of September 2, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of September 2, 2008.** Seconded by Michael Henningsen. Motion carried unanimously.

Public Comment— There was no public comment.

Minden Pacific Associates - Mahogany Court Development Plan Review and Capacity Request-- Represented by Brenda Stein. Brenda reported that the proposed project is a low-income housing development consistent of 21 residential units and a common use room. Frank stated that the residential units require 21 units of capacity, and additional capacity for the common room will be calculated when the plumbing plan is submitted. Bruce Scott presented a letter from Resource Concepts, Inc. dated September 26, 2008 outlining 8 conditions of



Minutes
October 7, 2008
Page 2

approval. Discussion followed regarding Condition 3 outlining an alternative hook-up to the 12-inch main on Mahogany Dr. Brenda stated that she needed to look at that alternative in more detail to see if it would work, but she felt the depth of the 12-inch main would not be feasible. Bruce stated that he would work with Brenda to determine the best solution. Bruce also reminded Brenda that if the units are turned into condominiums, individual connections will be required, as noted in the letter from Resource Concepts, Inc. **Motion by O.P. Brown, Jr. to approve the improvement plans for the Mahogany Court development subject to 8 conditions outlined in the letter from Resource Concepts, Inc. dated September 26, 2008, and to sell 21 units of capacity to Minden Pacific Associates for the Mahogany Court development located at 894 Mahogany Dr. (APN 1320-30-410-014). All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Mark Dudley. Discussion followed regarding a time limit to pay for the capacity and the Chairman's concern that a potential buyer would not be aware of the expiration date and status of capacity. Motion carried unanimously.

Paul Cockrell -- Presentation on Grease Receiving Facility – Frank Johnson introduced Paul Cockrell to the Board and reported that Paul had designed grease digestion projects at other wastewater treatment plants. Paul explained that a grease receiving facility would enable MGSD to obtain grease from area businesses and digest it into methane. Paul presented photos to the Board to explain the process of digestion. Discussion followed regarding potential costs for the equipment, which Paul felt would cost approximately \$200,000 or less, since MGSD currently utilizes some of the needed equipment. Paul and Frank explained that the advantages to MGSD in implementing grease digestion included a reduction of grease in the collection system, a reduction in wastewater biosolids, revenues from tipping fees, a reduction in natural gas use at the plant, as well as the potential to sell excess energy to the power company. Discussion followed regarding the potential amount of grease MGSD can accept, manhours needed to operate the system, and cleaning and maintenance requirements. Paul explained that he performs two studies, a grease digestion study and a cogeneration study, if the grease digestion study shows that a cogeneration study would be warranted. Paul outlined the scope of the study including the size of the tank, the volume of available grease, and schedule of grease deliveries among other items. Paul also mentioned that construction of a grease digestion facility could be implemented as a change order under the current Anaerobic Digester project. Discussion also followed regarding setting up a contract with third-party haulers, as well as alternatives for odor control. **Motion by O.P. Brown, Jr. to approve a grease digestion study by Paul Cockrell in the amount of \$20,000.00.** Seconded by Ronald Wilcks. Discussion followed regarding the availability of grants for this type of improvement. Paul stated research of grants is included in



Minutes
October 7, 2008
Page 3

his study. Motion carried unanimously. The Board thanked Paul for taking the time to meet with the Board.

Engineer's Report – Bruce Scott reported that arbitration for the Granite Construction litigation is scheduled for January 14, 2009. Joan Wright has been named the arbitrator.

Pump Station 2: Bruce Scott reported that the geotechnical study for the pipeline to tie the pump station 2 into the reservoirs has been completed, and he will approach KG Walters to obtain an estimated cost of construction. Discussion followed regarding the delicacy of the construction of this project, and the qualification of KG Walters to perform the work. Bruce stated that after a cost estimate is received from KG Walters, the Board can then decide if it is feasible to move forward with construction.

Pretreatment Program: Bruce Scott reported that Douglas County is implementing a pretreatment program, pursuant to a requirement from the EPA, for heavy metals, grease, or other exotic elements that can damage the collection and treatment system. Bruce explained that the only problems MGSD has encountered in the past were with Bently and dentist offices. Both issues have been resolved over time. Resource Concepts is doing some preliminary research in pretreatment requirements for future implementation by MGSD.

