



BOARD OF DIRECTORS MEETING MINUTES JANUARY 17, 2019

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

Roll Call:

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

Pledge of Allegiance:

- Vice President Keller led the recitation.

Member's Comments:

- Randall Green and Gregory Peek attended the meeting. There were no comments.

Secretary's Report:

- Secretary Butler presented the Secretary's Report. Secretary Butler made a motion to accept the Meeting Minutes of November 15, 2018 as presented; 2nd to the motion was made by Member Yon. There being no discussion, deletions, additions or corrections, motion carried unanimously.

Treasurer's Report:

- The financials for October and November, 2018 were read by Treasurer Moniz. In October, there were \$1,223,828.40 in total current assets with current liabilities at \$85,355.96, long term liabilities of \$2,043,800.26 and total liabilities at \$2,129,156.22. Total liabilities and equity were \$7,963,833.49. Income was \$85,947.56 with net ordinary income at \$8,696.48. Interest income was \$1,180.55 and net income was \$9,877.03. The month of November ended with \$1,225,590.78 in total current assets with current liabilities at \$84,253.89, long term liabilities of \$2,040,846.82 and total liabilities at \$2,125,100.71. Total liabilities and equity were \$7,958,746.34. Income was \$85,418.65 with net ordinary income at (\$6,645.82). Interest income was \$614.18 bringing the net income to (\$6,031.64). President Peek called for questions or comments on the balance sheets for October and November. The Board discussed liabilities, financial position, reserves, operating statistics and interest rates as they relate to Certificates of Deposits (CD's) with CD maturity date review. There being no further discussion, Member Yon made a motion to accept the financials for October and November, 2018 as presented and file for audit; 2nd to the motion was made by Secretary Butler. Motion carried unanimously.

Manager's Report:

- Equal Pay Program: Two (2) participants moved away; adjusted enrollment is seven (7) participants.
- SOFTtelPay Program: 161 payment records for \$13,191.59 were paid to SSMWC for the period beginning November 1, 2018 and ending December 31, 2018. Convenience fees were \$669.37 for the provider.
- 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.
- New Service Connections: Capacity and meter set fees for a ¾" service have been received from the owners of 3602 Amber Street. There have been a total of five (5) inquiries and (1) quote this reporting period. Calendar Year 2018 Capacity Fees totaled \$26,900.00 for eight (8) new residential connections.
- CDBG Application: Consultation with Lynn O'Mara of Northern Nevada Development Authority (NND) was done to obtain input to our Community Development Block Grant (CDBG) Application and was very productive. There will be formal review on February 1st with final submission on February 20th. In March, I will present the CDBG Advisory Committee with the application, discuss our project and answer any possible questions.
- Utility Vehicle: We have taken possession of our new replacement vehicle.
- Idaho Well: We have had some issues with the Idaho Well, which after further testing, it was determined that the transformers providing the electrical service to the site were undersized. NV Energy was notified and changed out the existing transformers with new of adequate size, with no cost to SSMWC. The work since completed is functioning properly.

Contract with EideBailly LLP – Beth Kohn-Cole, Partner, to perform 2018 Independent Audit, Action to be taken:

- General Manager Martensen presented the proposed contract to perform the 2018 Independent Audit of Financials. Treasurer Moniz made a motion to accept and sign the proposed contract for the 2018 Independent Audit of Financials as presented; 2nd to the motion was made by Member Yon. Discussion was held. Motion carried with one abstention.

Appointment of Officers for 2019, Action may be taken: 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.”* President Peek suggested deferral of appointments until the next meeting as accommodated for in the By-Laws. Review by Counsel of a potential change to the By-Laws involving the process for appointment of officers and the election of members was noted in addition to in-house adherence to rules set forth in same. Lengthy discussion was held pertaining to the pending composition change of the Board of Directors for 2019 and pertinent requirements set forth in the By-Laws. Treasurer Moniz made a motion to retain Secretary Butler, to retain Treasurer Moniz, to appoint Charles Noble to Vice President and to appoint Vice President Keller to President; 2nd to the motion was made by Vice President Keller. There being no further discussion, motion carried. Newly elected President Keller continued with the remainder of the Agenda. Staff was directed to bring forth recommendations at workshop for appointment of officers and election of members.

Nomination of Directors, No Action to be taken: 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 1st and December 31st 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.”* Nominations were closed December 31st with Gregory Peek, Scott Keller and Peggy Yon nominated for the three (3) open Director seats. No other nominations were received.

Implementation of Project Plan Review Fee, Action may be taken: Institute a minimum non-refundable Application Fee of \$100.00. Further fees for review time may be assessed toward the project depending on the complexity of the design.

- General Manager Martensen presented the proposed Project Plan Review Fee. Discussion was held to the instances where these fees would apply (subdivisions, etc.). Treasurer Moniz made a motion to implement the Project Plan Review Fee(s) as presented; 2nd to the motion was made by Member Yon. Motion carried.

Re-affirm Fee Schedule, Action may be taken: Fee Schedule to now include an 8" Fire Line cost of which to be set at \$10,000.00. Addition of the Project Plan Review Fee of \$100.00 and the deletion of Stand-By Fire Line Charge.

- Discussion was held as to Staff's recommendation as presented by General Manager Martensen. A project came forward including this sizing of a Fire Line. It was noted that the \$100.00 Project Plan Review Fee must specify the word "minimum" on the Fee Schedule. Secretary Butler made a motion to institute an 8" Fire Line fee of \$10,000.00, to delete the Stand-By Fire Line Charge, to specify the word "minimum" on the \$100.00 Project Plan Review Fee depending on the complexity of the design and to Affirm the Fee Schedule as modified; 2nd to the motion was made by Treasurer Moniz. There being no further discussion, motion carried.

Directors Comment:

- Comments pertaining to the electrical service at the Idaho Well, levelized billing function of the Equal Pay Program, the assistance of the NNDA and present and future connections to the system were made. Treasurer Moniz thanked George Peek for his many years of service on the Board of Directors.

Closed Personnel Session:

- None.

Adjournment:

- Adjourned at 4:36 p.m.

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

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