



Board of Trustees
Minutes of Regular Meeting
Tuesday, December 3, 2013
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Michael Henningsen
Raymond Wilson
Barbara Smallwood
Robert Allgeier
Mark Dudley

Staff Members Present:

Frank Johnson
April Burchett
Sarah King
Brian Buffo
Bruce Scott

Others Present:

Jeremy Hutchings

Board Members Absent:

None

Meeting called to order at 6:00 p.m. by Michael Henningsen, Chairman

Public Comment – There was no public comment.

Claims Review and Approval – The claims were reviewed by the Board and questions were answered by Frank Johnson. **Motion by Ray Wilson to approve the claims received for November, 2013 in the amount of \$28,862.01, and to approve the claims paid during November, 2013 in the amount of \$86,364.94.** Seconded by Mark Dudley. Motion carried.

Minutes of November 5, 2013 Regular Board Meeting – The minutes of November 5, 2013 were reviewed by the Board. **Motion by Barbara Smallwood to approve the minutes of the November 5, 2013 Regular Board Meeting.** Seconded by Ray Wilson. Motion carried.

Parkway Vista Apartments As-Built Approval and Line Acceptance – Represented by Jeremy Hutchings. Bruce referred to the letter which was handed out to the Board and not included in the Board package. RCI was recommending approval by the Board of the as-builts for the Parkway Vista Apartments Sewer Main. Jeremy mentioned that the job was close to completion and hoped to be done by the first of the year. Frank mentioned that he and Brian had done the walk through and everything was good to go. **Motion by Ray to approve the as-builts for Parkway Vista Apartments Sewer Main prepared by R.O. Anderson Engineering, Inc. and to accept the sewer mains for maintenance. All rules, regulations, and requirements of MGSD are to be met and all fees paid and the three**



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requirements from the Resource Concepts letter dated 12/3/2013 be adhered to. Seconded by Bob Allgeier. Motion carried.

Bob had a question whether there were Sani-Huts being used or if the inside facilities were being used as they were not as yet being billed for sewer. Jeremy was not sure but he thought that they were using the inside facilities especially today as the weather was very cold.

Town of Gardnerville – Waiver of Past-Due Fees for Former Eagle Gas Property – Frank explained to the Board that the fees owed by the Town of Gardnerville had a discrepancy between what was showing as owed and what was actually owed. He explained that the accounting system had been erroneously calculating the finance charges and the handout showed the correct finance charges of \$627.00 with the outstanding sewer bill amount of \$767.00. Frank suggested that MGSD should only bill the amount owed which is what the Town of Gardnerville was willing to pay. He stated that the lien and court fees could not be waived unless the Board approved it. Barbara wanted clarification about the bill being sent out, as when the Town of Gardnerville was considering buying the property, they were aware of \$30,000.00 being owed, of which MGSD was owed about \$3,000.00. Frank explained that it was the erroneous finance charge calculation that had caused the large amount. Barbara wondered if there was anyone else who had been billed incorrectly and was informed that it had all been corrected. Mark wanted to know if Town of Gardnerville knew about the recalculation and Frank stated he had informed Tom Dallaire about it. Discussion followed about the charges. Bob had questions about whether the lien was a proper lien where there was no clear title unless payment was received in full by MGSD. Bob also asked Barbara if she had an answer from Legal counsel about a conflict of interest in this issue. Barbara responded that legal had stated that there was no conflict of interest but she still felt there was one. Ray mentioned that when the property was bought, the Town knew what was owed and still chose to acquire it and so was responsible for what was owed. Mark asked how the Town was getting the property and Bruce explained that it had been foreclosed on for taxes and the Town got it from the County on that basis. Discussion followed about what the Town knew and did not know. **Motion by Bob to submit a revised billing for payment in the amount of \$1,499.47 to Town Of Gardnerville to satisfy the delinquent billing, finance charge, lien and court costs and full payment of that request must be made before MGSD will sign a lien release that is attached to the property.** Motion seconded by Ray Wilson.

Discussion: Mark stated that if an individual had bought the property then he would be liable for all past fees to have the lien removed. Bob agreed that since none of the County or Towns pay Ad valorem taxes for the services provided, they should not be let off the hook. Ray asked Bob that if the County waived all the taxes would Bob be willing to change the motion and Bob stated he would not.

Ray also brought the increased health care costs in the future and felt that MGSD should be careful of every penny coming in or going out. Mike had a question about when the water was off if there was any



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maintenance being done on the lines since they were being billed. Barbara informed him that the print out showed that during “water off” there were no charges.

Motion carried unanimously.

Attorney-Client Conference – This item was pulled from the agenda.

Engineer’ Report – Bruce Scott reported on the following items:

Design work on County Road was moving along and also the collections systems master plan.

