



Gardnerville Water Company  
Regular Board Meeting Minutes  
Tuesday, February 12, 2019 5:00 p.m.  
Board Room  
1579 Virginia Ranch Rd  
Gardnerville, NV 89410

Board Members Present:  
Jason Spotts, *Chairman*  
Carl Spahr, *Vice Chairman*  
Barbara Henningsen, *Secretary*  
Mark Hussman, *Member-at-Large*

Staff Members Present:  
Mark Lovelady, *GWC Manager*  
Kristien Bennett, *GWC Financial Officer*  
Trebeca Itzen, *GWC Administrative*  
Chuck Zumpft, *Attorney*

Public Present:  
Doug Sonneman, Mark Gonzales & Dave Ellison

Mark Hussman exited the board meeting.  
Jason Spotts called the February 12, 2019 Regular Board meeting to order at 5:01 p.m.

**Approval of Agenda: Barbara Henningsen made a motion to approve the Agenda for the February 12, 2019 Board meeting. Carl Spahr seconded the motion. Motion was approved.**

**Minutes of the January 8, 2019 Regular Board Meeting: Carl Spahr made a motion to approve the January 8, 2019 Regular Board Meeting Minutes. Barbara Henningsen seconded the motion. Motion was approved.**

**Financial Statements for January 2019: Barbara Henningsen made a motion to approve the January 2019 Financial Statements. Carl Spahr seconded the motion. Motion was approved.**

Mark Hussman returned to the board meeting.

**AGENDA ITEM 1: Election of Board Officers**

**Barbara Henningsen nominated Carl Spahr Board Chairman.**

**Nomination was approved.**

**Carl Spahr nominated Mark Hussman to Board Treasurer and Vice Chairman.**

**Nomination was approved.**

**Mark Hussman nominated Barbara Henningsen Board Secretary.**

**Nomination was approved.**

**Mark Hussman nominated Jason Spotts to Member at Large.**

**Nomination was approved.**

**AGENDA ITEM 2: Old Business**

**A. GWC Backflow Policy Revision**

The GWC Backflow Policy has been reviewed by Chuck Zumpft and Mark Lovelady. All revisions have been made and this will be scheduled for the March 2019 Board Meeting Agenda for approval.

A copy of the policy was included in the binder to take home and review before the March Board Meeting.

B. Well 10 Site

Mark is currently working on Lot Line Adjustment for Charles Kriss. Chuck has asked to see all documents and paperwork from First American Title Company. We also have all the required paperwork together for RO Anderson.

Direction from the Board is needed for the parceling of the house. Previously it was discussed to have 1 acre however I recommend 0.75 to 0.80 acre. We would parcel the house at the current fence that runs along the side of the house and separates the house from the old barn. This must be approved for RO Anderson to complete the parceling of the property.

Tree Project – 14 trees must be cut down and 6 trees trimmed. 4 bids were turned in ranging from \$9,000 to \$29,000. Email sent January 29, 2019 for Board approval. Board response: Mark Hussman – approved, Carl Spahr – approved, Jason Spotts – Disapproved, and Barbara Henningsen – texted reminder – no response.

*After much discussion the board was interested in visiting the idea of parceling the property into two or possibly three parcels. If two parcels were to be agreed upon it was preferred by Mark Hussman that the house parcel be no less than one acre. Barbara Henningsen brought up the idea of potentially turning the one parcel into three. Mark will work with R.O. Anderson (Engineers) and Dick McCole (Realtor) to determine the best financial options on the parceling of the property. It was unanimously agreed that GWC is not in the business of being landlords, and that the house property needs to be sold as soon as possible. Mark Lovelady also mentioned the importance of the GWC to protect its investments and have enough land for the well, well building, installation and repair cranes. This item will be tabled until the March board meeting, further information will be presented.*

The tree project is on hold. This will put the project approximately 5 to 6 weeks out, not including weather delays. This delay will also delay the lot line adjustment and parceling of property.

Currently staff is completing dismantling of sheds, tree removal and general clean-up of the property.

**AGENDA ITEM 3A: Discussion and Possible Action Regarding Board of Director Vacancies**

On January 2, 2019 a letter was sent out to the GWC owners informing them of a Board of Directors vacancies. The deadline for applications was by 12pm on February 1, 2018.

