

# SILVER SPRINGS MUTUAL WATER COMPANY

## BOARD OF DIRECTORS

### MEETING MINUTES

### SEPTEMBER 21, 2017

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, Charles Noble and George Peek.
- Absent: Excused was Peggy Yon.

#### Member's Comments:

- Leslie Cater, Aidan Hanssen, Charles Mendenhall and Stephanie Wozniak participated in the meeting.

#### Secretary's Report:

- Secretary Butler presented the Secretary's Report. Secretary Butler made a motion to accept the meeting minutes of July 20, 2017 as presented; 2<sup>nd</sup> to the motion was made by Treasurer Moniz. Motion carried.

#### Treasurer's Report:

- The financials for June & July, 2017 were read by Treasurer Moniz. In June, there were \$1,006,824.74 in total current assets with current liabilities at \$131,839.85, long term liabilities of \$2,091,465.16 and total liabilities at \$2,223,305.01. Total liabilities and equity were \$7,443,471.63. Income was \$102,716.87 with net ordinary income at \$13,321.04. President Peek called for questions. The month of July ended with \$1,014,129.07 in total current assets with current liabilities at \$94,578.78, long term liabilities of \$2,088,469.70 and total liabilities at \$2,183,048.48. Total liabilities and equity were \$7,433,642.88. Income was \$105,424.94 with net ordinary income at \$15,766.31. President Peek called for questions. The profit and loss for June, 2017 showed total income at \$102,716.87 and total expenses at \$89,395.83. Net ordinary income was \$13,321.04 and total other income was \$5,214.18 but against other expenses for inventory and for grants the net ending income figure was (\$17,391.50). Profit and loss figures for July, 2017 were \$105,424.94 in total income and \$89,658.63 for total expense. Total other income was \$14,661.47 with an ending net income figure of \$30,427.78. President Peek called for questions and commented that year to date, we are in the positive and it has been awhile since that has happened. Discussion followed. Member Noble made a motion to accept the financials for June and July, 2017 and file for audit; 2<sup>nd</sup> to the motion was made by Treasurer Moniz. There being no further discussion, motion carried.

#### Presentation Silver Springs Mutual Water Company's Infrastructure Study:

- The presentation by Brent Farr, P. E., Principal and owner of Farr West Engineering pertained to improvements required for future development within the service area. The presentation and study was paid for by a development group. President Peek introduced Mr. Farr who discussed a power point with data indicative of sufficient capacity for both sewer and water infrastructures. The purpose of the study was to look at existing capacity and determine available capacities in relation to potential developer interests. The sewer infrastructure is governed by the Lyon County Commission and operated by Lyon County Utilities and was constructed in 2000/2001 as a result of high nitrate concentrations in local groundwater sources. Evaluating sewer capacity showed a 5,000 Gallon per Day (GPD) capable plant currently operating at 3,600 GPD. A single residential sewer connection (hookup) is an Equivalent Dwelling Unit (EDU) and current data shows 85% reserved (pre-paid) EDU capacity which is a trigger point of plan development for additional capacity. Mr. Farr paused for questions. 1508 connections currently exist with room for an additional 800 coming online before sewer plant expansion becomes necessary. Approximately 1,000 active users exist. There are many vacant parcels not being served via existing service laterals. Discussion followed. Another element to the wastewater system is its discharge and how it is handled under its operating permit. Currently summertime discharge goes to the sod operation at the local airport; in winter months it goes to various nearby ditches. The consideration is how much more that operation could sustain before something else has to be done. An analysis showed summer conditions able to sustain additional quantities; however, the perk rate of the ditches is unknown. Rapid infiltration basins could be a solution that would go to existing GID owned parcels. The adequacy of the existing collection system would be examined to ensure integrity as developments are approved. The sewer treatment facility is presently at about one-third of its capacity which would allow room for roughly 1,400 connections additional. Data pertaining to the status of the water system was presented. 2,500 GPM (gallons per minute) of untreated water is produced. If the largest production well were to be out of service in August the flow rate would adjust down to 1,400 GPM. Two wells are presently operational (Lake & Idaho) with one being rehabilitated (Deodar) due to age. If Lake Street well (largest production) were to be offline for any reason still an additional 785 water connections could be served. The sewer plant could do twice that. The Arsenic Treatment Plant can treat up to 1,800 GPM therefore excess capacity is about 843 GPM which equates to 1,500 users. In addition to that, there is extra room in the facility to add two process filters or 25% additional (2,400 GPM). Obviously, a new well would be constructed prior to water treatment plant expansion. Mr. Farr answered questions of mapping points relative to infrastructures. Discussion followed covering topics of wells, pipes, treatment, etc. and the requirement for adequate representative fees to be paid by those in the development community.

