



## BOARD OF DIRECTORS MEETING MINUTES JANUARY 18, 2018

President Peek called the Meeting to order at 4:02 p.m. at 1315 Lahontan Drive, Silver Springs, NV.

### Roll Call:

- Present: Claud Butler (audio link), Scott Keller, Avis Moniz, Charles Noble and George Peek.
- Absent: Excused were Joyce Jenkins and Peggy Yon.

### Member's Comments:

- Randall Green, Paul Mahil and Greg Peek attended the meeting. Mr. Green asked if the Board was aware of the Water Summit in Carson City, Nevada on January 30, 2018, inquired about quantity of sufficient water to serve subdivisions and asked about the depth of the deepest well in the water system. General Manager Martensen and President Peek addressed Mr. Green's questions.

### Secretary's Report:

- Secretary Butler presented the Secretary's Report. Treasurer Moniz made a motion to accept the meeting minutes of November 16, 2017 as presented; 2<sup>nd</sup> to the motion was made by Secretary Butler. Motion carried unanimously.

### Treasurer's Report:

- The financials for October & November, 2017 were read by Treasurer Moniz. In October, there were \$1,096,678.61 in total current assets with current liabilities at \$105,202.36, long term liabilities of \$2,079,733.09 and total liabilities at \$2,184,935.45. Total liabilities and equity were \$7,475,069.98. Income was \$80,855.37 with net ordinary income at \$7,556.31. Interest income was \$392.20 and net income was \$7,948.51. The month of November ended with \$1,112,069.77 in total current assets with current liabilities at \$94,011.81, long term liabilities of \$2,076,855.95 and total liabilities at \$2,170,867.76. Total liabilities and equity were \$7,476,464.68. Income was \$78,555.75 with net ordinary income at \$8,547.60. Interest income was \$793.03 and net income was \$9,340.63. President Peek noted it appears the company is doing fairly well albeit no hook-ups for this reporting period and paused for questions or comments. Member Noble made a motion to accept the financials for October and November, 2017 and file for audit; 2<sup>nd</sup> to the motion was made by Treasurer Moniz. There being no further comment or discussion, motion carried unanimously.

### Manager's Report:

- Equal Pay Program: There have been no new requests and nine (9) owners continue to meet standards.
- SOFTtelPay Program: 128 payments for \$10,409.79 have been processed since November.
- Cross Connection Control Program: Backflow Prevention Monitoring and Site Inspections continue as annual re-inspections become due and/or individuals apply for business licenses or building permits. The program is doing very well.
- New Service Connections: No new connections have been made since last report.
- SRF Forgiveness Loan Deodar Well Replacement Project Summary: Stonehouse Drilling has completed the drilling and construction of the new Deodar Well. They are now in the process of performing the final connection to the system, fencing and cleanup of the site. Pending final water quality results, it is anticipated being online with the new well by the middle of February.
- Water Right Audit and Consumptive Use Analysis: Farr West Engineering has completed the audit and analysis; tasks one and two were funded by the Developer Group; the water company's contribution was 18 hours staff time. Task three is the GIS (geographic information system) mapping overlay. The overlay will be part of a regular quarterly update to mapping which takes place next month.

### Board to Consider Removal of all Fees Associated with Stand-by Meter:

- Paul Mahil submitted an agenda request form to ask the Board to consider removing all accrued charges, including late fees, which are associated with two addresses. Mr. Mahil explained that he bought 1780 Lake and 3807 Citrus at a county sale last July. A title company was not engaged in the transaction; a search for outstanding debt was not performed. General Manager Martensen noted that previous requests of similar nature have not been granted

by the Board. Reviews of the charges indicate that both addresses carry balances above \$1,000.00 and with that, some remittances had been applied. There was discussion to the principle of “buyers beware” and a particular interaction with a title company that had been advised of a debt owed but it was neglected. Member Noble noted that the water company is a cooperative and the burden of the debt would fall on all members if waivers were granted. Due to lack of a motion, no action was taken.

Contract with Kohn & Company LLP to perform 2017 Independent Audit:

- Discussion was held. Vice President Keller made a motion to retain Kohn & Company LLP to perform the 2017 Annual Audit of Financials; 2<sup>nd</sup> to the motion was made by Treasurer Moniz. There being no further, motion carried unanimously.

Appointment of Officers for 2018:

- In the By-Laws, Article VI, Section 2 states: *“The officers of the corporation shall be appointed annually by the Board of Directors at the first regular meeting of such Board of Directors. If appointment of officers shall not be held at such meeting, such appointments shall be held as soon thereafter as conveniently may be.”* Discussion was held. Nominations were made by acclamation for each of the Officer positions with Member Moniz nominating Member Butler for Secretary (2<sup>nd</sup> by Member Noble); Member Butler nominating Member Moniz for Treasurer (2<sup>nd</sup> by Member Keller); Member Moniz nominating Member Keller for Vice-President (2<sup>nd</sup> by Member Noble); and Member Keller nominating Member Peek for President (2<sup>nd</sup> by Member Moniz). Appointments were made by acclamation for each of the Officer positions as follows; Claud Butler, Secretary; Avis Moniz, Treasurer; Scott Keller, Vice President; George Peek, President.

Nomination of Directors:

- As an information item, in the By-Laws, Article V, Section 2 states in part: *“The Nomination for Board of Directors will be accepted from members of SSMWC between October 1<sup>st</sup> and December 31<sup>st</sup> of the year preceding the election. The names of nominees will be posted online at silverspringsmwc.com with a short Bio from each. Balloting for candidates will be held at the Annual Membership Meeting in March of the following year. For purposes of Board election, cumulative voting shall not be allowed.”* Received were two nominations. Claud Butler and Charles Noble were nominated for the two open Director seats to be filled at the Annual Membership Meeting in March, 2018.

Director’s Comments:

- None.

Closed Personnel Session:

- President Peek called for a period of closed personnel; following the closed period the Board returned to open session.

Adjournment:

- Adjourned at 5:04 p.m.

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

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