



Board of Trustees
Minutes of Regular Meeting
Tuesday, September 3, 2019
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Barbara Smallwood
Michael King
Robert Allgeier
Mary Schilling
Ted Thran

Staff Members Present:

Peter Baratti
Cliff Simpson
April Burchett
Bruce Scott
Bill Peterson

Others Present:

Craig Olson

Board Members Absent:

None

Meeting called to order at 6:00 p.m. by Barbara Smallwood, Chairman.

Public Comment: There was no public comment.

Chairman's Comment: There were no comments by the Chairman.

Claims Review and Approval: Bob asked if SDP is still doing service on the co-gen, and Peter said they are coming in once per week to start the pumps in order to prevent the problems we ran into the last time it was restarted. Since the gas line is running to it, they can run it for a bit. It isn't the service we normally see, but we are hoping to avoid the prior problems. Bob asked if they are using gas from Digester 3, and Pete said that they are using natural gas. Bob asked about Item 26 for SmartProcure, and Pete said it was for the GovSpend program to price shop for products. We only saved a few thousand dollars, and we attempted to discontinue it, but he found out we are locked in for 3 years. The Board directed he coordinate with Bill to attempt to discontinue service. Bob asked about the Tribridge billing and April explained that it was an error that occurred during the reloading of the accounting software on Sarah's new computer. Bob asked if it was their error or ours, and April explained that they bill based on the time of time they spend on our account. Mike pointed out that the Digester repair would take about a year, which would cost a lot of money with SDP. Peter said he didn't know if we can cut the contract with SDP. Mike suggested that Peter contact SDP to see if they will work with us. Mike asked about the lunch charge with HDR and RCI regarding digester repair. He expressed discomfort in taking ratepayers money to take contractors to lunch. He would like a policy about this. Discussion followed regarding the Douglas County Clerk Treasurer voter maintenance fee. **Motion by Bob Allgeier to approve the**



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claims received for August, 2019 in the amount of \$48,597.46 plus miscellaneous expenses in the amount of \$1,253.73, and to approve the payroll-related expenses paid during August, 2019 in the amount of \$134,921.89. Seconded by Mary Schilling. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, King, Schilling, Smallwood, Thran), 0 nays, 0 abstain, 0 absent].

Minutes of August 6, 2019 Regular Board Meeting: Mike noted on Page 3 under MGSD Digester 2 Lid Repair, “Craig said he spoke with the manufacturer, who believed that although the lid is 30 years old, with a more frequent cleaning cycle (every 5 years) it could last for 50 years.” Mike asked Craig if it referred to both the structure and the lid, and Craig said it did. Mike asked that “and structure” be added to the sentence. Mike asked Peter about the 5 year cleaning cycle, and Pete said it should have an 8 to 10 year cleaning cycle, but we have been going longer between cleanings. Craig said that the lid would last for 50 years, while the structure being concrete would be longer. **Motion by Mike King to approve the minutes of the August 6, 2019 Regular Board Meeting with the noted correction.** Seconded by Ted Thran. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, King, Smallwood, Schilling, Thran), 0 nays, 0 abstain, 0 absent].

Rick and Mary Wood Annexation: Bruce explained that the public hearing was noticed and he recommended approval of the annexation. **Motion by Ted Thran to approve the annexation for Rick and Mary Wood for 9.03 acres located at 1379 Centerville Lane (APN 1220-04-101-002) subject to 2 conditions outlined in the letter from Resource Concepts, Inc., dated July 30, 2019. All rules, regulations, and requirements are to be met and all fees paid.** Seconded by Mary Schilling. There was no further discussion on the motion. Motion carried [5 ayes (Allgeier, King, Smallwood, Schilling, Thran), 0 nays, 0 abstain, 0 absent].

MGSD Digester 2 Lid Repair: Craig passed out a handout outlining the alternatives for the Board to consider for the repair of the lid for Digester 2. Option 1 is to replace the existing floating cover on Digester 2 and increase the skirt height from 6 to 8 feet. It would make the digester taller but it would replace the lid in kind. One of the advantages of this option is the additional storage volume. The new lid would cost \$260,000 not including installation. Pete asked if the new material would be more lightweight, and Craig said no. Pete then asked if the structure for the roof would be the same as now, and Craig said it’s more of a fixed guide system with a coating to keep the friction down. Bob asked if this would keep it from happening again, and Craig said it would be better. Barbara asked if the \$260,000 includes the new guidance system, and Craig said yes. Craig noted that the disadvantage of this option would be that we are relying on the existing concrete structure.

