



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

Board Members Present:

Barbara Smallwood
Ted Thran
Ray Wilson

Staff Members Present:

Peter Baratti
April Burchett
LaVonne Ghanavati
Cliff Simpson

Others Present:

Sondra Condron
Chris Shorten
Craig Olson

Board Members Absent:

Mike King
Mary Schilling

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

2. Public Comment: There was no public comment.

3. Chairman's Comment: The Chairman noted that Trustees King and Schilling are absent, but a quorum is present.

4. Claims Review and Approval: There was no discussion or questions regarding the claims received for August, 2022 and the payroll-related expenses paid during August, 2022.

Motion: To approve the claims received for August, 2022 in the amount of \$159,344.82, and the payroll-related expenses paid during August, 2022 in the amount of \$122,668.78.

Made by: Ray Wilson
Seconded by: Ted Thran

Vote: Motion carried.

Ayes: Smallwood, Thran, Wilson

Nays: None

Abstain: None

Absent: King, Schilling



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5. Minutes of September 6, 2022 Regular Board Meeting: Trustee Wilson asked about the sludge thickener

Motion: To approve the minutes of the July 5, 2022 Regular Board Meeting.

Made by: Ted Thran

Seconded by: Ray Wilson

Vote: Motion carried.

Ayes: Smallwood, Thran, Wilson

Nays: None

Abstain: None

Absent: King, Schilling

6. MGSD Plant Improvement Master Plan Update: Craig Olson discussed the history of the master plan update, and that it stemmed from the initial presentation with Catherine Hansford regarding the rate study. That was a year ago, and the Board decided that the Master Plan should be updated, because the last one was done 10 years ago, and see if there have been changes that would impact rates. HDR went back and looked at a number of things, such as the 2020 update for the Douglas County General plan, which substantially increased future residential development zones and decreased Agriculture use. This will have an impact on things down the road for what build-out conditions might be. The District's service area hasn't changed much, with the most notable change being the Pine View subdivision, and that will result in additional flows which need to be addressed in the master plan.

Craig gave a PowerPoint presentation of the main points of the draft updated master plan.

Since 2010 there have only been three capital projects. The first one was the Digester 3 Roof Repair, which had been a catastrophic failure. The second was the Digester 2 Roof Repair in 2017, that was replaced because of corrosion. And then recently, the second Belt Press project is almost wrapped up. So there hasn't been any tremendous District expenditures in the last 10 or 12 years. Of note is the fact that these two Digester Roof projects weren't in any type of financial



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plan because they happened spontaneously as needed. And that seems to be the trend at the plant. MGSD is not building new structures but dealing with things as they come up.

The average daily influent has stayed consistent, noting a 1% increase, except for some irrigation spikes. The TSS, solids, and BOD have also remained consistent. However, the peaks are increasing gradually, which is the flow coming into the plant, and this is probably due to the Distillery coming online. Peter reported that at first the Distillery was experimenting and figuring things out, and MGSD had to have a discussion with them about how they were pumping their tanks down, but it seems to have levelled out. Craig noted that the average flow had a steep increase in the 1990's with the increase in growth, but then had a major decrease with the downturn of the economy around 2010. But the average flow at the plant has remained consistent over the past 6 or 7 years. He thought this was because of the use of low flush toilets and other conservation items.

But the main question is what is projected in the future. The 2020 Douglas County General Plan had about a 1% growth rate, but when we look at the number of connection permits, we are closer to what happened back in the 1990's. The growth projections don't really matter, since the District does not need to build any new infrastructure at the plant. There is nothing major that will be required over the next 10 to 15 years. Because of decisions that this board and previous boards made to stay ahead of construction, the District didn't fall behind and built things when the costs were less. Based on the County's land planning, the build-out flow would be 18 million gallons a day, which is a little scary, but that is years and years down the road. If everything is built out the County won't look the same at that point in time and that would be major. So this build-out number in 2040, which is 18 years from now, will be substantially less than that number. The Chairman asked about the increase in the Receiving Areas and the decrease in the Agriculture Areas, as the numbers seemed off. Craig agreed and stated he will research that further and make adjustments as needed.

There is only one item in the near term that may need to have some improvement, and that is the solids contact aeration basin. That's where air is added to the wastewater to help the biological process. This improvement would be straightforward, because the tanks are already built in the ground, so you need to add a blower and diffusers to disperse the air in the water.

