

**SILVER SPRINGS MUTUAL WATER COMPANY
BOARD OF DIRECTORS
MEETING MINUTES
NOVEMBER 17, 2016**

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

Roll Call:

- Present: Claud Butler, Joyce Jenkins, Scott Keller, Avis Moniz, Charles Noble and George Peek.
- Absent: Excused was Peggy Yon.

Member's Comments

- .0005% of members attended the meeting excluding Directors.

Secretary's Report:

- Secretary Butler presented the Secretary's Report. Treasurer Moniz made a motion to accept the special meeting minutes of September 15, 2016 as presented; 2nd to the motion was made by Member Jenkins. Motion carried unanimously.

Treasurer's Report:

- The financials for August and September, 2016 were read by Treasurer Moniz. In August, total current assets were \$766,070.79 with current liabilities at \$174,777.65, long term liabilities of \$2,120,511.68 and total liabilities at \$2,295,289.33. Total liabilities and equity were \$7,190,415.29. Total income for August was \$87,442.03; net ordinary income was \$20,250.09. Other income derived from grants was \$6,091.27, interest at \$314.83, expenses of \$97,865.50 for total net other income at (\$91,459.40) and total net income at (\$71,209.31). Treasurer Moniz called for questions. President Peek asked if grant income and expense transactions were done for the year to which General Manager Martensen indicated they were complete as of October's month end financials. The month of September ended with \$796,405.81 in total current assets with current liabilities at \$91,029.45, long term liabilities of \$2,117,721.15 and total liabilities at \$2,208,750.60. Total liabilities and equity were \$7,201,767.26. Income was \$85,156.73 with net ordinary income at \$4,409.12. Other income derived from grants was \$93,358.00, interest at \$307.81, there were no grant expenditures in September for total net other income at \$93,665.81 and total net income at \$98,074.93. President Peek called for questions. Discussion was held to financial operating status, certificates of deposit and the 2017 budget and budget principles. Secretary Butler made a motion to accept the Treasurer's Report as presented and file for audit; 2nd to the motion was made by Member Jenkins. Motion carried unanimously.

Manager's Report:

- New Employee: Corry Chamberlin was introduced to the Board of Directors.
- Equal Pay Program: There have been no new requests; one enrollment packet was handed to a potential participant. Nine (9) owners continue to meet enrollment standards.
- SOFTtelPay Program: 252 payments have been processed for \$18,357.87 since July's reporting period. \$38,490.58 is the 2016 calendar year to date received total with total standing of \$123,492.45 from 1,752 payments received since inception of the program 50 months ago. An average of 35 payments per month for four years has been realized.
- Accomplishments: The meter/register upgrade of the East side of Hwy 95A remains a work in progress. Phase 4 is almost complete and we have purchased a portion of Phase 5. We have had a handful of service connection leaks show up attributed to aging infrastructure. The Water Treatment Plant has undergone a great deal of preventative maintenance. The #2 reclaim pump developed a leaky seal and was repaired and put back into service. Both polymer injection pumps required rebuilding. Settings were verified and core samples were drawn from each filter vessel and shipped to Hungerford Terry to have the media analyzed for content. This task is to ensure that the filter media is performing as it should. General Manager Martensen answered questions. At the Deodar Well we have made a minor alteration to the disinfectant pump to remedy an air lock by switching from suction lift to flooded suction. The inspector for our Workman's Compensation Insurance expressed a desire for us to add a chemical containment unit for the chlorine tank at the Deodar site and it has been installed. We now have a reduced rating. A burn permit was obtained to assist with cleanup of our sites.
- New Service Connections: A new meter pit has been placed at 3704 Citrus Street. Payment was received for a capacity fee and meter install at 2785 Fir Avenue and materials have been ordered and date scheduled to install.
- SRF Forgiveness Loan Update: Preliminary well design and an estimate of construction costs were prepared to go before the Board of the State Revolving Fund seeking approval for the additional funding necessary to complete the SRF project. In order to benefit from increased capacity of the new well it is necessary to upsize equipment. The possibility to include relocation of the new Deodar equipment (previous USDA Project) was approved by SRF Staff. As a result, included as alternates to the estimate of construction costs are installation of submersible motor and pump from Deodar to Lake and

installation of the variable frequency drive from Deodar to Idaho. This will complete updates to well sites for water system production. Additional SRF grant funding will be available January, 2017.