Option 2 is to install a fixed cover on Digester 2 and construct a new digester gas storage facility. Craig showed a couple of options for a gas storage facility. One is a balloon-looking structure, with a 19 foot



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height. He asked the manufacturer for dimension and costs on 3 different volumes. The advantages are additional gas storage, and it will enable the District to plan for future gas production. Bob asked the amount we would store, and Craig said about the same as we're doing now. Barbara said we would have to fix the lid and build a new structure. Craig said that is one of disadvantages, and it is the highest cost of all the alternatives. The handout shows a couple of possible locations for a gas storage facility. Mike noted the difference between the 2 options is about \$63,000 and asked if it would be practical to plumb in all three digesters to it. Craig said it would be. He said that currently Digester 2 and 3 are tied together, but with the balloon structure, it would be tied in to all 3 digesters. Mike said that with Option 2 we wouldn't have to worry about the age of the digesters. Craig stated that the balloon option has a 10-15 year lifespan.

Option 3 is to put on new guides on the existing lid. This is significantly less money, and there is no warranty. He cautioned that this would be a band-aid and noted that this option would cost about \$38,500 not including installation.

Craig stated that many plants are using a balloon-type structure these days, because it's a separate storage facility in case the digester goes down. Mike asked if it's user-friendly, and Craig explained that you can isolate each digester separately. Pete said the advantage of this is that it would give us the ability to maintain gas volume, while currently we lose it when a digester is shut down. He was concerned about additional equipment to maintain and repair. He also noted that with our tough weather, he is concerned about the life span.

Bob asked about the time estimate to get it back online with Options 1 and 3, and Craig said we can be out to bid in 3 months since they aren't designing a new structure. It will take the contractor about 6 months to get the equipment ordered and ready to begin. The additional structure will take even longer. Barbara asked if there is anything new out there that we would look at in the next few years, rather than choosing a more expensive option. Craig said the forward thinking item in the industry was the FOG system installation, and he recommended that now we look at storing the gas to make it more efficient for the plant. Craig said that larger plants are looking at cleaning the gas up enough to inject it into the gas line and that other places have fill stations for the vehicles. He thought that it would be most cost effective to scrub the gas to use it all at the plant and take the cogen offline. Pete noted that we get good nutrient removal rates and that newer plants wish they had older tech to more effectively process the nutrients. The bare minimum is to run the boilers, digesters, and the heat the buildings. Anything extra will need to be looked at to determine how effective they would be.

Bruce stated that the options are well laid out. He was concerned about the lifespan on the bladder system. Option 1 makes a lot of sense, since it gives us more storage while being cost effective. He is also concerned about using the existing lid. Mike asked if something happens to the structure and the new lid is still good, can we use the new lid on a different structure, and Craig said we can. Mike asked about the coating, and Craig said there is coating only at the top and that it would be included in the



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construction cost. Bob asked about the engineering charges. Craig said that engineering costs run about 8-10% of the construction costs. Discussion followed regarding the components of the potential costs. Pete said there is no possibility of seismic damage, since the equipment is working properly. Craig said the total construction cost would be about \$750,000.

Motion by Bob Allgeier to authorize Option1 for the repair of Digester 2 including the enlarged skirt height fom 6 to 8 feet, to include the installation of the new guide mechanisms, and to get started immediately on getting together the bid package. Seconded by Mike King. Mike asked Craig if he thought this was a good option, and Craig said yes for the size of this plant. It wouldn't add any additional equipment. Bruce and Peter also felt it was a good option. Ted asked if we could replace the fixed lid with a floating lid in the future if we need more gas, and Peter said we could with Digester 1, since it had a floating lid originally, but it would be cost-prohibitive to do it on Digester 3. There was no further discussion on the motion. Motion carried [5 ayes (Allgeier, King, Smallwood, Schilling, Thran), 0 nays, 0 abstain, 0 absent]. The Board asked Craig to come back to the board with a bid package as soon as possible. Greg will try to get a contract amount to Peter before the next meeting.

Gardnerville Ranchos GID -- Motion by Bob Allgeier to approve the purchase of 20 EDU's of capacity under the terms of the 1990 Supplement to the 1974 Contract between MGSD and Gardnerville Ranchos General Improvement District to be used within the Gardnerville Ranchos General Improvement District Boundary. Seconded by Ted Thran. There was no discussion on the motion. Motion carried [5 ayes (Allgeier, King, Smallwood, Schilling, Thran), 0 nays, 0 abstain, 0 absent].

