



Board of Trustees
Minutes of Regular Meeting
Tuesday, October 2, 2018
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Raymond Wilson
Michael King
Mark Dudley
Barbara Smallwood
Robert Allgeier

Staff Members Present:

Frank Johnson
April Burchett
Bill Peterson
Peter Baratti
Bruce Scott

Others Present:

Clay Hendrix
Mary Schilling
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 noted that the Wall Street Journal had written an article in March regarding sewer providers. Ray contacted the author and asked if our rates were the lowest in the country. The author was impressed with MGSD's rates, and that he might do a future article on MGSD.

Barbara shared a photo taken the day the Minden and Gardnerville water companies celebrated their intertie.

Claims Review and Approval: Ray asked about Item 40, the billing for Uniformity. Frank stated that this was for uniforms for employees for the year. April pointed out the Occupational Health billings and explained that they were from 2015-2018, and that the billings from 2012-2015 will be on October claims summary. **Motion by Bob Allgeier to approve the claims received for September, 2018 in the amount of \$55,067.97 plus miscellaneous expenses in the amount of \$1,324.01, and to approve the payroll-related expenses paid during September, 2018 in the amount of \$88,805.38.** Seconded by Mark Dudley. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, Dudley, King, Smallwood, Wilson), 0 nays, 0 abstain, 0 absent].



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Minutes of September 4, 2018 Regular Board Meeting: Barbara noted on Page 1 under the Chairman’s comments, the Chairman stated that it was Barry Penzel’s last term, but he can run another term. She and Mike asked that the entire sentence be struck. On Page 6, second paragraph the word said should be inserted to read “Frank said it did get submitted to both the State and the County.” **Motion by Mark Dudley to approve the minutes of the September 4, 2018 Regular Board Meeting with the noted corrections.** Seconded by Barbara Smallwood. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, Dudley, King, Smallwood, Wilson), 0 nays, 0 abstain, 0 absent].

Esplanade at The Ranch – Barbara reported that she had made the motion last meeting to deny acceptance of the lines, and Mr. Hendrix pointed out we had not agendized the lines for the entire project. So the motion was tabled. Clay Hendrix asked for inaction by the Board, which would mean the lines still would not be accepted. He wanted more time to look at the line to see if it would work. Barbara stated she would not be willing to do that. Ray stated that if the contractor made the error, then they will need to fix it. Clay asked for more time to see what the best solution would be for the homeowners and the contractor. Bob stated that the homeowners are our customers, and that the contractor should be serving them in the way it was contracted. Barbara stated the sewer line was not constructed to the approved plans and does not meet MGSD’s standards. She said that if the Board did not act, more properties would be sold with a contract that stated public sewer. Clay did not feel that digging up the lines would be the best thing to do for the homeowners. He stated that there was no misrepresentation between the developer and the home buyers. Ray discussed having MGSD clean the lines, and have the developer add an additional charge to the HOA fees, and we can take a look at it in 3 years and possibly accept them then. Clay said KDH would be willing to pay the flushing charge and not pass it through to the HOA. Mike asked what would happen if the lines aren’t accepted. Bruce explained that MGSD has agreed to serve the project, but that the District would not maintain the line and that it would be up to HOA to repair and maintain the line. Clay asked if the motion can be amended to say, “until such time as the line is brought to standard”. Bill said it didn’t need to be in the motion, and the developer or the HOA can come back at any time to ask for acceptance. **Motion by Barbara Smallwood to deny the acceptance of the sewer mains within the Esplanade at the Ranch since the sewer lines were not constructed to the approved plans as submitted to MGSD and do not meet MGSD’s standards.** Seconded by Bob Allgeier. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, Dudley, King, Smallwood, Wilson), 0 nays, 0 abstain, 0 absent].

MGSD Restricted Account for GRGID Interceptor – Bill presented a resolution to segregate the charges collected from GRGID to cover maintenance, repair, replacement, and improvement of the GRGID interceptor line and 24-inch line. Barbara asked about it not being a restricted account per NRS. Bill explained that this will keep it open for the Board to withdraw funds if needed at its discretion. Bruce noted that portions of the interceptor are smaller than 24”, and Bob pointed out that the resolution does



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not designate the line size for the interceptor itself. **Motion by Bob Allgeier to approve Resolution No. 18-002: Resolution of Board of Trustees to Create Fund Designated for Maintenance, Repair, Replacement and Improvement of GRGID Interceptor Line and 24-Inch Line to the plant.** Seconded by Mike King. Barbara asked if we need to rescind the 18-001 resolution. April explained the earlier resolution only withdrew GRGID fees from the new allocation, so it did not need to be rescinded. There was no further discussion on the motion. Motion carried [5 ayes (Allgeier, Dudley, King, Smallwood, Wilson), 0 nays, 0 abstain, 0 absent].

