



Board of Trustees
Minutes of Regular Meeting
Tuesday, March 1, 2022
6:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Barbara Smallwood
Ted Thran
Mike King
Ray Wilson
Mary Schilling

Staff Members Present:

Peter Baratti
Cliff Simpson
LaVonne Ghanavati
Bruce Scott

Others Present:

Sondra Condron
Dennis McDuffee
Jeremy Hutchings
Micah Laack

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: Chairman Smallwood acknowledged Bruce Scott for winning the Andy Aldax Award from the Carson Water Subconservancy District. She received a call from Bob Allgeier and he is feeling much better. Ray Wilson acknowledged Mike King's time and effort in getting the basket of food together for Bob, and Bob was feeling much better. In addition, April Burchett included a nice card with staff and board names on it.

Claims Review and Approval: Ray mentioned the claims from Cog-Gen Service, Southwest Gas, and NV Energy. We may have to shut down the co-gen because it is too expensive to run it. **Motion by Ted Thran to approve the claims received for January, 2022 in the amount of \$213,159.37, and to approve the payroll-related expenses paid during January, 2022 in the amount of \$130,226.12.** Seconded by Mary Schilling. Motion carried [5 ayes (King, Schilling, Smallwood, Thran, Wilson), 0 nays, 0 abstain, 0 absent].

Minutes of February 1, 2022 Regular Board Meeting: **Motion by Mary Schilling to approve the minutes of the February 1, 2022 Regular Board Meeting.** Seconded by Ted Thran. Motion carried [5 ayes (King, Schilling, Smallwood, Thran, Wilson), 0 nays, 0 abstain, 0 absent].



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MGSD Service Area Expansion to Include Property at 1100 Sawmill Rd: Represented by Dennis McDuffee (owner) and Micah Laack (Lumos & Associates). Peter Baratti stated the District was approached by the owner and the County regarding sewer service to the property on Sawmill, and he reported to them that the property is not within MGSD's boundary and that only the Board could make a decision extending the boundary for service. Bruce Scott stated that the property is contiguous to the service area boundary, but not within the boundary. The Board has the authority to change the service area boundary, and Bill Peterson will need to be consulted to determine the process to do that. The service area boundary has been adjusted in the past by prior boards.

Jeremy Hutchings (Douglas County Engineer) stated that Title 20 of Douglas County Code requires developments to tie to sewer within 2000 feet, with certain exemptions. This project is within 900 feet of MGSD's sewer. The condition for the project was to either annex the project or get an out-of-service-area agreement. If they cannot get MGSD to agree to serve the property, then the owner can proceed with individual septic disposal. The advantage to sewer connection is that there are other industrial type projects in the area which could be eligible for service. However, the cost to the applicant is high. If the District does not approve it, then the County would like a letter from MGSD stating this. He felt it is a good project and would like to see it move forward.

Dennis McDuffee and Micah Laack reported that the project proposes storage units with one restroom and an RV dump on site. The original proposal included septic for the project, but the County's recommendation was to bore a force main under the Allerman Canal which would cost about \$200,000. Micah Laack stated that there are design hardships with the project, including the distance and the boring underneath the Allerman Canal, as well as the need for a pump system and a force main. He pointed out that the design would not provide points for future connection, and that the sizing would have to be redone each time someone else wanted to connect. There most likely would not be future connections at this location. Ray asked if it would be better to put in an engineered septic system, and Dennis and Micah stated that they preferred this option to connecting to the sewer. Ray pointed out that MGSD does not accept pump stations for maintenance.

Mike King asked Bruce for his thoughts, and Bruce stated that MGSD is the sewer entity for this part of the Valley, but this particular parcel and the proposed use is unique. He would typically recommend connection, but in this case it makes sense not to require connection due to the distance and the location of the canal. Storage businesses generate less sewage than other types of projects. He felt that a managed and well-maintained septic would be acceptable. Ted asked



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if we would be setting a precedent. Bruce stated that the Board would need to consider that. We have never looked at this area as being included into the District since there would be a need for a lift station. To avoid setting a precedent, he thought the letter can include the conditions that were considered in arriving at the conclusion.

Barbara stated that she would prefer to continue the item until the April meeting to allow MGSD's legal counsel to discuss the best way to handle the situation in order to avoid a precedent to be set. She thought that the Allerman Canal has historically been considered a natural boundary for the District, and we know we will need to have to take sewage from Ruhenstroth and Pine View. The County will need to determine the sewage system for this area. She asked how it works now for MGSD's main to run under the Allerman Canal, and Bruce said we have more elevation so we have a deeper crossing. There isn't enough slope to work with on the McDuffee project. Dennis agreed to continuing the item. Jeremy also stated that continuing the item would be acceptable. Bruce and Peter appreciated that the County brought this item before the board, and the board concurred. **Motion by Ray Wilson to continue Item 6, MGSD Service Area Expansion to the April 5, 2022 regular board meeting.** Seconded by Mary Schilling. Motion carried [5 ayes (King, Schilling, Smallwood, Thran, Wilson), 0 nays, 0 abstain, 0 absent].