- Water Resource Development Plan: Staff review is underway and recommended changes will be forwarded to Farr West.
- NDOT US 50 Phase II Widening Project: Preferred locations for utility sleeves under US 50 have been included in NDOT's preliminary design. Placements will be at Carson Street (18"), the airport entrance (18") and at Opal Avenue (16"). NDOT will install ductile iron sleeves at their cost. When SSMWC occupies them costs should approximate \$170.00/linear foot. The valve and air bleeder for Silver Springs Mobile Home Park are in conflict with NDOT's widening project. They asked that we relocate these; relocation is to be completed by December 1, 2017. The cheapest and best method is abandonment in place. Encased in concrete slurry will be the valve body and portion of the main line; NDOT concurred this would be satisfactory for abandonment. Another valve located 300' from the abandonment will take its place. Discussion was held.
- Cross Connection Control Program: Backflow Prevention monitoring inventoried the following devices as operationally sound at the following locations:

(1) Dollar General	(1) Chestnut Inn	(1) Penny Park
(3) McFarland Cascade (pole plant)	(5) Western Nevada Regional Youth Facility	(1) Skateboard Park
(13) Elementary & Middle School Complex	(1) Human Services Office (Pyramid)	(1) Silver Stage Park
(10) High School Complex	(2) Sheriff's Office (Lake)	(3) Family Dollar
(3) New Generations (feed plant)	(1) Wastewater Treatment Plant	

Discussion to fire flows derived from Farr West modeling data was held.

Review and Approval of Proposed Budget for 2017:

- Item removed from Agenda.

Fee Schedule Affirmation:

- Member Noble made a motion to affirm the adjustments to the fee schedule that reflect increases taking effect October, 2016 and the \$5.00 Legal Reserve per connection taking effect January, 2017 as presented; 2nd to the motion was made by Secretary Butler. A short period of discussion was held. Motion carried unanimously.

Request for Board to Consider Removal of Late Fees:

- Lory Price would like the Board to consider removing accrued late fees from her account. Ms. Price began, "it's really trivial, I was thinking it's so trivial" as she explained her issue began Tuesday, December 15, 2015. She reported she placed a payment into the night drop box and it incurred a late fee. She discussed a detail of charges and stipulated what her late charges should be on the account. Ms. Price was asking for a credit of \$16.91. General Manager Martensen noted a discrepancy between her Agenda Request Form which contained a claim, "...not been late since February, 2015", and her presentation to the Board today. In response, she gave four reasons for the discrepancy and stated, "I wasn't even asking about that because, I just, you know, kinda let that one go...". Vice President Keller made a motion to adjust Ms. Price's account by a cumulative total of \$16.91. Discussion included chronically late accounts, if you need a payment posted by a certain time walk into the building with it and the difference between bills due upon presentation and due dates. 2nd to the motion was made by Member Noble. Vote tied 3/3 and motion failed. Clarification was needed in that the General Manager is not a voting member. Staff was consulted concerning night drop procedures after Ms. Price's insistence on the time she claimed she deposited her payment. The vote stood unchanged and Ms. Price continued onto a variety of other topics.

Director's Comments:

- None.

Closed Personnel Session:

- A closed personnel session was held and after a short period, President Peek recalled the Board from the closed session.

Adjournment:

- Treasurer Moniz made a motion to adjourn; 2nd to the motion was made by Member Jenkins. Motion carried unanimously and the meeting was adjourned at 5:18 p.m.

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