One item that was in the last Master Plan was the sludge thickener, which is when we take the solids before we put them in the digester. The District currently has only one of those pieces of equipment, and that is now 25 or 30 years old. Peter stated that it is running well and we've managed to keep it operable and in good condition. Discussion followed regarding the transfer



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pump, which is in dire need of replacement. The VFD for some of the lift pumps have been replaced, as well as the flow meter and the guide roller. There's been quite a bit of continual upkeep and rehab on that machine, but nonetheless it is still a single point of failure and it's 30 plus years old. One thing we are looking to do is replace that transfer pump with a newer model. Craig stated that is the single capital project for the next 10 years. And it's really just a redundancy.

HDR also looked at biogas utilization, since use of biogas and optimizing the use of that in the facilities is a new item from the last Master Plan. In addition, improvements to the administration building have been identified by Peter and April. Peter explained that the building was built in 2007, and the District's needs were different then. Over time, we have identified problems with the open floor plan, specifically with human resources and the lack of privacy to handle confidential matters. We have to be extremely careful as to how we address issues and we have to be conscious at all times of who's around and who's listening, because we don't want to violate anybody's rights. The only way he could see to address this was to create an area where HR was able to have an office space to handle the confidential documents and situations that arise. The Chairman stated it only takes one small issue to create a larger one. Peter also stated that the furniture and carpet in the building are aging, so we will also need to do a remodel to replace the furniture and carpet.

The total for all the projects identified is \$24 million including those scheduled past 2040. Trustee Thran asked if that is in today's dollars, and Craig said it was.

Craig stated the biggest change in this master plan is aging infrastructure. Over the next five years, they have identified about \$4.2 million that are things that would need to be done.

This was an attempt to try to quantify and come up with a list of what needs to be done and be defensible if it's included in the rate study. This information has been provided to Catherine Hansford and she will be building that into her rate model. She will make another presentation to the Board in a month or two.

Discussion followed regarding the situation in Jackson, MS. Craig noted that there have been a few floods here in the past but Mississippi's pipes are likely older, whereas our underground equipment at the plant has been built more recently.

Craig stated he spoke with NDEP, and they were vague about future permitting requirements. But there doesn't seem to be any major changes coming during the District's next five-year



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permit cycle. Because of some of the constituents they are monitoring, there is a nitrogen problem in the groundwater, and they may start regulating that, which will be impactful to our process in a big way. However, HDR did not include costs for converting over to nitrogen removal in this master plan document.

Craig also noted that the other wild card right now is the sale of the Bently Ranch, and we don't know how that will play out.

Craig stated that this is a final draft of the Master Plan. He won't finalize it until Catherine reviews it and presents her data to the Board.

Discussion followed regarding some of the smaller projects that have been completed over the past several years. Chairman Smallwood was concerned that these projects were not included in the draft master plan. Craig agreed that they should be noted and he will look into that. These projects would include the flare rehab, technology and security improvements, and the pond rehabilitation. We also need to have another discussion with Bruce Scott to update the sewer line rehabilitation plan.

The Chairman asked Trustee-Elects Condrone and Shorten if they had any questions of Craig Olson regarding the draft Master Plan. Trustee-Elect Condrone felt that we should bring the public's attention to the fact that we take solids, fats and grease and turn it into energy in order to keep it more efficient for the plant to run. The Chairman thought that before the rate workshops we should do a public information piece that outlines those items that we would like to share with the public to outline the District's efforts to reduce costs in order to keep rates down as long as possible.

The Board thanked Craig for his presentation.

7. Attorney-Client Conference: Bill Peterson was not present.

8. Engineer's Report: Bruce Scott was not present.

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



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Peter noted that lately there are not only residential projects in the works, but commercial as well. With the Park's Harvest facility as well as their steaks and beer place downtown, he anticipated seeing some projects that could have actual impact on our system. With the loss of Marvin Tebeau at RCI, we now have to be hypervigilant about monitoring. Marvin orchestrated much of our industrial type permitting. RCI has other competent staff to continue handling these types of permitting, and we will be working closely with them.

Peter reported that Anthony LaRocca has resigned as Administrative Assistant, so we have advertised for the position.

Peter pointed out a new flag that is in the Conference Room. The flag was donated to MGSD by former employee Russ Lindell who recently passed away. We are displaying the flag in his memory.

