



Board of Trustees
Minutes of Regular Meeting
Tuesday, May 1, 2018
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Raymond Wilson
Michael King
Robert Allgeier
Mark Dudley
Barbara Smallwood

Staff Members Present:

Frank Johnson
April Burchett
Bruce Scott
Peter Baratti

Others Present:

Craig Olson
Ted Thran

Board Members Absent:

None

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

Public Comment: There was no public comment.

Chairman's Comment: Ray reported that he spoke with Bill Peterson regarding the GRGID letter included in the Board packet, and Bill thought, and Ray agreed with him, that the Board should meet with the GRGID board to see what their concerns are.

Claims Review and Approval: Mark asked about Item 10 for Cashman Equipment, and Frank explained that it was a repair for the backup generator. Bob asked about Item 35 for Tesco, and Frank stated that it is a multi-year contract for the SCADA system and we pay it twice per year. Bob asked if there is another company that we can go out to bid. Frank explained that some of the equipment is proprietary, and other companies don't necessarily have the support that is provided by Tesco. Bob asked if there was another company besides SDP that can do the co-gen maintenance. Frank said he will check on it. Mike asked if the contracts seemed reasonable to Pete and Frank, and both thought they were reasonable. Pete explained that because of the proprietary items, a lot of equipment would have to be replaced. Barbara asked about the relationship between WEF and the operators' certification, and Frank explained that WEF is for training and other informational items. **Motion by Mike King to approve the claims received for April, 2018 in the amount of \$72,121.23 plus miscellaneous expenses in the amount of \$855.09, and to approve the payroll-related expenses paid during April, 2018 in the amount of \$81,079.78.** Seconded by Mark Dudley. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].



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Minutes of April 3, 2018 Regular Board Meeting: Motion by Bob Allgeier to approve the minutes of the April 3, 2018 Regular Board Meeting. Seconded by Mark Dudley. Motion carried [4 ayes, 0 nays, 1 abstain (Smallwood), 0 absent].

HDR Engineering: Craig Olson discussed adding an additional belt press. This improvement isn't tied to capacity like most of the other improvements outlined in the Master Plan, but it would be helpful to have a backup in case the belt press went down. He and Frank spoke with the manufacturer, and the same equipment, although updated, can be provided. A couple of improvements have been made to the equipment, but nothing that would impact the parts MGSD has in stock. The upgrades are related to the impact on the final solids, but since we don't haul it very far, it wouldn't make a difference to MGSD. He obtained a quote of \$289,000 for another machine. Ray asked what was included, and Craig said it doesn't include any spare parts. Bob asked if the frame would be fabricated, and Craig said yes. Mark asked if the belt press goes down, will the additional belt press be able to easily be put into service, and Craig said it would. Bob asked about the flow decreasing since the master plan was done in 2012. Craig explained that some of the projects listed are tied to the capacity flow, and felt that the plant is still okay with what the current equipment for processing up to the amount we're permitted for. With respect to the belt press, he asked Pete how often it runs. Pete said it runs 5 days a week, an average of 5 hours a day and noted that if it goes down, it would be a problem. Bruce pointed out that if plant starts receiving more flow, additional shifts will be needed and wear and tear to the equipment will be an issue. Ray asked if the spare parts would have to be used right away, and Craig said no, the spare parts would still be available. Mike asked about other options if this one goes down. Frank said we could rent one, and that the operations staff would have to be put on overtime until the repair is completed. Mike asked how long before it's critical, and Frank felt we could buy 2 or 3 extra days if we keep the digester low. Frank will ask around to find out how long it would take to get a loaner machine onsite. Bruce stated this is one of the few places in the plant where we don't have a redundancy. Bob asked about the engineering charges, and Craig explained that while there is some simplification involved on HDR's end, he has a question about the sole sourcing for a large item. He would like to run it by Bill Peterson to make sure MGSD is not in violation of State law. With regard to the engineering costs, Craig felt that 2% or 3% per year of inflation over the past 6 years would be a good ballpark figure, and thought the project would be at least \$1 million, since there are some other improvements in the building that staff would like to make. Bruce felt that we also need to look at the controls, and the air handling as Frank explained that with a new belt press you would have to duplicate the air handling. Pete explained that the infrastructure equipment is also old, and that will need to be replaced. Ray asked about the lead time for ordering the machine, Bruce thought it would take 6 to 9 months for delivery, then 3 to 5 months to get it installed. Mike suggested that Craig and Frank put together some accurate numbers for various options for the June meeting. Bruce agreed, since there are some questions that there aren't answers for tonight. Bruce pointed out that the equipment is still pretty state-of-the-art.



