



Board of Trustees
Minutes of Regular Meeting
Tuesday, May 2, 2017
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Raymond Wilson
Barbara Smallwood
Mark Dudley
Robert Allgeier
Michael King

Staff Members Present:

Frank Johnson
April Burchett
Bruce Scott
Carrie Parker
Peter Baratti

Others Present:

None

Board Members Absent:

None

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

Public Comment: There was no public comment.

Chairman's Comment: Frank introduced Peter Baratti, who has taken over the position of Operations Supervisor. Ray referenced the letter from Terry Burnes in the Record Courier regarding the GID's doing their job. Ray felt the letter spelled out what the legislature is thinking about the reorganization of **Douglas County Sewer Improvement District #1 (DCSID)**.

Claims Review and Approval: Ray asked about the Arizona Pipeline invoice. Frank reported that it is for the gas line repair which he will discuss later in the meeting. Ray also noted that the NV Energy bill shows the increase due to the cogen being down, and Bill will get the numbers to show to GRGID and the mediator. Frank replied that the plant portion is only \$8,000, and the bulk of the bill is for the pumping to Bently. Frank suspected that NV Energy hadn't been properly reading the meter. Bob pointed out that the plant power bill would be much higher if Digester 3 was in operation. Ray mentioned that the SW Gas billing was up as well. Mark asked about the pump replacement, and Frank reported that 2 hypochlorite pumps were replaced. Bob asked for verification that the pumps would be included in the billing to GRGID, and Frank verified it. Bruce pointed out that on the NV Energy bill for the pump station, the seasonal rate wasn't in effective yet. Discussion regarding the pumping and storage agreement with Bently. Barbara asked about the email changes, and Frank reported that it was Pete's email that required involvement with SDBX. Bob said that Bently stated that they won't accept effluent from **Douglas County Sewer Improvement District #1 (DCSID)** after 5 years. **Motion by Barbara**



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Smallwood to approve the claims received for April, 2017 in the amount of \$122,600.07, plus miscellaneous expenses in the amount of \$1,977.07, and to approve the payroll-related expenses paid during April, 2017 in the amount of \$86,422.69. Seconded by Mark Dudley. Motion carried (5 ayes, 0 nays, 0 abstain, 0 absent).

Minutes of April 4, 2017 Regular Board Meeting: Mike asked about the savings on material for the RAS line repair noted on Page 5 second paragraph under the District Manager's report. Frank said it was for material alone. Discussion followed regarding savings on labor. **Motion by Mark Dudley to approve the minutes of the April 4, 2017 Regular Board Meeting.** Seconded by Bob Allgeier. Motion carried (5 ayes, 0 nays, 0 abstain, 0 absent).

Public Hearing Date for Tentative Budget for FY 2017-2018 – April stated that Richard Peters requested the public hearing be held May 31. **Motion by Bob Allgeier to set the public hearing for the MGSD FY 2017-2018 Tentative Budget for Wednesday, May 31, 2017 at 12:00 p.m.** Seconded by Mike King. Motion carried (5 ayes, 0 nays, 0 abstain, 0 absent).

Bob stated that Frank should add the amount shown under the Digester Repair under Other Income due to the approval of the insurance claim. Frank will check with Richard on how to show this.

FY 2017-2018 Salary Scale – Frank said we tentatively approved the salary scale at the time of the tentative budget meeting last month. **Motion by Bob Allgeier to approve the salary scale for FY 2017-2018 with a 1.6% Cost of Living Increase.** Seconded by Mark Dudley. Motion carried [4 ayes, 0 nays, 1 abstain (King), 0 absent].

Employee Health Insurance Benefits – April and Frank reported that since Prominence was no longer covering retirees, MGSD was looking for coverage through another provider. Unfortunately, the plans offered were significantly lower in benefits, higher in deductibles, and in premiums. April and Frank requested an increase of \$40 per month per employee to offer the better plans provided by Hometown Health, as opposed to the plans by United Healthcare. Discussion followed regarding the effect of the increase on the budgeted amount of the benefits, and the actual cost. Motion by Barbara Smallwood to increase the health benefit allowance for MGSD employees by \$40 per month to \$975 per month per employee effective July 1, 2017. Seconded by Mark Dudley. Discussion followed regarding the effect of the increase on the budgeted amount for FY 2017-2018, and the actual cost which would affect up to 7 employees. Motion withdrawn by Barbara, with concurrence from Mark Dudley. **Motion by Barbara Smallwood to increase health benefit allowance for MGSD employees to a maximum of \$975 per**



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month per employee effective July, 1, 2017. Seconded by Mark Dudley. Motion carried [4 ayes, 0 nays, 1 abstain (King), 0 absent].