Gardnerville Ranchos Sewer Interceptor: Bruce Scott reported that we are close to having a not-to-exceed number, and the contingency level in the contract is what is currently being discussed. It is an expensive project. We are trying create a rehabilitated line and an upgraded line that would be good for another 40 or 50 years. With a construction number of \$2.94 million, there is a \$295,000 contingency. It includes all the line to the manhole below the River crossing, which is the area that is 100% shared with GRGID. Every manhole will be completely lined and protected with an epoxy coating, rather than replacing manholes. We will also rebuild the entrance to the siphon on the upstream side of the crossing at the River, since it does not meet our design standard. GRGID built the line and it was not inspected by MGSD. The line was constructed very well, but there are a couple of items that need to be upgraded. He and Peter are looking at applying for grant funding to assist in the project costs. There is some cleanup being done to create a better line hydraulically. The line is asbestos cement, so it would be hazardous to take it out of the ground, and it is better to line it. This will be a valuable investment for the future. Ray asked when the project will get started, and Bruce hoped having a contract to the board in April. He also needs to look at the timing regarding the funding, and that may delay the start. Mike King asked about the infrastructure money that was passed by the federal government, and Bruce stated that NDEP will allocate that money. Discussion followed



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regarding the call for submittals from NDEP and the status of the plans, allowing MGSD to go through the process more quickly.

MGSD Budget Subcommittee: Peter Baratti requested 2 board members to serve on a subcommittee with him as District Manager and the Controller to obtain feedback on the budget. The subcommittee meetings would need to be agendaized. He felt the budget would be better conveyed to the board with some prior input from a subcommittee. A meeting should take no more than a couple of hours. He would like more communication with the board during the budget process. Ray thought it did not need to be subject to Open Meeting Law, and Barbara pointed out that this would be a subcommittee that would report to the Board so it would be a public meeting. The Chairman asked for volunteers, and Ted Thran volunteered. Mike King stated that he thought Ray Wilson would also be a good candidate. Mike felt that the Manager is the expert on the needs for the plant and the District, so he was concerned about Trustees directing the priorities of the projects. Barbara felt that there are more balls in the air than normal, and the District Manager is requesting this. She felt that Ray is the longest serving board member, so he would be appropriate to be on the subcommittee. Peter stated that there are several needs coming forward, including new line items on the operations budget as well as some upcoming expensive projects. He would like to have the opportunity to have some input with some board members prior to presentation to the entire board in order to prioritize projects or to fund projects over more than one fiscal year. He wants to present a more finalized budget to the board at the budget meeting. He is also concerned about addressing the board's concerns and completing the tentative budget within the timeframe that is mandated by the State. A subcommittee will help alleviate that pressure as well as create a more finalized presentation to the board. Mike asked about having a special meeting with all 5 board members. Barbara pointed out that Peter is requesting a subcommittee and she supported that. Ray agreed to serve on the subcommittee. **Motion by Mike King to appoint Ted Thran and Ray Wilson to comprise a budget subcommittee with the District Manager and the Controller, to be subject to the Open Meeting Law as outlined in NRS Chapter 241.** Seconded by Mary Schilling. Motion carried [5 ayes (King, Schilling, Smallwood, Thran, Wilson), 0 nays, 0 abstain, 0 absent].

MGSD Tentative Budget: Barbara asked Peter if he had a preference date for the meeting, and Peter stated that earlier would be better and suggested the 5th through the 8th. Barbara noted that the regular board meeting is on April 5th and asked if there has to be a separate meeting or if it can be included in the regular meeting. Barbara suggested starting the meeting earlier than 6:00 on April 5th. **Motion by Mike King to set April 5, 2022 as the meeting to discuss and approve the tentative budget for FY 22-23, with the time to be determined by staff.**



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Seconded by Ray Wilson. Motion carried [5 ayes (King, Schilling, Smallwood, Thran, Wilson), 0 nays, 0 abstain, 0 absent].

District Manager Annual Report: Peter made a presentation of the activities in 2021 (see attached PowerPoint presentation and report). Barbara asked about if the map will be updated with the new annexations and contracts of service, and Peter stated it will be. The Board felt it was a thorough presentation, and thanked Peter. Peter thanked the Board and staff for putting their trust in him to keep things moving forward.

