

**SILVER SPRINGS MUTUAL WATER COMPANY
BOARD OF DIRECTORS
MEETING MINUTES
JANUARY 19, 2017**

President Peek called the Meeting to order at 4:05 p.m. at 1315 Lahontan Drive, Silver Springs, NV.

Roll Call:

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

Member's Comments

- .0000% of members attended the meeting (excluding member Directors).

Secretary's Report:

- President Peek presented the Secretary's Report. Treasurer Moniz made a motion to accept the meeting minutes of November 17, 2016 as presented; 2nd to the motion was made by Member Jenkins. Motion carried 4-0.

Treasurer's Report:

- The financials for October and November, 2016 were read by Treasurer Moniz. In October, total current assets were \$787,006.44 with current liabilities at \$69,806.90, long term liabilities of \$2,114,779.64 and total liabilities at \$2,184,586.54. Total liabilities and equity were \$7,194,667.72. Total income for October was \$72,769.86; net ordinary income was \$13,990.81. Other income derived from grants was \$4,507.50, interest at \$320.58, expenses of zero and total net other income at zero for total net income with grants at \$18,818.89. The month of November ended with \$813,961.98 in total current assets with current liabilities at \$69,224.21, long term liabilities of \$2,111,976.91 and total liabilities at \$2,181,201.12. Total liabilities and equity were \$7,212,662.03. Income was \$67,255.67 with net ordinary income at \$13,947.16. Other income derived from grants was zero with interest at \$315.26 and no grant expenditures for total net other income at \$315.26 and total net income with grants at \$14,262.42. President Peek called for questions and commented that it is nice to see two positive net income figures in a row. Requested for future reports were combined figures for total assets and total fixed assets. Questions were asked of the General Manager pertaining to funding avenues and reimbursements on infrastructure projects. Vice President Keller made a motion to accept the Treasurer's Report for October and November, 2016 and file for audit; 2nd to the motion was made by Treasurer Moniz. Motion carried 4-0. Certificates of Deposit balances were discussed relative to restrictions on CD funds and correlation to the annual budget.

Manager's Report:

- Equal Pay Program: No new requests were received and nine (9) owners continue to meet enrollment standards.
- SOFTtelPay Program: 117 payments for \$8,096.40 have been processed since November.
- Accomplishments: 2715 Winnemucca (vacant lot) meter pit was vandalized and the valve broken. A property damage report was filed with the Lyon County Sheriff's Office. The crew has been very busy with a large number of leaks surfacing throughout the system.
- New Service Connections: New meter pits have been placed at 2785 Fir and 3465 Deodar with all capacity and meter fees paid; these new connections are billed \$10 monthly at present.
- SRF Forgiveness Loan Update: At this time we are waiting for the State Revolving Fund to receive their funding allocation for 2017. Project Coordinator McDonald and General Manager Martensen attended a meeting with representatives of SRF to review the results of the first portion of the project - the hydro geologic study of the area. The information gathered from the study has been utilized for design and the preliminary estimate of construction costs for the new well. A measure of concern was expressed by SRF staff as to whether or not the estimate was realistic and suggested that SSMWC utilize a portion of the remaining loan forgiveness money to obtain a second opinion from another Professional Hydrologist.
- Water Resource Development Plan: Review of the draft has been completed and returned for final plan presentation.
- NDOT US 50 Phase II Widening Project: SSMWC is applying for a new Nevada Department of Transportation encroachment permit where our main line crosses US 50 and serves the Silver Springs Mobile Home Park. This is the location where a valve conflict exists with widening of US 50. Discussion to 16" sleeve crossings was held.
- Cross Connection Control Program: Backflow Prevention Monitoring continues with three (3) devices logged as operationally sound at Silver Crossing.

Review and Approval of Proposed Budget for 2017:

- Noted was restructuring and consolidation of sub-accounts from previous year making for an easier budget to monitor. Treasurer Moniz made a motion to adopt the SSMWC budget as presented; 2nd to the motion was made by Vice President Keller. Motion carried 4-0.

Contract with Kohn & Company LLP to perform 2016 Independent Audit:

- Vice President Keller made a motion to approve the proposed contract and to accept the services of Kohn & Company LLP for performing the 2016 Independent Audit of financials; 2nd to the motion was made by Member Jenkins. Motion carried 4-0.

Appointment of Officers for 2017:

- Treasurer Moniz made a motion to appoint George Peek as President, J. Scott Keller as Vice-President, herself as Treasurer and Claud Butler as Secretary by continuing the current structure of Officers; 2nd to the motion was made by Vice-President Keller. There was a brief period of discussion. Motion carried 4-0.

Nomination of Directors:

- Nominations began October 1, 2016 and ended December 31, 2016. Joyce Jenkins and Avis Moniz were nominated and will appear on the ballot for the Annual Membership Meeting of March 16, 2017; no other nominations were received.

Director's Comments:

- Noted were no members in attendance other than Directors. Questions were posed to the General Manager pertaining to construction water on USA Parkway. President Peek applauded the General Manager in respect to the team he has put together and that, by virtue of policies put into effect and carried out by staff, a commendable job is being done.

Closed Personnel Session:

- A brief period of closed personnel was held. 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 4:58 p.m.

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

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