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Bob asked about the sludge thickening project. Frank said we haven't looked at it yet, but it would probably take a whole new building. Bob asked about replacing the machine. Craig said we would have to look at it. Frank pointed out that if we replace the machine, then we still wouldn't have the redundancy, and the focus in the master plan is for redundancy. Craig said the plant has more flexibility if it goes down. Bob asked Craig to look into that as well, and looking at just replacing the equipment. Bruce asked if we have spare parts for both presses, and Frank said yes and reported that some parts are interchangeable. The Board felt they should get questions to Frank for coordination with Craig.

Revised Board Action Concerning Restricted GRGID Fund Allocation for Collection System Rehabilitation Projects – Bob reminded that Board that the amended resolution was discussed at last month's meeting. The question arose last month about the wording in the resolution, and legal counsel was directed to revise the wording. **Motion by Bob Allgeier to approve Resolution 18-001 Resolution of Board of Trustees Regarding Capacity Fees Received from Gardnerville Ranchos General Improvement District (GRGID).** Seconded by Mike King. Barbara noted that all we're doing is clarifying how the funds are allocated, and this amended resolution only changes that. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

District Manager Annual Review: Bob asked about the amount Frank put in the budget for his salary, and Frank stated \$105,000. See comments on the attached annual review form. **Motion by Bob to adjust the District Manager's salary to \$105,000 annually effective July 1, 2018.** Seconded by Barbara Smallwood. Motion carried [4 ayes, 0 nays, 1 abstain (King), 0 absent].

Attorney-Client Conference – Bill Peterson was not present.

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

Sewer Rehabilitation Projects: Bruce stated that he and Frank made the decision to delay the bidding, since there were only a couple of potential bidders. He was concerned about the lack of bidders and the potential for the bids to come in at a higher cost due to the lack of competition. There is also an issue with a NDOT regulation with regard to the casing of the sewer mains. He has asked NDOT for a waiver on behalf of MGSD but has not heard back from them yet. If they deny the waiver, he will send a letter asking them that they notify us when they're going to do an overlay so we can do an open cut. Discussion followed regarding the work needed on Spruce St. which can be handled by staff.

Bently Heritage Project: Bently is working with Frank and Marvin regarding the metering of the flow. Frank reported that the pretreatment permit was issued to them. Discussion followed regarding the



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monitoring and metering of the flow and the impact to the lines if a slug comes through the collection system without pretreatment.

Developments in the District: Frank and Bruce have been attending several pre-application meetings at the County. Bruce reported on the Park development on Muller Ln. at the northwest corner of MGSD's property. They will come to MGSD when they get more details in place. It will probably take a lift station, so they will need a homeowners association to maintain it. It is in the service area boundary, but will need to be annexed. He was also concerned about the impact on the discharge from the Klauber Pond. He will be looking closely at the impact on the flood zone and any adverse effects on the floodplain on MGSD's property. Discussion followed regarding the proposed location of sewer lines. Bruce pointed out that MGSD will not be maintaining any lift stations.

NDOT Project at Martin Slough: Frank and Bruce went to one of the NDOT construction meetings for this project. Bruce stated that he will continue to work with them regarding a access road and driveway improvements. Bob asked how much more water the NDOT project will be able to handle. Bruce said he needs to look at that, especially in relation with the Park development to make sure the floodplain on our property isn't adversely impacted.

Holstein Farm development in GRGID: Bruce attended the pre-application meeting for this project, and it would make sense for GRGID to serve the sewer to that project since they will be providing water. They are proposing about 17 to 18 lots.