District Manager's Report (see attached report) – Frank Johnson presented a chart of MGSD's construction costs from 1964 through 2008 for the Board's information. Discussion followed regarding NDEP's procedure for permitting additional capacity.

Frank reported that no EDU's were sold in September. Frank explained that currently the Board Chairman is authorized to sign connection permits if the District Manager is unavailable, but he felt that it would better serve the public if a staff member was also authorized to sign them. He requested authorization for the Lead Operator to sign connection permits if the District Manager is not available. The Board concurred.

Frank reported that the new effluent disposal agreements with Park Cattle Company and Galeppi Land & Livestock took effect in September.

McDonald's – Frank reported that McDonald's has submitted plans for additional drains in their restaurant. Since MGSD is in the process of evaluating the grease interceptor ordinance, Frank felt it would be prudent for McDonald's engineer to place a note on the plans stating their intent



Minutes
October 7, 2008
Page 4

to upgrade the grease interceptor. The Board felt that no further capacity should be sold to McDonald's until the grease interceptor is upgraded. The Board directed Frank to write a letter to the restaurant owner and to McDonald's corporate office regarding the grease interceptor requirement, and directed that all future discussions and requirements related to McDonald's occur in writing.

Further discussion followed regarding the timeframe for payment and use of capacity as outlined in the MGSD Code. The MGSD Code states that developers have 9 months to pay for the capacity and 2 years in which to use it.

Mr. Brown suggested placing an ad in the Sierra Scoop for the Dodge truck.

Secretary's Report – Discussion followed regarding plans for a retirement party for Bonnie. The Board suggested December 5, 2008 for a luncheon at the Country Club restaurant. The Board directed April Burchett and Sarah King to proceed with the arrangements.

Meeting adjourned at 9:00 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, November 4, 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
Mark Dudley

Staff Members Present:

Frank Johnson
Sarah King
April Burchett
Bruce Scott

Others Present:

Robert Rouselle

Board Members Absent: None

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson, April Burchett, and Bruce Scott. Frank presented an expense summary for the anaerobic digester project, showing the expenses through the end of October 2008 and the amount remaining under the contracts. The Board requested a monthly breakdown of expenditures and remaining budget. Frank stated that a summary would be available at the December 2, 2008 regular Board meeting. Discussion followed regarding monthly expenses and income, the plant capacity needed for District buildout, and the current permitted capacity. **Motion by Michael Henningsen to approve the claims for October, 2008 in the amount of \$417,404.04, and to approve the claims paid during October, 2008 in the amount of \$81,934.10.** Seconded by Mark Dudley. Motion carried unanimously.

Minutes of October 7, 2008 – The minutes of October 7, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of October 7, 2008.** Seconded by Ronald Wilcks. Motion carried unanimously.

Public Comment— There was no public comment.

Walton's Inc. - Plan Review -- Represented by Robert Rouselle with Hunter Creek Engineering. Bruce Scott explained that the proposed Walton's funeral home project is located between St. Gall's Church and Animal Medical on Centerville Lane, and he presented a letter from Resource Concepts, Inc. outlining 8 conditions of approval. Bruce explained that there is an existing stub in the interceptor manhole so a design detail for the connection to the stub will be needed. Mr. Rouselle stated that a detail would be provided. Frank Johnson reported that 2.0 units of capacity will be required for the building and will be sold administratively prior to construction. **Motion by O.P. Brown, Jr. to approve the improvement**



Minutes
November 4, 2008
Page 2

plans for Walton's Inc. located at 1349 Centerville (APN 1220-04-201-001) subject to 8 conditions outlined in the letter from Resource Concepts, Inc. dated October 22, 2008. All rules, regulations, and requirements of MGSD are to be met and all fees paid. Seconded by Ronald Wilcks. Motion carried unanimously.

Engineer's Report – Bruce Scott reported that the rescheduled County Commissioner's hearing for Park Cattle Company will be held on Thursday, November 6, 2008. Bruce spoke with the Public Works Department regarding the Board's views on the project.

Gardnerville Water Company Proposed Sewer Main Expansion - Bruce reported that he has spoken with Mark Gonzales with the Gardnerville Water Company regarding an extension of the sewer main for their proposed office on Mathias Parkway to serve future developments. Gardnerville Water Company would like to set up a cost reimbursement plan, similar to the plan that was set up for Mr. Bently on Buckeye Road. The Board directed Bruce to work with Mark Gonzales on this.

