



Board of Trustees
Minutes of Regular Meeting
Tuesday, June 5, 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
Bill Peterson
Peter Baratti

Others Present:

Craig Olson
Jeremy Hutchings
Mary Schilling
Alan Reed

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 stated that he would like to set up a meeting to include himself, Bob Allgeier, Peter Baratti, Bruce Scott, and Frank Johnson regarding the GRGID interceptor line. Ray asked April to get a copy of the 1977 Amendment to the 1974 Agreement with GRGID to everybody.

Claims Review and Approval: Mark asked about the Seepex claim, and Frank said it is a rebuild for the grease feed pump. Ray asked about the RCI claims regarding the reservoir repair. Frank explained that is for their time dealing with FEMA. April pointed out that the large electronic charges are due to overpayments on two accounts, with customers neglecting to put decimal points in their payment amounts, so refunds were necessary. **Motion by Bob Allgeier to approve the claims received for May, 2018 in the amount of \$47,775.83 plus miscellaneous expenses in the amount of \$9,380.67, and to approve the payroll-related expenses paid during May, 2018 in the amount of \$82,205.94.** Seconded by Mark Dudley. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

Minutes of May 1, 2018 Regular Board Meeting and May 25, 2018 Special Board Meeting: Frank pointed out the last paragraph on page 4 of the May 1st minutes which reads as follows: "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".



Minutes
June 5, 2018
Page 2

Frank says the lines have not yet been accepted, so the last sentence should be deleted. **Motion by Bob Allgeier to approve the minutes of the May 1, 2018 Regular Board Meeting with the deletion of the last sentence of the last paragraph on Page 4.** Seconded by Mark Dudley. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

Motion by Mike King to approve the minutes of the May 25, 2018 ~~Regular~~ Special Board Meeting. Seconded by Barbara Smallwood. Motion carried [4 ayes, 0 nays, 1 abstain (Dudley), 0 absent].

HDR Engineering: Craig Olson presented an updated estimate for the potential belt press project. He added items that Frank identified as they did their walk-around, including more money for electrical and instrumentation and controls. Craig pointed out that the changed or added items were highlighted in yellow on the updated estimate. The red item is his estimated bid construction cost, and the total cost includes engineering and construction and all costs for the project. The total estimated cost is \$1,782,000. Craig asked Bill Peterson about whether MGSD can sole source the equipment. It would be preferred since this manufacturer has the matching parts for the existing equipment and the spare parts that MGSD has in stock. Bill will look at the statute, but he thought there is an exception in the statute for this type of project. Craig said this is an unusual project, since the project will be bid, but the contractor will wait until the parts are made before they start the work. Mark asked about the weather, and Craig pointed out that most of the work will occur indoors, so it probably won't be a factor. Mark asked if we are looking at next June for the work to happen and Craig agreed. Discussion followed regarding rotating both pieces of equipment to keep them operable. Barbara thought it was something to consider, since it we don't currently have a backup for this equipment. Ray asked how we used to handle it, and Frank said we had sand drying beds, but they will no longer work with our processing and have been decommissioned. Mike asked about a rental, and Frank said he looked into it, and it would run about \$14,000 per month. Frank said the drawback was in getting one to us. It could take up to 3-5 days to get one depending on where a unit is located. If there is one on the west coast, we could have it sooner. The company is located in Texas. Frank said if it happens on a day when our sludge is high, particularly at the end of a holiday weekend, we might not be able to get one in time. The Board asked about other alternatives, and Frank said we could move sludge for a couple of days, but we ~~would~~ could have issues. Mark asked what it would cost to purchase a self-contained unit. The Board directed Frank to look into purchasing a self-contained unit. Discussion followed regarding the weather conditions, and Frank said they are completely self-contained, with air conditioning and heat. Mike asked about an emergency plan if the backup fails. Mark asked if we could work with other districts to chip in to purchase one. Frank said we are one of the only districts that use this type of system. Ray asked that this be put on next month's agenda for discussion. Craig thought that looking into the alternatives is a good idea. Pete stated that he is against the idea of a mobile self-contained unit, because he felt that it was better to have the equipment under one building. He mentioned the training, and the time to take dealing with setting it up and working with other districts. Craig and Pete pointed out that this type of equipment is high maintenance. Mike asked



Minutes
June 5, 2018
Page 3

Frank to make sure that an operator comes with the unit, or if we can send a couple of staff to training. Ray asked the board to think of questions for next month's meeting.

Heybourne Meadows Phase IIE: Represented by Jeremy Hutchings. Jeremy stated that he has reviewed the letter from RCI. The easement under Condition 1 recorded today. Under Condition 2, regarding the access to the manhole at the northerly corner of Lot 147, Pete stated the access to that manhole is viable, was concerned that people would build their fences too close to the manhole. It is a 20' wide easement so we do have adequate access and we can service the manhole. Barbara was not willing to take off Condition 2. She felt we should leave that recommendation on until Bruce is back and it can be reviewed further. Bob asked if it is in Minden or Gardnerville, and Jeremy said it is in "Mindenville", since it falls within the boundaries of both Towns. **Motion by Barbara Smallwood to approve the as-builts for Heybourne Meadows Phase IIE prepared by R.O. Anderson Engineering, Inc., and to accept the sewer mains, subject to 4 conditions outlined in the letter from Resource Concepts, Inc., dated June 4, 2018. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Mark. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