He is currently reviewing plans for a culvert in the Virginia ditch which will cross under Muller Parkway. There is a sewer main in the area and the culvert will be near it. MGSD will have to make sure that the digging do not affect the main as the footings will be close to the sewer line at one point. The line will be televised before and after to ensure no damage is done to the existing MGSD main.

Currently coordinating with MGSD legal counsel Bill Peterson on the pretreatment ordinance draft that Bill is reviewing, and also the issue with Southwest Gas regarding the gas line at the intersection at Hwy 395 and Muller Parkway.

Tractor Supply store is going up. There was a question of the manhole with a small stub showing on the plans. They wanted to leave it out as it was not clear why it was there. It is there in the event that the Hellwinkel property needs to extend the main in order to sewer the property. Tractor Supply informed Rob Hellwinkel that they needed to relocate the stub and Rob agreed to allow them to not put the main all the way to his property and to make a provision to do it in the future. There is a letter to that effect. Frank asked if there was a copy of the letter for MGSD’s files.

Bob had a question on the estimate on the line being installed on County Road and requested a breakdown of charges for the next meeting. Ray asked when it would go out to bid and Bruce hoped it would happen in February so that work could start in March or shortly thereafter. There was a question about sufficient monies in the budget and Bruce stated that he thought the earliest billing would happen about May 2014 and it would be a fraction of the amount. Mark wondered how long the job would take and Bruce felt it would be three or four months.

District Manager’s Report – Frank Johnson reported on the following items:

EDU Allocations: No capacity was allocated or sold during November.



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Eagle Gas Accounts: This was covered already and Frank would take care of the billing.

Health Insurance: Frank referred to the handout. Currently there is not too much information. MGSD participates in the NV League of Cities and it is now no longer allowable for small groups to combine with other groups and form a larger group. They are offering to renew through November 2014 with a 2.2% increase which would be approximately about \$250.00 a month to maintain the current rate. After that no one is sure what is going to happen. In anticipation of this, Frank stated that he had budgeted more for this item and so MGSD would still be within the budget for the extra cost. The costs would be locked in until November 2014. Discussion followed about the future of health care costs in another year. Frank suggested considering a restricted fund dedicated to health care and Richard Peters, the accountant, had agreed that this could be done. Bob suggesting postponing further discussion on this.

Frank referred to the previous meeting about approving as-builts. He stated that after Bruce presents his letter, instead of waiting for a Board meeting, the office staff could approve it administratively and report back to the Board. Frank would like to have this ability just as he does in issuing capacity. Mike questioned what authority Frank was requesting, and Frank stated that if someone turned in as-built plans to MGSD that needed approval, and if Frank could verify that all Bruce's conditions had been met, then he could approve it and then inform the Board of the approval. Bob suggested that Frank should discuss this with Bill Petersen and see if this approval could be issued subject to final approval by the Board. Barbara wondered if this was MGSD's policy, then why the policy could not be followed by the contractors. Ray suggested that if there was hurry then a special meeting could be called. Mike felt that if Frank approved the as-builts then it would set the wheels in motion and if the Board did not like something about it then there would be a problem. Barbara stated that she had a problem with this and Bob agreed saying that Frank's decision was only intermediate. Bruce spoke about a past history and why this policy was originally instituted. If there was a problem it would not come to the Board until it was corrected. Discussion followed about different scenarios when Frank's approval would be needed. Bob suggested something be drafted and presented to the Board.

Bob asked if money had been received from Wal-Mart and April stated that it had not and the amount would be added to the sewer bill and if payment was still not received then a lien would be placed.

Secretary's Report – There was no report.

Public Comment – There was no public comment.

Board Comment – Ray had a question about the Pine View Estates. Bruce stated that they are interested in going forward and may want to use RCI as the engineering firm. However they are waiting for the



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Bureau of Indian Affairs to go forward. Bob had doubts about the project. Frank stated it would be nearly \$850,000 or more in capacity and connection fees. Bruce also said that the people would own the property and it could be subject to liens, as it would no longer be tribal property.

Mark had questions about a development by Barton and Bruce stated that nothing has happened on that.

Bob asked that an item to be added to the January agenda for a six month review of the budget. He spoke about the state demographer who has finally released the figures from his study and the population increase for the next couple of years. The County would regain the population lost in the downturn and then gain no more than 5000 people in a 20 year time period. He wanted the Board to be aware of this going forward. MGSD services about 45% of the people in the county of 48,000 people so this increase would be only 10%. Currently there are 9000 EDUs and in 20 years there would be 1000 more EDUs. The big heyday is in the past. The plant capacity is sufficient. But there will be maintenance of the plant and cash money is needed for that.

Ray had a question about PERs and whether there were other options available. April informed him that MGSD was required to be a part of it and that the system is doing well. Discussion followed about different states and towns declaring bankruptcy.

Meeting adjourned at 7:25 pm

Approved _____ By _____
Date District Secretary

: /smk