Pine View Estates: He hasn't heard anything further.

Reservoir Repair: He and Kelly Garcia of RCI are working with the State to get the information they need for the reimbursement. Unfortunately, items that were previously submitted have been lost, and Frank stated that the situation is not unique to us. Bruce thought we were going to get about 75% of the base bid, so he expects a reimbursement of about \$75,000.

Bruce reported that he will not be at the June meeting. Ray asked if someone else from RCI can attend, and Bruce will look at the agenda and see if someone will need to be here.

Barbara asked about the Richard Clark parcel map, and Bruce explained that it's the old nursery parcel on south Hwy. 395. They are parceling the property and extending the sewer to serve the new parcel.

Barbara asked if there was resolution to the Esplanade regarding the interior lines, and Bruce said he hadn't heard from them. ~~If he doesn't hear from them, then he will ask the Board to withdraw the acceptance.~~



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

Capacity: 21.7 Edu's of capacity were sold in April.

Digester 3: Frank reported that the Digester is producing a lot of gas. He had anticipated starting up the Co-gen, but one of the heat exchangers on the gas conditioning skid was out, so it will take about 2 weeks to get the replacement. He also reported that we received the insurance check. Items not reimbursable were the overflow line and the change orders. He also noted that we were going to have to clean the digester in a couple of years anyway, which would have cost about \$100,000. Bob asked Frank if he spoke to Alan about the extra utilities, and Frank said yes but he hasn't heard anything further. Bob said to submit the additional utility costs.

Projects in the District: Frank reported that he attended a meeting at the County for a 64-unit project on Gilman near Chichester, and possibly an additional 20 units. Frank mentioned will serve letters that were issued during the month. Barbara asked about a church on Gilman, and Frank said he has heard about it in passing but nothing has come to us yet.

Letter from Clerk's Office: Bob reported that he talked to Kathy Lewis about the charges for election services, and she has done nothing illegal in implementing these fees. The maintenance of the voter list will cost us about \$1,000 per year in July. We will be billed \$0.15 per voter. She has the ability to charge us with certain things during the voting process itself. That will cost about \$2500 for the primary and \$2500 for the general elections. He has spoken with two County Commissioners, and they had no knowledge that the Clerk-Treasurer was going to do this. This has been allowed for a long time, but Douglas County has a large number of districts, and several of these districts overlap. Each district would be paying \$0.15 for the same voter. He would like the board to authorize him to send a letter on MGSD letterhead to the County Commissioners to ask them to take a look at these fees, and see if they agree with it or if they want to rescind this. The Board directed Bob to write the letter. Bruce wondered if it was in the budget she presented to the County, and Bob said he asked the Commissioners and they did not know.

GRGID Letter: Frank reported that he spoke with Bill Peterson who stated that MGSD is not legally obligated to meet with them, but since they are our biggest customer we should at least hear what they say. If we don't meet with them, there could be repercussions down the line. Ray felt that Frank should find some dates to meet with them. The Board concurred. Barbara asked that they bring to us what they want to renegotiate, and she was concerned about the cost of making changes. Frank will talk to Bill about proceeding with a meeting. The Board felt a special meeting would be best.

Open Operations Position: We will be interviewing 5 applicants for OIT position.



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Administrative Report by Staff – April discussed a contact for a foreclosure company.

Board Comment – Bob discussed the contract with GRGID and the section about GRGID having the responsibility of the maintenance of the interceptor line, as well as the ownership of the line. He read Section 7 of the 1974 Agreement. Frank discussed the 1977 amendment to the 1974 agreement, which stated MGSD will provide maintenance on the interceptor line after 1 year after construction of the line. They are responsible for paying for a portion of the maintenance of the interceptor line. Bob felt that he and Ray should get together with Bruce and Frank and Pete regarding the agreements and who pays for what. Bruce thought we might consider a way to televise the line to see what condition it's in. The Board agreed.

Public Comment – There was no public comment.

Meeting adjourned 8:30 p.m.

Approved by the Board of Trustees as presented on:

_____ By _____
Date Barbara S. Smallwood, District Secretary

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