Granite Construction - Bruce reported that he and Frank will be meeting with Jaycee from Bill Peterson's office to prepare for the deposition regarding the debris in the manholes at the roundabout at County Rd..

Pretreatment Program – Resource Concepts staff is continuing to monitor the plans that Douglas and Lyon Counties are preparing for their required pretreatment programs.

Biosolids Disposal - Discussion followed regarding the status of Bently's biosolids permit with NDEP. Bruce suggested that a letter be sent to NDEP explaining MGSD's position with biosolids disposal. The Board requested that RCI prepare a letter for MGSD's signature.

Pump Station 2 – Bruce reported that he anticipates a cost estimate for the lines through the ponds from K.G. Walters at the December meeting.

District Manager's Report (see attached report) – Frank reported that no capacity was sold during October, and no effluent was discharged.

Plant Security – Frank reported that the plant's perimeter fence was cut and some of K.G. Walters' equipment was stolen, at a cost of approximately \$15,000. Frank explained the potential risk to the plant if someone breaks in. He felt it would be prudent to research additional security for the plant. The Board directed Frank to look into various security items.

The Hartford 457 Plan – Frank reported that MGSD is now eligible to participate in the State's 457 Hartford program, which would allow more investment options for MGSD's employees. In order to implement the change, The Hartford needs a motion from the Board. **Motion by O.P. Brown, Jr. to**



Minutes
November 4, 2008
Page 3

authorize the District Manager to change MGSD current Hartford 457 program to the Hartford's Enhanced program with the understanding that there are no administrative fees associated with this change. Seconded by Michael Henningsen. Motion carried unanimously.

Grease Digestion - Frank reported that he is meeting with Paul Cockrell on Friday to discuss the status of the grease digestion study.

Frank reported that it has been determined that a John Deere Gator is not needed at the plant at this time. The existing quads need new tires, but the plant's needs would be served with new tires. Frank also reported that a couple of bicycles might also be useful. The Board directed Frank to discuss purchasing bicycles with MGSD operating staff.

Discussion followed regarding the plant maintenance program. The Chairman expressed concern regarding the leaves clogging up the effluent ditch. Frank explained that the leaves are regularly cleaned out of the plant facilities.

Secretary's Report – April Burchett reported that reservations were made at the Country Club restaurant for December 5, 2008 for Bonnie Fetic's retirement party, and that invitations have been sent. April also explained that a Southwest Airlines gift card has no restrictions and no expiration date. The Board directed April Burchett to purchase a Southwest Airlines gift card in the amount of \$300.00. In addition, Bonnie will receive a piece of jewelry and a plaque.

Meeting adjourned at 8:30 p.m.

Approved _____ By _____
Date



Board of Trustees
Minutes of Regular Meeting
Tuesday, December 2, 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
Sarah King
April Burchett
Bruce Scott
Craig Olson

Others Present:

Paul Cockrell

Board Members Absent: Mark Dudley

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

Claims Review and Approval -- The claims were reviewed by the Board and questions were answered by Frank Johnson and Bruce Scott. Frank presented an expense summary for the anaerobic digester project, showing the expenses through the end of November 2008 and the amount remaining under the contracts. **Motion by Michael Henningsen to approve the claims for November, 2008 in the amount of \$642,337.26, and to approve the claims paid during November, 2008 in the amount of \$84,394.56.** Seconded by Ronald Wilcks. Motion carried.

Minutes of November 4, 2008 -- The minutes of November 4, 2008 were reviewed by the Board. **Motion by O.P. Brown, Jr. to accept the minutes of November 4, 2008.** Seconded by Ronald Wilcks. Motion carried.

Public Comment— There was no public comment.

HDR Engineering -- Status Report on Anaerobic Digester Project -- Represented by Craig Olson. Craig presented a project costs graph outlining the percentage of the construction and engineering budgets spent to date, and noted that it appeared the construction is proceeding faster than originally anticipated. Discussion followed regarding the front-end expenses for materials and equipment. Craig mentioned that construction has gone well overall. Frank reported that a non-potable water line was damaged today, and it was anticipated that the contractor would repair the line on December 3. Discussion followed regarding underground lines that have been unknown and efforts to photograph construction items as much as possible.