Peter reported that we are looking into purchasing a new camera truck, and he would like to use the Sourcewell contracts. Bill Peterson and April are researching to see if the Sourcewell contracts meet the State's requirements for bidding. Barbara asked why we need a camera truck at this time, and Peter stated that the current camera truck we are using is a safety hazard, and the computer equipment glitches and has trouble downloading upgrades. The last few times, the trailer had to be taken to Sacramento in order to achieve upgrades. A new camera truck would increase safety for the employees and have the proper computer equipment with compatible software that would work with a GIS system, which is what we are looking at transitioning to. Barbara asked about the cost of a new camera truck, and Peter stated it is budgeted for \$300,000 but appears it will cost about \$260,000.

Discussion followed regarding GIS-based mapping systems. Peter has had conversations with Mark Lovelady at Gardnerville Water Company to transition our utility mapping to a GIS-based mapping system such as the one utilized by the County. The idea is that we would share the cost of the licensing and the initial integration with Gardnerville Water Company. We would purchase some equipment in order to maintain the system ourselves. In addition, two of our new employees, Jessica Kneefel and Joe Church, already have experience in this, and RCI has our information in CAD which will easily integrate. This will give us on-the-spot reference material to give us background on a problem area. The Town of Minden is working with the County on their system, and Peter would like to coordinate with the County to see if we can bounce signals off their infrastructure. He and Mark Lovelady have discussed cost sharing with the GIS company, who have stated that many smaller agencies share licensing in order to save on costs.



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The Belt Press startup was scheduled, and the company sent out employees from New Jersey to do the startup, but they sent the wrong belts. They are scheduled to be back on September 19th. On the plus side, the new polymer mixer is working well, and we're using it on our old belt press. Peter praised Scott Hogan of Power and Control Solutions who was a valuable asset on this project and has helped us avoid future issues.

Discussion followed regarding the Martin Stahl project on Hwy 395 in Gardnerville by Lynne Cauley's office. Barbara pointed out that the property just went on the market. Peter has been in touch with a developer who wants to do a mixed commercial and residential project. He did not think their sewer plan was the best for the use, and he advised them of that.

Peter reported that we are looking into upgrading the office phone system to a system that will be operated over the ethernet. Charter will be pulling in the fiber in order to accomplish this. The current phone system is through Utilities Telecom which works off Frontier's infrastructure and has caused issues in the past. Chairman Smallwood preferred a land-line phone system as she felt it was more reliable. Peter stated that we will need to upgrade to a VOIP system at some point, and with the current phone system needing to be replaced, he thought that now would be a good time to accomplish this. The system will work with our cell phones as well as desk sets. The system will cost us around \$50 more per month than we are currently spending.

10. Controller's Report: Ms. Ghanavati reported on the following:

LaVonne pointed out that there are reports for two months included in the packet due to the cancellation of the August meeting. She has also included a new budget-expense sheet for the July reports and reported that these are now being generated from the Great Plains software. She formatted it as close to the old ones as possible. She still needs to put together the Cash Flow report and she hoped to have that one available by the October meeting.

Trustee Wilson stated he appreciated the past due report because that is important, and he commended her on getting that amount down to below \$10,000.

Chairman Smallwood asked about the two-step authentication, and LaVonne explained we had to set up two-step authentication in Outlook since someone sent April an email that appeared to be from LaVonne asking for bank sign-in information.



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11. Administrative Report by Staff: Ms. Burchett reported on the following:

The Contract of Service Agreement with Pine View Estates was signed by the Homeowners' Association, but she will not have Barbara sign it until we receive the acreage fees. Upon review of last month's minutes, April noticed that there was some confusion regarding the two loans for Pine View. Pine View is receiving a grant from USDA that will pay for their capacity and connection fees, as well as construction costs. However, that grant does not pay for the engineering design. MGSD will be receiving a principle forgiveness loan from NDEP that will cover the cost of engineering design as well as MGSD's legal and administrative fees. So MGSD will not be responsible for administering the construction aspect of the project nor be responsible for any construction fraud. We will be inspecting to ensure compliance with MGSD's standards, but the funds that we will be administering will only be for costs incurred by MGSD staff, Bill Peterson, and RCI.

Jessica Kneefel has been hired to train with April. She is part-time until she obtains her degree in Environmental Engineering, at which point April will then start phasing out to retirement. We are also conducting interviews for the Administrative Assistant position later this week. Trustee Wilson asked how many hours Jessica will be working, and April said an average of around 20 hours per week.

12. Board Comment: There was no Board comment

13. Public Comment: There was no public comment.

14. Meeting adjourned 7:50 p.m.

Approved by the Board of Trustees as presented on:



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10/4/2022
Date

By Ted Thran
Ted Thran, District Secretary