There are 13 applicants for Board of Directors vacancies. In alphabetical order they are:

1. Kristy Dangberg
2. George Deeble
3. Ken Deering
4. David Ellison
5. Mary Gourlay
6. Laurie Hayes
7. Allan Hopper
8. Robert McCulley
9. Wendy Miller-Mercadante
10. William Shilling
11. Douglas Sonneman

- 12. Robert Stiles
- 13. Connie Wenner

The Board is requested to review each application and rank them in order of preference. Based on ranking, the Board will decide on which applicants to interview and set those interview day and times.

Kristien Bennett will contact those selected to interview to confirm interview day and times.

**Agenda Item 3A tabled for Closed Session after the meeting.**

**AGENDA ITEM 3B: Discussion and Possible Action Regarding Well 10 Tree Removal and Trim Proposal Award**

There were 4 bid proposals received by GWC for the tree removal and trimming for the Well 10 site. There are 14 trees to be removed and 6 trees to be trimmed. Staff has cut down trees within their capabilities, however the other trees are very large and too dangerous for GWC staff which require a professional tree service company.

NV energy did come out to look at the trees and declined to remove any. They will however trim two trees away from the power lines for the tree contractor.

The tree removal is required to protect our property investment, rental home and resolve any future power problems due to trees growing into the power lines. This will also allow proper survey of the parcels which is delayed until the trees are removed.

After award of contract GWC will be 4 – 6 weeks out, depending on weather. The Manager was instructed by prior management to contact the Board for a poll vote to speed the process to allow the survey and parceling project to be completed.

The bid proposals are as follows:

Sierra Peaks Tree Service	\$9,000
Chris McRae’s Tree Service	\$9,725
Joe Benigno’s Tree Service	\$19,650
Alpine Tree Service	\$29,850
Barr Tree Service	Declined

**Recommendation**

Staff recommends awarding the Well 10 tree removal and trim project to Sierra Peaks Tree Service in the amount of \$9,000.

**Agenda Item 3B tabled for March meeting, with more information requested.**

### **AGENDA ITEM 3C: Discussion and Possible Action Regarding Review Fee Increases**

Project Review fees have not been updated in over ten years. Currently the Plan Review fee is \$100.00 which covers all types of reviews. Updated fees would help pay for staff review and monitoring. The fee is a non-refundable Water Plan Review Fee. Depending on the complexity of the design, further fees for review time or engineering expense will be invoiced to the customer and must be paid in full before completion of the project.

Also changed is the Application for Water Plan Review (see attached). The application is updated with required information from the project owner as well as the items required by GWC.

Staff recommends adopting the following fee structure:

Tenant Improvement Review	\$150
Single-Family Residential Service	\$250
Multi-Family Review	\$500, 4+ units \$1,000
Subdivision Design Review	\$2,500
Commercial Service	\$500

Fee Survey:

<b>Utility</b>	<b>Plan Review</b>	<b>Development Review</b>
Carson City	\$120	value
Douglas County	\$300	\$2,450
Indian Hills	\$500	Actual costs
Lyon County	value	value
MGSD	\$100	\$500
Town of Minden	\$290	\$2,450
STPUD	\$150	\$5,000
TMWA - Commercial	\$450	
TMWA - Residential	\$250	\$2,320
City of Boulder	\$630	\$4,680
Denver Water	\$600	\$4,310
Las Vegas	\$210	\$4,250
Virgin Valley	\$1,000	\$5,000

#### **Recommendation**

Staff recommends adopting a Tenant Improvement Review fee of \$150, Single-Family Residential Service fee of \$250, Multi-Family review fee of \$500, 4+ units \$1,000, Subdivision Design Review fee of \$2,500 and Commercial Service fee of \$500.

**Mark Hussman made a motion to approve adopting a Tenant Improvement Review fee of \$150, Single-Family Residential Service fee of \$250, Multi-Family review fee of \$500, 4+ units \$1,000, Subdivision Design Review fee of \$2,500 and Commercial Service fee of \$500. Jason Spotts seconded the motion. Motion was approved.**

**AGENDA ITEM 3D: Discussion and Possible Action Regarding Office Hours**

Currently GWC office hours are 7:00am-5:00pm. Operators hours are 6:30am-3:00pm and office staff all have different hours varying from 7:30am-4pm, 8am-4:30pm, and 8am-5pm.

