

**SILVER SPRINGS MUTUAL WATER COMPANY  
BOARD OF DIRECTORS  
MEETING MINUTES  
JANUARY 21, 2016**

President Peek called the meeting to order at 4:00 p.m., 1315 Lahontan Drive, Silver Springs, NV.

Roll Call:

- Present: Claud Butler, Joyce Jenkins, Scott Keller, Avis Moniz, Charles Noble, George Peek, \*Peggy Yon.
- Absent: None.

Member's Comments:

- No other members attended the meeting.

Secretary's Report:

- Secretary Butler presented the Secretary's Report. There being no corrections, additions or deletions, Treasurer Moniz made a motion to accept the November 19, 2015 meeting minutes as presented; 2<sup>nd</sup> to the motion was made by Member Jenkins. Motion carried unanimously.

Treasurer's Report:

- The financials for October and November, 2015 were read by Treasurer Moniz. In October, total current assets were \$652,408.99 with current liabilities at \$79,969.75, long term liabilities of \$2,153,266.15 and total liabilities at \$2,233,235.90. Total liabilities and equity were \$7,131,960.99. Total income for October was \$65,402.28; net income was \$7,489.73. President Peek called for comments or questions. November ended with \$644,271.18 in total current assets with current liabilities at \$69,818.05, long term liabilities of \$2,145,973.15 and total liabilities at \$2,215,791.20. Total liabilities and equity were \$7,108,864.69. Income was \$59,913.34 with net income at (\$5,651.60). Discussion was held to loans and interest rates. Secretary Butler made a motion to accept the Treasurer's Report as presented and file for audit; 2<sup>nd</sup> to the motion was made by Charles Noble. Motion carried unanimously. The combined ending balance on Certificates of Deposit and regular savings was \$323,803.26. Discussion was held to maturities.

Manager's Report:

- There have been no new enrollments in the equal pay program; nine (9) owners continue to meet enrollment standards.
- 122 payments have been processed through SOFTtelPay since November's reporting period.
- Temperatures have been quite cold; customers that have failed to prepare for winter have been experiencing the consequences. One customer's pipes froze and broke and when they attempted to shut off our meter, it broke our valve. Technicians have repaired it and this customer has been assessed (according to our Rules and Regulations 1.04.050) a \$250.00 fine. The 4<sup>th</sup> phase of the meter/register order has been received and as weather allows the field crew performs installations. Continuing are weed burns at SSMWC sites along with preventative maintenance at treatment and booster facilities. There was an emergency dig for a main leak that surfaced on the corner of Spruce Avenue and Ft Churchill Street.
- Water quality testing was performed at the Powell Ranch well as part of the State Revolving Fund forgiveness loan. It resulted in arsenic and nitrate levels being above the Maximum Contaminant Level (MCL). As pumping progressed into the day water quality improved however, the lowest concentrations collected after 4 ½ hours of pumping were arsenic at 12 mg/L and nitrate at 14 mg/L, similar to Deodar well performance. Two nearby domestic well samples resulted in 15 mg/l and 17 mg/l for arsenic, respectively. Pacific Surveys, LLC is scheduled to conduct a "spin survey" at the Deodar well site and once the well logging is complete, Boart Longyear will punch a two inch test hole down to the bedrock, collecting samples at various levels. General Manager Martensen answered questions from the Board. (\*Peggy Yon entered the meeting.)
- Legal has been directed to file a statement of intent to participate in the judicial review process.
- The Community Development Block Grant (CDBG) funded Water Resource Development Plan is final and complete having been prepared by Dr. Kirk Swanson PhD, Senior Hydrogeologist, Farr West Engineering. Dr. Swanson is scheduled to attend the January 28, 2016 workshop.

- Farr West Engineering (FWE) will be assisting in water rights planning administration. It will focus on maintaining existing water rights to their full potential and provide support to address Board concerns. FWE will formulate a plan for the future to guard against any ill effects that may come about as a result of new legislation. Studies are being prepared to come before the 79<sup>th</sup> Session of the Nevada Legislature in 2017 regarding Nevada State Water Law. Efforts will be geared towards all issues related to water resources in this State, such as over allocation of Basin 102. This assistance is to provide for a proactive plan that ensures SSMWC will be able to serve our members well into the future.
- The Nevada Department of Transportation (NDOT) is planning to widen US 50 from Chavez Road in Stagecoach to the Junction of US 95A in Silver Springs. Preliminary plans have been reviewed to verify that none of our facilities are in conflict with their project. SSMWC has requested two sleeves as the new highway is constructed to allow for two future water line crossings located at the entry to Silver Springs Airport and at the intersection of Carson Street.

#### 2015 Independent Audit:

- Secretary Butler made a motion to accept and sign the contract offer by Kohn & Company LLP to perform the annual audit of financials; 2<sup>nd</sup> to the motion was made by Vice President Yon. Motion carried unanimously.

#### Election of 2016 Officers:

- Avis Moniz nominated Claud Butler for Secretary; Scott Keller provided the 2<sup>nd</sup> to the motion. Secretary Butler indicated a willingness to serve in the position. There being no other nominations for Secretary, motion carried unanimously. Avis Moniz nominated Charles Noble for Treasurer; Peggy Yon provided the 2<sup>nd</sup> to the motion. Mr. Noble declined the nomination. Motion did not pass. Claud Butler nominated Avis Moniz for Treasurer; Peggy Yon provided the 2<sup>nd</sup> to the motion. There being no other nominations for Treasurer, motion carried unanimously. Peggy Yon nominated Scott Keller for Vice President; Avis Moniz provided the 2<sup>nd</sup> to the motion. There being no other nominations for Vice President, motion carried unanimously. Peggy Yon nominated George Peek for President; Charles Noble provided the 2<sup>nd</sup> to the motion. There being no other nominations for President, motion carried unanimously.

#### Nominated Directors:

- Nominations for the director seats were opened on October 1, 2015 and closed on December 31, 2015 as stated in the by-laws. Five (5) nominations for three (3) open positions were received; Larry Boyce, Douglas Frenton, Scott Keller, George Peek and Peggy Yon. Nominated for special election was Charles Noble for the remainder of the term formerly held by Darlene Geurts that is set to expire in 2018. Discussion followed.

#### Directors Comments:

- Comments were noted regarding growth, water rights, future well sites, financial health and safety matters.

#### Closed Personnel Session:

- President Peek directed the meeting to closed personnel. Following a brief period, the Board returned from closed session.

#### Adjournment:

- The meeting was adjourned at 5:14 p.m.. The next meeting is scheduled for 4:00 p.m. on Thursday, March 17, 2016 at 2485 Ft. Churchill Street, Silver Springs, Nevada.

"Silver Springs Mutual Water Company is an Equal Opportunity Provider and Employer."

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at <http://www.ascr.usda.gov/complaint.filing.cust.html>, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U. S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, DC 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).