Minutes
December 2, 2008
Page 2

Stone Creek, LLC - Capacity Extension Request – This item was continued until the January 6, 2008 regular Board meeting at the request of the developer.

Richard J. Peters, Jr. & Company -- June 2008 Audit Approval -- Frank Johnson reported that Richard Peters was unable to attend tonight's meeting. Frank stated that he and Richard met two weeks ago and went through the audit, which appeared to be in order. Richard requested that the Board approve the audit to meet the State's filing deadline of December 31, 2008, and that Richard would be available at the January meeting to answer any questions the Board may have. Frank Johnson presented a chart outlining MGSD revenues and expenditures chart for FY 2008-2009. Discussion followed regarding the amount of EDU's produced by customers in GRGID, the Town of Minden and the Town of Gardnerville. **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, 2008.** Seconded by Michael Henningsen. Motion carried. Discussion followed regarding permitted and potential flow of the plant, and the impact of a large development on the plant, as well as an updated Master Plan for the plant.

Paul Cockrell – Update on Grease Receiving Facility Study – Paul explained the process for grease digestion. Paul reported that based on his study, he has calculated a maximum loading rate, minimum number of retention time, projected tipping fee, and the potential reduction of biosolids in the collection system. There is also a greater number of grease available in the area than MGSD's projected loading rate. Discussion followed regarding the sources of grease, the potential for power generation, and the manpower required to operate the system. Paul also presented various alternatives for grease digestion and a list of items to consider for the next steps. Discussion followed regarding potential ways to make grease digestion at MGSD cost effective for restaurant owners. Paul stated that it appeared that enough grease was available to allow for the power cogeneration study. Paul felt that the grease digestion portion could be handled as a change order under the current anaerobic digester project, but the power cogeneration is a much larger scale project and would have to be done separately. Discussion followed regarding the potential and options for doing a power cogeneration study. **Motion by Michael Henningsen to authorize Paul Cockrell to proceed with the power cogeneration study in the amount of \$15,000.00.** Seconded by O.P. Brown, Jr. Motion carried.

Engineer's Report – Pump Station Outfall Line – Bruce Scott reported that a cost estimate was obtained from KG Walters, and he would like to look at it in more detail in order to make a determination on whether it is feasible. He will discuss it with the Board in more detail at the January meeting.

Park Cattle Company Proposed Master Plan Amendment – Bruce Scott reported that the County staff report did not accurately reflect MGSD's and Town of Minden positions to the County Commissioners. Bruce clarified MGSD's and the Town's positions on the project to the County Commissioners, that



Minutes
December 2, 2008
Page 3

MGSD and the Town would be capable of serving projects within the Service Area Boundary but additional information would be needed prior to approval of serving any project outside of the existing service area boundaries.

Granite Construction Roundabout Litigation – Bruce Scott stated he received an email from MGSD's legal counsel stating that the arbitration hearing was rescheduled to February.

Biosolids Permit – Bruce Scott reported that he spoke with Jim Usher at Bently Agrowdynamics, and it appeared that although Bently would like to get the issue resolved, the permit is still being reviewed by NDEP.

RCI Fee Schedule – Bruce Scott stated that the last fee schedule increase by RCI was in 2004, and he would like to increase the fee schedule by approximately 7% to 9%. **Motion by O.P. Brown, Jr. to authorize an increase of RCI's engineering fees for MGSD district business at a rate of 8% rounded up to the nearest dollar.** Seconded by Ronald Wilcks. Motion carried.

District Manager's Report (see attached report) – Frank Johnson reported on Items 1 and 2 of the attached report.

The Hartford 457 Plan – Frank Johnson presented an interlocal agreement for approval to finalize the change to The Hartford 457 Plan which was authorized at the November 4, 2008 regular Board meeting. **Motion by Michael Henningsen to authorize the District Manager as the 457 Plan Administrator to sign the Interlocal Contract between the State of Nevada by and through Its State of Nevada Employees' Deferred Compensation Committee and Minden-Gardnerville Sanitation District.** Seconded by O.P. Brown, Jr. Motion carried.

Meeting adjourned at 9:10 p.m.

Approved _____ By _____
Date