Mackland Unit 4 – Represented by Jeremy Hutchings. Barbara asked about the application being a commercial application, and April and Frank explained that it is used for both commercial and residential purposes. Discussion followed regarding current property ownership, and the status of final approvals. **Motion by Mike King to allocate 14 units of capacity to the Mackland Unit 4 subdivision, located in Minden. All rules, regulations, and requirements of MGSD are to be met and all fees paid.** Seconded by Bob Allgeier. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

Warren Reed Insurance – Represented by Alan Reed. Alan discussed what happened in the insurance industry in 2017, including hurricanes, wildfires, and earthquakes. So when terms were negotiated with Lloyd's of London, they were looking at a 25% rate increase. But since the Pool has a good track record with them, a 10% increase was put in place. The liability and auto rates stayed flat, so there was mostly an increase in the property rates. MGSD has a \$9,000 increase from last year. Frank budgeted for a 13% rate increase, and the final amount was below that. He reported that the Payroll was up 6% and the vehicles increased by 2%. Alan discussed the Pool's claim history and the severity total by year. Mike asked if MGSD's recent claim would impact this, and Alan said probably not. What counts is the overall amount of losses in the Pool. MGSD's claim is considered a shock loss. Alan explained about the various syndicates who paid percentages of MGSD's claim. Ray asked if that was the cause of the delay of the claim getting settled, and Alan said that this was part of the problem. Discussion followed regarding insuring the sewer mains and the amount of pipeline covered under the insurance policy. Alan stated that MGSD has a lot of property, and the majority of the premium is the property exposure. Alan



Minutes
June 5, 2018
Page 4

also reported that Public Risk Mutual is conducting cyber risk assessments at little or no cost. **Motion by Barbara Smallwood to accept the insurance package from POOL/PACT for Fiscal Year 18-19, as presented by Warren Reed Insurance.** Seconded by Bob Allgeier. Motion carried [5 ayes, 0 nays, 0 abstain, 0 absent].

Attorney-Client Conference – Bill Peterson presented a draft letter responding to GRGID’s letter to renegotiate the agreement. Barbara felt that it would cost each District a lot of money to open up negotiation. Mediation was used to satisfy the concerns of each district, and the mediator made suggestions to be taken back to each board, which we are not obligated to adhere to. Barbara liked Bill’s response letter, and there is no need to change the agreements. We did them a huge service, by saving them the expense of building a plant. Bob agreed. Mike was interested to hear what they have to say, and would like to keep an open mind. Mark agreed with Barbara and Bob. Ray suggested that Bill set up a meeting with members of both boards at MGSD, and have April and their secretary here to take minutes. Bob asked if the terms 1977 amendment were still in effect since the 1990 agreement does not mention the 1977 agreement, and Bill said most of the 1974 agreement stayed intact, as well as the 1977 agreement.

Engineer’s Report – Bruce Scott was absent, and Frank referred to Bruce’s letter in the packet. Ray pointed out that Bruce will speak about the Esplanade sewer problem at next month’s meeting.

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

Capacity: 11.3 Edu’s of capacity were sold in May.

Reservoir Reimbursement: We sent the State more information, and they are processing it.

Projects in the District: Frank reported on the following proposed developments:

- Muller Pkwy. and Pinenut Rd. 150 site, 55+ manufactured homes. Discussion followed regarding the billing.
- Minden Gateway carwash, they were just looking at it conceptually.
- There is a proposed church between the Methodist Church and the Veterinarian’s Office on Centerville.
- He has a meeting tomorrow regarding a wine tasting venue in the converted barn on the property behind Heritage Bank on Hwy. 395 in South Gardnerville.

Esplanade at the Ranch: His recommendation is if they don’t fix the sewer mains, then they should maintain it themselves. Barbara stated we should notify all the homeowners and record a document so



Minutes
June 5, 2018
Page 5

that future owners are aware as well. Bruce has written a letter to them, and it will be on the July agenda. Barbara asked that a representative from them be present at next month's meeting.

Personnel: The new employee started on June 4th.

Co-Gen: The Cogen was up and running from time to time for the last couple of days. He looked into another firm to take over the maintenance, but they don't want to take on the liability of servicing a machine with over 37,000 hours. There is another company that can service the backup generator for less than Cashman. They can also help out on the Co-Gen on an hourly basis if needed.

Frank asked the board that if they need information from the staff, to please get with Frank before the staff so he is kept in the loop.

Administrative Report by Staff – April had nothing to report.

Board Comment – Barbara reported that she attended the presentation today given by Ed James of the Carson River Subconservancy District. She learned that flood water is dedicated to Stillwater Marsh. He reminded us that they are thinking of taking the Allerman Canal out of service, but it recharges most of the Valley. Discussion followed regarding areas of the valley that are beginning to have nitrate problems, the water quality in the Towns, and arsenic issues.

Ray and Frank discussed Pineview Estates getting their own package plant.

Public Comment – There was no public comment.

Meeting adjourned 7:50 p.m.

Approved by the Board of Trustees as presented on:

_____ By _____
Date Barbara S. Smallwood, District Secretary

:/ab