Staff recommends closing for lunch from 12pm-1pm. Currently an operator covers the office during lunch. This requires an operator stop their work or schedule their day around providing coverage for the lunch hour. By closing the office, office staff can go to lunch without obligating the operators time.

Staff is recommending changing the office hours to 7:30am-4:30pm. All office staff: Mark Lovelady, Kristien Bennett, and Trebeca Itzen would have the same work hours.

The purpose of this is to save time and money. When people are absent from the office, operators must be pulled from outside to cover the office operation leaving any on-going outside projects unfinished. In the past this has caused overtime with an outside operator covering lunch.

This is also a major security issue for personnel staying alone until closing. By changing the office hours to 7:30am-4:30pm eliminates one employee being alone in the office. Also adds additional coverage for an employee out due to sickness, vacation, and training events.

New office hours will also help bring the operator work hours closer to having full coverage during office hours. With the Board’s backing, Mark Lovelady would like to change operator’s hours to 7am-3:30pm and one operator to 7:30am-4pm. Any variations in work hours must be pre-approved by the manager.

New hours would begin Monday, April 1, 2019. GWC would inform the customers and public via GWC water bill, newsletter, website, and Facebook. The March 2019 Board Meeting agenda will include an update to the GWC Employee Handbook to address the Board’s decision.

Survey of local utility hours:

<b>Utility</b>	<b>Office Hours</b>	<b>Lunch</b>	<b>Staff Size</b>
Town of Gardnerville	8:00am – 5:00pm M-F	Closed 12-1	3
Town of Minden	8:00am – 5:00pm M-F		4
GRID	8:00am – 5:00pm M-F		2
MGSD	9:00am – 4:30pm M-F	Closed 12-1	2
Douglas County Utilities	7:30am – 4:00pm M-F		
Indian Hills GID	7:30am – 4:00pm M-F	Closed 12-12:30	2
Carson City Utilities	8:00am – 5:00pm M-F	Closed 12-1	2
Round Hill GID	7:00am – 4:00pm M-TH 7:00am – 11:00am F	Closed 12-12:30	2

**Recommendation**

Staff recommends effective Monday, April 1, 2019 new office hours of 7:30am-4:30pm and closing for lunch from 12pm-1pm. All office staff work hours are 7:30am-4:30pm and operator’s work hours are 7am-3:30pm or 7:30am-4pm. Any variations in work hours must be pre-approved by the manager.

**Agenda Item 3D tabled for March meeting, with strong opposition to lunch hour closing, 4:30 end time and operator hours.**

**Agenda Item 3E: Discussion and Possible Action Regarding Kristien Bennett Attending the AWWA's Rate Setting Essentials Seminar**

Kristien Bennett would like the opportunity to attend AWWA's Rate Setting Essentials Seminar at Loews Ventana Canyon Resort, Tucson, Arizona, April 2 - 4, 2019.

This three-day seminar provides guidance on how to evaluate financial policies and rate impacts to develop policies that are fair and objective, and on how to effectively communicate those policies to customers. You will learn time-honored strategies to get the rate your utility needs to be successful while still promoting community objectives.

**Learning Objectives**

- Evaluate financial policies and rate impacts
- Develop defensible policies that are fair, equitable and objective
- Get the rate your utility needs to be successful and still promote community objectives
- Avoid rate shock by using proven techniques for capital budgeting and analysis
- Establish cost-of-service rates by applying fundamental methodologies
- Set fair revenue requirements
- Classify and allocate costs equitably

Here is the breakdown of the conference costs:

- Conference Registration: \$895
- Airfare: \$380
- Transportation: \$170
- Lodging: \$100 per night = \$520
- Estimated Cost: \$1,965.00

**Recommendation**

Staff recommends the Board of Directors allow Kristien Bennett to attend the AWWA's Rate Setting Essentials Seminar in Tucson, AZ, April 2-4, 2019 with an estimated cost of \$2,000.

