

**SILVER SPRINGS MUTUAL WATER COMPANY  
BOARD OF DIRECTORS  
MEETING MINUTES  
JULY 20, 2017**

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

Roll Call:

- Present: Claud Butler (audio feed), Joyce Jenkins, Scott Keller, Avis Moniz, Charles Noble, George Peek and Peggy Yon.
- Absent: None.
- Vice President Keller relinquished the Chair to President Peek.

Member's Comments

- Aaron Shoaf addressed two (2) years of meter stand-by fees (paid) for three (3) locations. He stated all meter fees should go away at tax sales and that all liens disappear at tax sales unless it comes from a government agency, which SSMWC is not. He requested a refund of his payment(s). He implied legal action as remedy. He acquired tax defaulted properties (buyer beware). Mr. Shoaf stated he came to discuss this (with the Board) prior to seeking legal action. Mr. Shoaf answered questions and said all fees should go away with the tax sale. General Manager Martensen noted that this has not been properly agendized and has no information for the Board and that he had discussed this issue previously with Mr. Shoaf, informing him at that conversation the process to agendize items for action by the Board of Directors. His response was, "Okay, I was just bringing it up to y'all, I understand that you need to correct the problem or my Attorney will". Further, "You guys worried about the \$200,000.00 that other lady cost you but you guys are trying to violate the law and you told me at one point, I will sue myself, and I will, if I'm violating the law, I will sue myself". President Peek recommended deference to legal counsel if Mr. Shoaf didn't mind and allowed it, and to certainly agendize Mr. Shoaf for next meeting, to which he responded, "I am fine coming back in two (2) months". Suspending any further late fees from this point forward was additionally recommended but Mr. Shoaf responded, "I've already paid them so that I could get the water turned on". The two (2) month time frame was reiterated by both President Peek and Mr. Shoaf.
- Charles Mendenhall addressed billing for meter stand-by fees since 2015 for one (1) location. He received SSMWC's agenda request form and instructions in order for the Board to consider it as an action item.

Secretary's Report:

- Secretary Butler presented the Secretary's Report. Member Noble made a motion to accept the meeting minutes of May 18, 2017 as presented; 2<sup>nd</sup> to the motion was made by Member Yon. There being no discussion, motion carried.

Treasurer's Report:

- The financials for April & May, 2017 were read by Treasurer Moniz. As of April 30, 2017 net income was \$3,044.98. As of May 31, 2017 net income was \$13,486.18. Treasurer Moniz noted short lived asset funds expended for telemetry equipment. Certificates of Deposit, Savings and Legal Reserve balances were reviewed relative to their balances, institutions and respective restrictions. Member Jenkins made a motion to accept the financials as presented and file for audit; 2<sup>nd</sup> to the motion was provided by Member Yon. Motion carried.

Manager's Report:

- SRF Forgiveness Loan Project Summary: In June, the State Board for Financing Water Projects (State Revolving Fund) approved \$500,000.00 in principal forgiveness to replace the Deodar Well. The project is contracted with Shaw Engineering, all agreements have been signed and in place and the Engineer has delivered construction documents to involved parties. Bids should begin mid-August. Discussion to the project followed.
- NDOT US 50 Phase II Widening Project: Per Board Member consensus, the Proposal / Contract received from Desert Engineering was accepted to mitigate our valve and air bleeder which were obstructing the NDOT US 50 widening project right-of-way. Cost was \$14,300.00 and NDOT required a compaction test to be performed at an additional \$660.00. NDOT requirements have been satisfied and amended permit issued.
- Community Development Block Grant: The project to blast and recoat the interior of the original North Tank will be submitted for eligibility. CDBG qualification will be decided in October, 2017.
- Cross Connection Control Program: Backflow Prevention Monitoring and Site Inspections continue. Five Star Mobile Home Park and Silver Springs Mobile Home Park remain to be compliant and backflow test results are mandatory by August 20, 2017 and August 16, 2017, respectively. 90-day violation notices are scheduled for issue next week.
- Operator Certification: Corry Chamberlin was successful in passing his Distribution 2 Certification Exam and Chad Christiansen was successful in passing his Treatment 1 Exam. Congratulations to both.

Request for Removal of Late Fees:

- After requesting the item placed on the Agenda, requestor was not present and did not attend the meeting. Member Yon made a motion to deny the removal of late fees; 2<sup>nd</sup> to the motion provided by Member Noble. Motion carried unanimously.

Consumptive Use Analysis & Water Right Audit:

- A consumptive use analysis and audit of water rights will confirm water commitments within the Silver Springs Mutual Water Company (SSMWC) service area. Formal review can determine both committed and available water rights owned by SSMWC for future development within the service area. A consumptive use analysis is proposed to confirm water consumption against the existing dedication schedule. Comparative consumption figures for current development in neighboring communities may also be used to evaluate potential reductions of water right dedication rates. Resulting data is proposed to become an overlay to the existing GIS data. Permission to expend funds is requested. Three (3) separate tasks are involved in the scope of work. The engineer performing the work has provided a fee estimate per task that would be paid in-part by developers. The majority of the project cost (tasks 1 & 2) would be the group of developers' portion. Member Noble made a motion to approve the engineer's proposed scope of work at a cost not to exceed \$32,000.00 that would include task one in-kind funds for office staff production of data; 2<sup>nd</sup> to the motion was made by Member Jenkins. Motion carried with one abstention (President Peek).

Amendment to By-Laws ARTICLE XI, RULES, REGULATIONS & TARIFFS:

- Removed from Agenda.

Director's Comment:

- None.

Closed Personnel Session:

- None held.

Adjournment:

- Adjourned at 4:49 p.m.

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

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