#### Manager's Report:

- Equal Pay Program: There have been no new requests and nine (9) owners continue to meet standards.
- SOFTtelPay Program: The option to pay a water bill online or over the phone began five years ago. Since initiating this convenience for our customers, 2,443 payments have been made through the automated system with 156 transactions posting since last meeting. Total cumulative funds paid to SSMWC have brought in \$175,351.41 over the five years; this provides for an annual average of \$35,070.28 in income. Five years of convenience fees retained by the service provider/maker of the billing software are \$9,337.81 or \$1,867.56 annually with 41 average payments per month.
- New Service Connections: Two new connections have been installed since last report.
- SRF Forgiveness Loan Deodar Well Replacement Project: All contract documents are in place for the project. A pre-bid conference /walk through was September 12th with bids accepted September 13th through September 20th at 3:00 p.m. bid opening. The lowest responsive qualified bidder will be awarded the contract for the Deodar Well Replacement Project. This will entail abandonment of the existing 260 foot deep 14 inch cased well, drilling of a new 360 foot deep 14 inch diameter stainless steel cased municipal production supply well, new pit-less adapter, relocation and re-set of the existing submersible pump, new pump column and submersible cable, miscellaneous site piping, electrical and water system ties and all related appurtenances including incidentals. General Manager Martensen answered questions related to the bid opening.
- Water Right Audit and Consumptive use Analysis: Staff has been working with Farr West Engineering to provide essential information.
- Community Development Block Grant: We will apply to blast and recoat the interior of the original North Tank. As soon as the application is completed it will be submitted. CDBG eligibility is decided in October, 2017.
- Cross Connection Control Program: Backflow Prevention Monitoring and Site Inspections continue as annual re-inspections become due and/or individuals apply for business licenses/building permits within SSMWC's service area. Overall cooperation level is good.
- Sanitary Survey: NDEP Bureau of Safe Drinking Water inspected the water system and facilities on August 28<sup>th</sup> to include a review of operations. No deficiencies were noted. We were asked to develop a central "Manual of Operations" that, in the event experienced field staff are unavailable, a qualified individual would be capable of operating the system.

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

- The Board asked Mr. Charles Mendenhall to work with the General Manager on a payment plan.

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

- An amendment to SSMWC by-laws was recommended to remove certain wording contained within Section 1:  
"Section 1. All rules, regulations and tariffs, including hook-up fees, ~~and expansion of the water district~~ shall be discussed with the voting membership at its annual meeting, or any legally convened membership meeting, but the final decision as to any rules, regulations, tariffs, etc. shall be made by the Board of ~~the~~ Directors. Adoption and enforcement of the Rules and Regulations, ~~expansion~~ and collection of tariffs shall be the responsibility of the Board of Directors in accordance with said rules, regulations and tariffs directive."  
At the suggestion of our Attorney to correct an ambiguity, Vice President Keller made a motion to adopt the amendment to Section 1 of Article XI, Rules, Regulations and Tariffs; 2<sup>nd</sup> to the motion was made by Member Noble. Motion carried unanimously.

#### SRF Forgiveness Loan Deodar Well Replacement Project Second Signature:

- General Manager, Matthew Martensen requested the Board authorize Roy McDonald, Project Coordinator signature authority for the SRF Deodar Well Project in the event the General Manager may not be available through a suggestion offered by State Revolving Fund Staff so that the project may proceed without potential delays. Treasurer Moniz made a motion to authorize the Project Coordinator signature authority in the absence of the General Manager; 2<sup>nd</sup> to the motion was made by Vice President Keller. Motion carried unanimously.

#### Service Area Expansion Application for APN#15-131-06:

- Item removed from Agenda.

#### Director's Comments:

- President Peek made note that the very good information in the Engineer's presentation was independently commissioned by a group of development interests, with which he was a strong advocate.

#### Closed Personnel Session:

- None held.

#### Adjournment:

- Adjourned at 5:33 p.m.

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

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