Attorney-Client Conference: Bill Peterson was unable to attend the meeting.

Engineer's Report: Bruce Scott reported that projects are moving forward. There is activity out there and many projects are slowly moving forward.

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

Staffing: Tim Sheets has submitted his letter of resignation. He has been with MGSD as an operator and lab tech for many years. There will be discussion as to how we will fill that position. He is a very dependable employee and is critical for State compliance. Barbara asked if we need to look at the job description for the lab. Peter stated that we have had a long-time lab backup in Chris Baracosa, who also has the most knowledge of the plant functions and equipment. Peter has spoken with the President of the NWEA to ensure that Chris is eligible for certification in the lab, and it is believed that with Chris's experience he is eligible for lab certification training and testing. Tim will write a desk audit, as he handles the effluent irrigation cycles as well as the lab testing. That transition will be happening over the next few months.

Carson Valley Veterinary Hospital: Peter has received drawings for the proposed Veterinary hospital at the south end of Gardnerville, and he will be calculating their capacity requirements.

Carson Valley Medical Center Expansion: Peter has calculated the capacity requirements for the hospital expansion. The engineer wants to have a discussion with us, since they want to demolish some of the existing infrastructure. He reviewed David LaBarbara's notes on how he calculated the capacity, so Peter feels that we can give them a fair count on the expansion. But it is expensive, so he is willing to meet with them to make sure they get the credits they deserve.

IT Services: We are now working with DeBug for IT services. They are local and will be great for our software needs. We will continue to utilize Randy Williams for our hardware needs, but



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Randy is retired so we need to have someone who is more obtainable when we are experiencing issues. We have been making strides to become more secure, and we want to continue with that.

Infrastructure Funding: We will be submitting applications to NDEP for some of the federal money for public works infrastructure projects.

CDL Licensing: New federal standards have been implemented for CDL licensing. In the past we have been training new drivers in house, but the new requirement is that all CDL applicants must complete an approved course. It will cost considerably more to put new employees through a formal course. He also wants new employees to obtain Class A licenses instead of Class B in case we have a future need to haul trailers. We were also presented with an opportunity to become trainers for CDL licensing but he had concerns with liability to the District and the small number of MGSD employees.

Ray asked how many years Tim has been here, and Peter thought 26 years.

Mike stated that he had read an article about CDL licensing where they reported that some truck drivers have had very little actual driving training experience, so he is glad they are going through training.

Mike commented that the exit gate on Hwy. 395 creates a dangerous situation where exiting cars are very close to the Ironwood Dr. right turn lane and wondered if it should be emergency only exit. Peter stated that it allows employees who live north of the plant to more easily make a U-Turn, which is safer than trying to turn left at Hwy 395, but most of the employees utilize the Ironwood gate. He can verbally recommend that employees use the Ironwood gate during business hours. He felt that if we eliminated it the fire department would have a problem with it. He is also planning on painting signage on the asphalt with directions and cautions. He believes there is a traffic light planned at Muller which will slow traffic down in the future.

Barbara asked if the veterinary hospital will have a kennel and if we have additional requirements for a kennel. Peter said they are not planning on allowing boarding. He is looking at this as a medical facility. Bruce stated that X-rays are a concern, and we need to make sure they are using modern techniques.

Barbara asked if we provided updated salaries to Transparent Nevada, and Peter stated that they were provided. He also noted that incorrect information was posted about his earnings in the past.



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Controller's Report: LaVonne stated that we went live with the new NODUS pay portal in January. A flyer was included in the statements to contact her to obtain a link. She has had about 150 responses with 70 customers setting up automatic and/or online payment. We are working with DeBug for IT services, and we want to get all the employees computer access. We have purchased the Collections Management software to allow her better capacity to see who is behind and to streamline the collections process for late payers. Ray asked what we charge for credit card charges, and LaVonne stated that April said we aren't allowed to.

Administrative Report by Staff: April Burchett was unable to attend the meeting. LaVonne stated that April wanted the board's to be aware of a couple of items regarding Pine View Estates. Bill Peterson asked her to hold off on completing the agreement. In addition, the pass-through legal fees will be deducted from the NDEP loan. Bruce stated that Marvin Tebeau passed away who was instrumental in the District's needs obtaining the NDEP loan, as well as many other environmental items the District deals with. The Board offered condolences to RCI and Marvin's family.

Board Comment: Ray Wilson clarified that the time will be stated for the April 5th meeting.

Public Comment: There was no public comment.

Meeting adjourned 7:50 p.m.

Approved by the Board of Trustees as presented on:

4/5/2022 _____ By Ted Thran
Date Ted Thran, District Secretary

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