Attorney-Client Conference: Carrie Parker reported on the following:

Employee Drug Testing – Carrie referred to her memo regarding guidelines for drug testing of employees. Since MGSD is a public employee, the District is bound by the 4th Amendment. The test for reasonable suspicion is to balance the government's need for safety vs. the employee's right to privacy. It comes down to each position the Board would like to include in the testing, so Bill and Carrie can research it further. The state has specific guidelines for testing, and there are also some issues with respect to marijuana. Barbara felt that everyone in the plant, except office staff, deals with hazardous materials, so they should be included. Bob and Mike thought that a policy would be needed to cover MGSD and the employees. Mike preferred pre-employment, reasonable cause, and post-accident testing. He would defer to Frank and Pete with regard to random testing, and thought that if they didn't believe random testing was necessary then he would not be in favor of random testing. It's expensive, and a morale-buster for the employees. Mark would prefer to go by federal standards. Ray disagreed with Mike on the random testing. The Board asked that this be placed on next month's agenda.

Pretreatment Ordinance – Carrie and Bill have been working on finalizing the pretreatment ordinance. Bruce said they are also working with Bently on their pretreatment permit. Bently has requested a confidentiality agreement be signed, and Carrie's memo addresses that. Bruce stated that the District doesn't care about Bently's recipe, just the chemicals that are being used. Besides, MGSD has the ability to maintain confidential information, and the confidentiality and proprietary information can be respected without signing an agreement. Bruce felt that the only items that are public knowledge are the number of Edu's. Carrie anticipated that the ordinance would be ready next month.

Personnel Manual – Carrie is working with Bill on the personnel manual, and was hopeful it would be ready for the next meeting with the drug testing policy.

Bob asked Carrie to remind Bill about the GRGID mediation meeting on June 7th, and asked that Bill let them know the time and place.

Mike would like better communication and feedback from The Ferraro Group. The Board agreed. Frank suggested that Cam McKay present the status, rather than The Ferraro Group, since Cam is the representative for the group and has also been at each of the legislative meetings. Mike would like better updates than a memo. The Board asked that this be placed on the June agenda.

Barbara and Bob reported that there is a Town Hall with Sen. James Settelmeyer on May 12, at 7:30.



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

NDOT Martin Slough Project – RCI has been coordinating with NDOT regarding the Martin Slough project. MGSD does not have an encroachment permit for the main on Hwy. 395. An encroachment permit is needed for the affected manhole, so the encroachment permit application includes the entire main, since he anticipated work will be needed on other manholes in the future.

Digester Repair – The digester repair is moving along. Kelly Garcia of RCI has been the liaison, and is holding bi-weekly status meetings.

FEMA – The initial on-site meeting was held with FEMA. MGSD now has 60 days to put together the costs and plans. It appears the District may be eligible for 75% of the cost of the repairs, and it appears there will be additional money available for mitigation. Mitigation funds are competitive, and Bruce did not know how much MGSD would get. RCI will have plans and paperwork completed in the next 10 days. Bob asked if it included the road, and Bruce said yes. Bruce said we will try to do some work on the slopes and drainage, depending on the budget. Bob asked about cost, and Bruce said initially he thought it would be about \$50,000, but it could easily cost \$100,000-\$150,000 depending on the funds available. Discussion followed regarding the cause of the damage, which was channeling as opposed to wave action. RCI will try to look at more structural solutions.