MGSD Pickup Truck Purchase – Peter presented an estimate from Champion Chevrolet. He also requested a bid from Michael Hohl Motors, but it was a bit higher. He went through the State purchasing agreement. The current half-ton was towed again this morning for repairs. Bob clarified that the vehicle has a 100,000 miles on it and wondered why we have to have a new vehicle. Peter noted that we have replaced pumps and the starter, in addition to regular maintenance. He also felt that our fleet is getting old, and we shouldn't continue to deal with a vehicle that continuously breaks down. We have a second vehicle that is also in this condition. Mike pointed out that stop-and-go driving is a consideration for life expectancy of a vehicle. He explained that the engine doesn't operate at its full potential under those conditions. Mike asked if we want to spend money to repair the current truck, or should we cut our losses. Mike asked if it wouldn't start, and Cliff said it sputtered and quit. Mike wondered if it was the fuel injection, and Pete said that has been replaced. **Motion by Mike King to approve the purchase of a 2020 Half-Ton Chevrolet Full Size Regular Cab pickup truck from Champion Chevrolet in an amount not to exceed \$30,000.00.** Seconded by Ted Thran. There was no discussion on the motion. Motion carried [4 ayes (King, Smallwood, Schilling, Thran), 1 nay (Allgeier), 0 abstain, 0 absent].



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Attorney-Client Conference: Bill had nothing to report. Discussion followed regarding the status of the audit.

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

Hwy. 395 Sewer Rehab: Bruce stated that Dr. Pipeline is moving forward on their traffic plan to submit to NDOT. He hopes to have that get started before next meeting.

District Manager's Report: Peter Baratti reported on the following items:

Capacity: 20.2 were purchased in August, and Schat's Bakery also paid on Friday.

Pump Station 2: Pump Station 2 is being rehabbed. The starters and switches were out, which are more cost-effective to replace than pumps. There is one portion that had been deleted, probably for safety reasons. There used to be 2 rods to run it in auto mode. He would like to put in a sonic head to run it in auto mode. The cost would be \$5200 and he would like the Board to consider that cost. Barbara asked if it would be tied into the SCADA system, and Pete said he thinks it can be. Bob suggested that the item be placed on the October agenda with additional detail and cost. The Board concurred.

Projects in the District: Towns of Monterra has sewer completed, and they are currently working on the laterals. The tie-in with the street went well. The Village at Monte Vista has all onsite mains completed. They are ready for the tie-in to the MGSD manhole on Ironwood. They need to put out signs on 395 to show Ironwood Dr. is closed. Human Bean is tied in. The Evolution Car Wash is waiting on one segment on that to be tied in, and then it will all need to be reinspected and retested.

Bob asked about McDonald's. Bruce attended the meeting with the County and sent a letter to McDonald's representatives, so they are aware of MGSD's requirements. It may be a few months before we see anything. Mike asked about the access to the new McDonalds. Bruce explained it will be a 4-way light at the intersection of 88 and 395, and a roundabout inside the project. They will not have access directly off of Hwy. 395 or Hwy. 88.

Administrative Report by Staff:

April reported on that one commercial account on the past-due list has been paid, so the past due amount is down a bit.

Pete and April went to the Chamber meeting regarding the Park Ranch-Muller Pkwy. development. They felt that Tom Dallaire and Patrick Cates did a good job and presented MGSD in a good way.



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April passed out letters from the two customers that were discussed at the August meeting. She asked for the Board's direction regarding any response to the letters. Barbara noted that on Pages 7 and 8 of the August minutes that it's 7 months before we file a lien, and it's not acceptable to expect other rate payers to subsidize customers who paid late. She was frustrated at the amount of staff time spent on two accounts that are not paid current. Bob stated that staff and Board are enforcing the policy, and he noted that lien fees have already been paid to the County. Ted didn't feel we should send a response. The Board agreed that no further action is necessary.

Mike asked about the large amount under bad debts on the operations expenses. April explained that a customer made an overpayment, and bad debts is where it ~~show~~ is shown in order for reconciliation with the bank statements. It will be offset.

Board Comment: Barbara noted that there is an update on building permits scheduled for the County Commissioners meeting on Thursday.

Public Comment: There was no public comment.

Meeting adjourned 7:50 p.m.

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

10/1/2019 _____ By Ted Thran _____
Date Ted Thran, District Secretary

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