Attorney-Client Conference – Bill reported on the following.

GRGID: We are still waiting for GRGID to identify what their concerns are. Frank spoke with Greg Reed after the last meeting, and Greg was planning on discussing the flow amounts versus the fees paid with the GRGID board when it meets tomorrow night. The Board directed Frank to tell GRGID that MGSD is not willing to change the agreement. Mike stated that if they do want to meet, we need to have a meeting with an agenda.

Reno Rendering Contract for Grease Receiving: Bill provided a draft agreement with Reno Rendering, and Frank noted that the charge is 3 cents, but they may want to negotiate that. At 3 cents, it would be about \$31,000 per year. Bill noted the agreement is written in MGSD's favor. Bob asked if we are accepting grease from anyone else. Frank stated not right now, and any other business would also have to pay the same rate. Frank stated that he had asked Bill to add a note that we have the right not to accept the product, and Bill had added the note. The Board thanked Frank, Bruce, and Bill for getting the agreement in place. Frank will present it to Reno Rendering.

Engineer's Report – Bruce reported the following:

GRGID Interceptor Line Televising: Bruce stated he received another estimate for the cleaning and televising of the GRGID line, which was about \$58,000, from Summit Plumbing. He is waiting for one more estimate. He needs direction from the board regarding the timing. Frank and Pete want to wait until spring to see the impact of the water table on flows, but Bruce suggested going to bid in December and awarding the bid in January. When Bruce and Frank met with Greg Reed, Greg stated that GRGID would like additional time for budgeting purposes. Bruce recommended beginning the project in February or March, and MGSD would cover the costs, with an agreement for reimbursement with GRGID. The Board concurred. Mike asked if we would get a better rate if we bid it out in the winter. Bruce said yes, and it would give contractors a longer time to work out their schedules to fit it in. They might lose a day or two due to weather, but it should work out fine. This may result in some repair work once we see what the condition is. The Board directed Bruce to prepare a bid package.



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Discussion followed regarding the status of the Bently project, and Bruce stated that it has been completed, and they have been testing.

Bob asked about how long it would take Pine View Estates to receive their funding. Bruce said it was probably a year out, since they still need to obtain easements and rights-of-way.

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

Capacity: no capacity was allocated last month.

County Commissioners Meeting: Frank attended the commissioners meeting at which Barry Penzel spoke about forming a super GID that encompasses areas not currently served by GID's. Nothing came of it, but Frank will keep his ears open.

Projects within the District: Frank stated that there is not a lot going on in the District. There is a proposed senior housing project at the Peri property at Pinenut and 395, which looks to be about 28 to 29 modular lots. He will find out more when he meets with the County.

Pine View Estates: Frank and April attended the funding announcement and ice cream social, and there was a follow-up conference call this last week with all the involved parties regarding the status of the project.

Frank and RCI are still trying to work with the State on FEMA reimbursement.

Barbara asked about the work being done on Heybourne Meadows by Buckeye Road. Frank stated it has been annexed, but they will need to submit plans and purchase capacity.

Administrative Report by Staff – April reported that she is working on the 2018 update to the personnel manual. Amendments include the nursing womens' act, victims of domestic violence act, recreational marijuana, the NLRB rewrite of social media language, and added language for background checks since we now use a third party provider. She will give the updates to Bill for review.

Also Nevada League of Cities is exploring pooling medical insurance again. It's preliminary, but she will keep the Board posted. If it works out, she anticipated lower medical premiums with better plans.

Pete spoke about a training session he attended regarding management and leadership in public works water and wastewater. It reinforced some of the things he was doing, and gave him ideas for a succession process, as well as a whole new way to deal with coworkers and peers.



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Ray thanked April and Sarah for the low amount of past due accounts.

Board Comment –

Bob asked that an item be placed on the November agenda regarding allocating funds to the Emergency Repair fund. He stated that as of the end of September the unrestricted cash amount is just under \$3.7 million, and he recommended allocating another \$500,000 from unrestricted cash into the Emergency Repair fund.

Barbara discussed the County’s strategic plan, and that they are holding “Meetings in a Box”. There is a Meeting in the Box scheduled for October 9th at the COD Casino at noon. She recommended that the Board attend, if possible.

Barbara also reported that Larry Werner and Mimi Moss have both retired from the County. She also reported that the Vacation Rental ordinance stipulated a fine for an unpermitted vacation rental. She said it is controversial because it’s a property rights issue. She also noted that the City of South Lake Tahoe has an item on the ballot about this, since vacation rentals are unpopular in that area.

Public Comment – There was no public comment.

Meeting adjourned 7:20 p.m.

Approved by the Board of Trustees as presented on:

_____ By _____
Date Barbara S. Smallwood, District Secretary

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