**Barbara Henningsen made a motion to allow Kristien Bennett to attend the AWWA's Rate Setting Essentials Seminar in Tucson, AZ, April 2-4, 2019 with an estimated cost of \$2,000. Jason Spotts seconded the motion. Motion was approved.**

**AGENDA ITEM 3F: Discussion and Possible Action Regarding Manager and Staff Purchasing Levels and Contract Limitations**

Per Chuck Zumpft, Legal Counsel for GWC, this item has been placed on the agenda. There are currently no purchasing levels for the Manager or staff or contracting authority for the Manager. The board is requested to provide direction and establish purchasing levels for the Manager and staff and contracting authority levels for the Manager.

Staff recommends the board adopt a Purchasing and Contracts Policy. This policy will establish purchasing levels for the Manager and staff and contracting authority levels.

Purchasing levels would be:

- General Manager not to exceed \$10,000
- Financial Officer not to exceed \$2,500
- Senior Operator not to exceed \$1,000
- Operators and Administrative Assistants not to exceed \$500
- Support Staff not to exceed \$250
- Purchases, in amounts exceeding \$10,000, shall require the approval of the Board of Directors, except under “Emergency Conditions”.
- All contracts over \$3,000 shall be reviewed by the GWC Attorney and after approval the contract can be signed by the Manager. Contracts over \$10,000 shall be approved by the Board of Directors and reviewed by the GWC Attorney and after approval by both, the contract can be signed by the Manager.

A survey of local utilities was done to see other manager/staff purchase levels.

Utility	Manager Limits	Staff Limits
Round Hill GID	\$5,000	\$100
STPUD	\$25,000	\$2,000 - \$10,000
MGSD	\$10,000	\$1,500
Douglas County	\$50,000	\$5,000
Indian Hills GID	\$5,000	\$750
GRID	\$25,000	\$2,000 - \$5,000
Town of Minden	\$10,000	\$2000

#### Recommendation

Staff recommends the board adopt the attached Purchasing and Contracts Policy as presented.

**Board Members would like the previous verbal agreement of a managerial limit of \$1,000 to remain in place, all spending over this amount will require board approval. The manager will approve staff purchases and present any purchase requests over \$1,000 to the board. The Board declined to provide direction or limitation regarding attorney review of contracts being considered by the GWC manager. Agenda Item 3F was tabled for March meeting to allow for revisions to the policy.**

#### **AGENDA ITEM 4: Attorney’s Report**

No report

#### **AGENDA ITEM 5: Manager’s Report**

The following is a recap of work completed by GWC staff in the month of January 2019 along with other items of interest and projects occurring in early February 2019.

1. Meters, Plan Reviews & Impact fees
  - A. There were 6 meters replaced in January 2019
  - B. There were 0 plan review in January 2019
  - C. There were \$0 in impact fees collected in January 2019

2. Service Orders  
There were 36 service orders completed by GWC staff in January 2019
3. Locates  
There were 20 locates completed by GWC staff in January 2019
4. Leak Notices  
There were 45 leak notices completed by GWC staff in January 2019
5. Monthly Staff Projects
  - A. Monthly Bacteria and Turbidity Sampling and Testing
  - B. Applications for Board of Directors Vacancies
  - C. New Operator
    - Leonard Pitts was hired as Operator 1. His first day was February 4<sup>th</sup>
  - D. Well 10 clean-up
  - E. Well 9 necessary electrical repairs are scheduled for the week of February 11<sup>th</sup> by Bryant Electric
  - F. Jon Summers and Jonas Austin attended a Confined Space Training
  - G. Trebeca has been working on updating the GWC Backflow Policy and GIS Mapping utilizing Google Earth
  - H. Kristien has been working on the 2018 audit, workers comp audit, PUC Annual Report, and the GWC Financial Plan
6. Current Projects in Correspondence
  - A. 1861 Apartments
  - B. High Sierra Fellowship Church
  - C. Thoroughbred Crossing Apartments
  - D. CV Med waterline improvement

**AGENDA ITEM 5: Board Comments**

Barbara Henningsen questioned if anything had been done about the meter at Aspen Park that Barbara Smallwood brought to her attention. It was confirmed that our operators looked at it and determined that the homeowner had the sidewalk poured and that the concrete did not meet the same level as the water meter lid, therefore creating a potential tripping hazard. Property management at Aspen Park will be contacted to determine a corrective course of action.

**AGENDA ITEM 6: Adjournment**

**Jason Spotts made a motion to adjourn the Board meeting. Barbara Henningsen seconded the motion. Motion was approved. The meeting was adjourned at 7:17 p.m.**