



Board of Trustees
Minutes of Regular Meeting
Tuesday, February 2, 2016
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Raymond Wilson
Barbara Smallwood
Robert Allgeier
Mark Dudley

Staff Members Present:

Frank Johnson
April Burchett
Brian Buffo
William Peterson
Bruce Scott

Others Present:

None

Board Members Absent :

Michael King

Meeting called to order at 6:00 p.m. by Ray Wilson, Chairman.

Public Comment – There was no public comment.

Chairman's Comment – Ray reported that he will be unable to attend the July meeting. He also appreciated that staff provided the Board with the filing dates for the Secretary of State for 2016. Ray stated that Frank should attend the flood workshop on February 16th, and Frank stated that he was supposed to go today but was unable to attend. Ray also reported that Mike King sent an email stating that he is sick and was unable to attend tonight's meeting.

Claims Review and Approval – Bob asked about if the increase in the cost of the utilities was due to the cold temperatures last month, and Frank stated it was. **Motion by Barbara Smallwood to approve the claims received for January, 2016 in the amount of \$44,819.58 plus miscellaneous expenses in the amount of \$4,944.80, and to approve the payroll-related expenses paid during January, 2016 in the amount of \$88,563.64.** Seconded by Mark Dudley. Motion carried (4 ayes, 0 nays, 1 absent).

Minutes of January 5, 2016 Regular Board Meeting – Bob stated that on Page 3 under "GRGID Agreements" that was the noted total savings realized for savings for both MGSD and GRGID, so strike "for GRGID" from the sentence. Discussion followed regarding whether to state when a vote is unanimous or not. April stated she will provide the vote count on each motion. **Motion by Mark Dudley to approve the minutes of the January 5, 2016 Regular Board Meeting as corrected.** Seconded by Bob Allgeier. Motion carried (4 ayes, 0 nays, 1 absent).



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Marti Annexation: Ray reported that the Marti's have a conflicting event tonight and could not attend the meeting. Bruce pointed out where the parcel is located on Centerville, and explained that the Marti's will be putting in an RV facility which will require annexation into the District. Frank reported that the fees have been paid and all submittal requirements have been met. Mark stated that this parcel is next to Bonnie Park's property which was annexed last year. Bruce recommended that the Board accept the application and notice it for public hearing at the next regular meeting in March. **Motion by Barbara Smallwood to accept the annexation application from Steve and Lori Marti for 1.7 acres located at 1286 Centerville Ln. in Gardnerville (APN 1220-04-002-003) subject to the 3 conditions outlined in the letter from Resource Concepts, Inc. dated January 26, 2016, to set the public hearing for the March 1, 2016 Regular Board Meeting, and to direct staff to publish the notice of public hearing. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Bob Allgeier. Motion carried (4 ayes, 0 nays, 1 absent). Bruce asked Bill to look at NRS to see if a legal description for the entire district boundary is required, and Bill stated that he will look into it.

GRGID Agreements: Bill reported that he met with Richard Peters and Frank, and it is clear that GRGID is not paying for the savings through the fixed and variable costs. This project falls within the parameters of the agreement, and MGSD has a strong case to force GRGID to pay for their share. He has scheduled a meeting with Mike Rowe, Bob Spellberg, and Frank on February 18. Frank asked the Board for direction about the processing of the final variable and fixed expenses. He has held off processing the payment for the variable and the invoice for the fixed costs, and asked if the Board would like him to continue holding that. The Board directed him to hold off on sending GRGID anything until after further meetings with GRGID. Discussion followed regarding demanding payment in full versus setting up a repayment plan with no interest. The Board felt it was best to set up a repayment plan with no interest, and after a certain amount of time, the remaining amount would be paid in a lump sum. Ray asked that this item be placed on the March agenda.

Attorney-Client Conference: Bill reported that he has not been able to resolve the PERS issue. Ray asked that Bill write a policy stating that no equal contributions will be made to a Board member who is already receiving PERS benefits.

Engineer's Report: Bruce Scott reported on the following:

Washoe Tribe Casino - Revised plans for the casino have been received, and he is working with the engineer regarding some minor conditions for final approval. Discussion followed regarding the size of the Casino as well as other amenities included in the project.