Arraiz Lateral Repair (Douglas Ave.-Gasoline Alley) – There was a problem with a sewer lateral on Gasoline Alley. There was a house that had a long lateral that came into the main after crossing the rear of another parcel. One lateral was laid through the other lateral, which was undocumented. Pete and Bruce worked with the owner to rectify the situation. Bruce asked that the 2 property owners meet to arrive at a joint solution, but the second owner did not want to work with them. The first property owner installed a new lateral. Bruce spoke to Beverly Roberts who managed the second apartment building, and he will give her 6 months to a year to rectify the situation. Bob asked about legal easements, and Bruce thought that easements are currently in place.

Bently Permitting – Bruce thought it was best to respond to their attorney's request for a confidentiality agreement through Bill's office. Ray asked about completion date, and Bruce thought the middle of 2018.

Stahl Mixed-Use Project (Hwy. 395) – Bruce reported that RCI staff will be working on the Martin Stahl mixed-use project on Hwy. 395. He did not see a conflict of interest.

Barbara asked about apartment buildings at Monterra. Bruce said there are no apartments at Monterra, but there is a multi-use complex at The Ranch at Gardnerville. There has been lots of discussion about an



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apartment complex near Minden Elementary School, but nothing has come forward. Ray asked about Pine View Estates, but Bruce had nothing new to report. Discussion followed regarding other projects in the area.

Mike praised Bruce's knowledge and thought that MGSD was lucky to have him. He wondered if Bruce were to be unavailable, whether RCI had other staff available to fill in for him. Bruce said the District would be fine. RCI staff wouldn't have all the history, but April and Frank have institutional knowledge, and Pete will get some as time goes on. Bruce has a lot of people who help him, but he prefers to have the Board deal with one person for efficiency.

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

EDU's – 1 unit was sold during April. The Esplanade at The Ranch purchased 9 units today for 3 buildings. There will be a total of 40-41 units in this project, which is planned to be completed in the next few months.

Digester 3 – KG Walters was on site, and they have been inside the digester putting in scaffolding. Bob had asked Frank if we were able to forward the bills directly to the insurance company for payment, but Frank noted that MGSD needs to pay them per NRS. Frank stated he will keep Bob and Ray apprised of all the invoices that are forwarded to the insurance company. Frank discussed replacing the parapet wall on the roof with a metal railing. He also discussed replacing the fiberglass ladder on the grease tank while the contractor is onsite, since it's a safety issue. Ray stated since it's a safety issue to go ahead and replace it. Bob asked about the relief valves being tested. Frank contacted the manufacturer, the contractor removed it, and it is ready to load up and be delivered to Livermore for testing. Frank stated he will hand deliver it to Livermore.

Gas Line Repair – Frank reported that there was a gas leak at the plant last year and it was repaired, but it leaked again recently a few feet away from the repair, so the entire line in the front half of the plant will be replaced. Discussion followed what caused the problem, the existing pipe material, and the material used to repair it. MGSD staff will do as much work as possible until a contractor will be needed to finish with the hookup. Staff will excavate and lay the pipe and put in locatable wire, and install it to SW Gas standards. Arizona Pipeline will fuse the points and conduct the testing, then complete the connection.

Projects within District – Frank reported that an application was submitted to the County regarding a proposed coffee roasting place in the Minden Gateway Center. Frank was unable to attend the meeting.

South Tahoe PUD Equipment Loan – Pete had received a call from STPUD, who had a line break on the lake, and asked to borrow some pumps for a few days. We were able to loan the pumps, and they said they would respond in kind with cranes we will need later this summer. They also tuned up the pumps



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they borrowed. Mike asked if they offered to reimburse us for salaries. Frank said that due to the complicated nature of PERS, state taxes in California, and crossing the state line, he asked the staff to put it as comp time.

Website upgrades – He needs more information from the Board regarding what information they want to have added to the website.

Barbara asked about the plant tour with the newly elected County Commissioners. Frank said he is waiting for them to contact him.

Administrative Report by Staff: April reminded the Board that the plant insurance renewal will be on the June agenda, so Alan Reed will be at the meeting.

Board Comment: There was no Board comment.

Public Comment: There was no public comment.

Meeting adjourned 7:55 p.m.

Approved by the Board of Trustees with the noted corrections on:

June 6, 2017 _____
Date

By _____.
Barbara S. Smallwood, District Secretary

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