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Kingsbury Apts. on Pinewood -- MGSD has received architectural drawings for a remodel project, which includes a small multi-purpose building for the residents. He will be reviewing the improvement plans over the next month. Discussion followed regarding the various improvements.

LaCosta Phase 2 – The Town of Minden was approached for a will serve letter for LaCosta Phase 2, and he anticipated that MGSD would see plans soon. The plan has been redesigned to reduce the total number of lots to 55.

Esplanade at the Ranch – The final plans have been reviewed and he is about to send out a letter. Discussion followed regarding the number of units.

Taste of Town Restaurant - Barbara asked about the new restaurant on Ironwood. Frank reported that there was no change to the restaurant. Barbara then asked how we know if changes are made. Frank explained that if a new tenant does a remodel then the County has to get involved and the County will send them to MGSD at that time. Frank stated that the County won't issue a building permit without a connection permit from MGSD.

The Ranch at Gardnerville - Barbara asked about an update for The Ranch at Gardnerville foreclosure. Nobody has heard anything further.

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

Capacity – 40.34 units of capacity were sold in January.

Washoe Tribe -- The engineering pass-through fees have been paid, but we are still waiting for the letter of credit.

ARRA Payment - Frank pointed out the letter MGSD received from NDEP denying the reduced amount for early payment.

FY 2016-17 Tax Rate - Frank reported that MGSD must annually report the tax rate to the Department of Taxation. Discussion followed regarding who decides the tax rate and whether permission from the county was needed. The Board directed that the tax rate remain at .1224%

COLA - Frank provided a chart for computing the COLA amount based on the Consumer Price Index (CPI) from the Bureau of Labor Statistics. This year the COLA calculates at an increase of .11%. Frank asked for direction from the Board regarding budgeting for a COLA increase. Discussion followed regarding using the CPI to determine COLA. Bob explained that the government uses an overall annual inflation figure, which only includes about one-third of the items in the CPI, but it does include food,



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housing and fuels. This figure shows the increase this year to be .73%. In addition, the government also uses the Core Rate of Inflation, which does not include fuels or food. Bob recommended that Core Rate of Inflation not be used to determine COLA. He recommended that the Board choose either the overall Government Rate of Inflation or the CPI index. Bob referred to a USA Today newspaper article, and index amounts for the overall Government Rate of Inflation (see attached). Ray felt that if a COLA is less than 1% then to grant a 1% raise for the current year. Then, if the following year, the COLA is more than 1%, to subtract the difference between the prior year's 1% and the actual amount. He expressed concern that there could be a high COLA one year. Bob didn't think high COLA's would be seen any time soon. Discussion followed regarding last year's COLA, which was based on Social Security, but the Board last year did not want to use that basis for determining the COLA. Bob felt that the Government Overall Rate of Inflation should be used. Ray directed that this item be placed on the March agenda.

Saletti's – Frank hasn't heard anything from them for some time, so he sent them an email today to get an update. Discussion followed regarding the schedule for cleaning.

Digester No. 3 Problem - Frank reported that one of the digester overflow lines froze in the cold weather, potentially causing some damage to the digester due to the gas buildup. Craig Olsen from HDR will be here next month with some recommendations to determine if there are any issues and any needed repairs. Brian and Frank stated that they have implemented steps to prevent this from happening again, and Frank directed that the overflow line be insulated. Frank also noted that the digester is due for regular cleaning anyway.

Administrative Report by Staff – April reported that the accounts at Wells Fargo are open. She and Sarah met with Wells Fargo today, and checks and equipment will be ordered tomorrow. Money will start being transferred over starting this week, and hoped that Wells Fargo accounts will be mostly utilized by March.

Board Comment – Ray asked about the status of the fiber-optic line, and Frank stated that Tesco will be here tomorrow to give an update.

Ray asked about the status of the accounting software upgrade, and Frank reported that the upgrade is completed and working properly.

Bob reported that he performed a semiannual cash audit with Sarah King, and the amounts match to the penny, except for a \$20 charge implemented by the bank which was overlooked. April noted that the \$20 charge has been added to the Cash Flow Statement.



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Public Comment –There was no public comment.

Meeting adjourned at 7:20 pm.

Approved by the Board of Trustees as presented on:

_____ By _____
Date Barbara S. Smallwood, District Secretary

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