

Best Water! Best Service!



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

Board Members Present:

Carl Spahr, *Chairman*
Ken Deering, *Vice Chairman*
Barbara Henningsen, *Secretary*
Dave Ellison, *Treasurer*
Doug Sonnemann, *Member-at-Large*

Staff Members Present:

Mark Lovelady, *GWC Manager*
Kristien Bennett, *GWC Financial Officer*
Brooke Stevens, *GWC Administrative Assistant*
Chuck Zumpft, *GWC Attorney*
Bruce Scott, *GWC Engineer*

Public Present:

N/A

Carl Spahr called the November 12, 2019 Regular Board meeting to order at 5:01 p.m.

Approval of Agenda: Doug Sonnemann made a motion to approve the Agenda for the November 12, 2019 Board meeting. Barbra Henningsen seconded the motion. Motion was approved.

Minutes of the September 10, 2019 Regular Board Meeting: Doug Sonnemann made a motion to approve the October 8, 2019 Regular Board Meeting Minutes. Ken Deering seconded the motion. Motion was approved.

Financial Statements for September 2019: Barbra Henningsen made a motion to approve the September 2019 Financial Statements. Ken Deering seconded the motion. Motion was approved.

Financial Statements for October 2019: Barbra Henningsen made a motion to approve the October 2019 Financial Statements. Ken Deering seconded the motion. Motion was approved.

AGENDA ITEM 1: OLD BUSINESS

A. Fill Station

LA Perks has not scheduled installing the new components as they are waiting for E Squared C to install the new PoE switch.

B. Parceling of Well 10 Site

GWC will go before the Douglas County Hearing Panel on 11/14/19. We anticipate approval with conditions. After Douglas county approval new deeds will be created by First American Title Company.

C. Reception Remodel

The signed quote for the new reception desk was sent to Silver State Industries. They estimate 4-5 weeks for completion. Staff estimates the beginning of December for installation. Leonard Pitts has been very busy working on the inside remodel efforts.

AGENDA ITEM 2A: Discussion and Possible Action Regarding Award of Well 10 Drilling Contract

The following bids were received by the Gardnerville Water Company for the Well 10 Drilling project on November 8, 2019:

1. Hydro Resources \$356,905
2. Stonehouse Drilling \$ 382,770

The Engineer's Estimate is \$400,000 to \$500,000.

To demonstrate the qualifications to perform the work, each bidder must have submitted a completed Statement of Bidder's Experience and Financial Qualifications on the form supplied with the complete Bid Form.

Bruce Scott stated contract will include drilling of the well, pump testing, and development of the well. It will be sixteen inches wide with thirty inch conductor pipe for the first one hundred feet, gravel packed, stainless steel casing making it a municipal grade well. The engineer will stay on site from the start of drilling to pump testing. Drilling could start before Thanksgiving and each process consists of three crews each taking a two-four day turn around time for job completion.

Recommendation

GWC Manager, GWC Engineer and staff recommends awarding the Well 10 drilling contract to Hydro Resources with the cost not to exceed \$356,905.

Barbra Henningsen made a motion to award Well 10 Drilling Contract to Hydro Resources. Ken Deering seconded the motion. Motion was approved.

AGENDA ITEM 2B: Discussion and Possible Action Regarding Employee Handbook Revision

The Employee Handbook have section changes including:

- ORGANIZATIONAL CHART
- EMPLOYEE HANDBOOK
- CHANGES IN POLICY
- OPEN DOOR POLICY
- MISSION STATEMENT
- FAIR EMPLOYMENT PRACTICES
- EMPLOYMENT DISABILITIES
- PERSONNEL FILES
- JOB ANNOUNCEMENTS
- SOURCE OF CANDIDATES
- PROCESSING OF APPLICATIONS
- ELIGIBILITY OF APPLICANTS
- INTERVIEWING APPLICANTS
- SELECTING APPLICANTS
- PRIOR EMPLOYMENT REFERENCE
- EMPLOYMENT OF MINORS
- WAGE GARNISHMENT
- DIRECT DEPOSIT
- OVERTIME
- EMPLOYEE CLASSIFICATION
- RATES OF PAY
- HIRING RATE OF PAY
- SALARY ON PROMOTION
- MERIT PAY ADJUSTMENTS
- COLA PAY ADJUSTMENTS
- EMPLOYEE SERVICE AWARDS
- SOCIAL SECURITY AND MEDICARE BENEFITS
- UNEMPLOYMENT INSURANCE
- CONTINUING EDUCATION
- AUTHORIZED USE OF SICK LEAVE
- PREGNANCY ACCOMMODATION
- LEAVE FOR CHILDREN'S SCHOOL ACTIVITIES
- DOMESTIC VIOLENCE LEAVE
- VOTING POLICY
- INCLEMENT WEATHER
- COMPANY VEHICLE POLICY
- SOCIAL MEDIA POLICY
- USE OF GWC COMPUTERS AND OTHER COMMUNICATION SYSTEMS
- WORKPLACE SEARCHES
- POLITICAL NEUTRALITY
- REPORTING CONVICTIONS AND CHANGES OF LICENSE
- SEXUAL HARASSMENT POLICY
- HARASSMENT COMPLAINT PROCEDURE
- VIOLENT WORKPLACE POLICY
- WORKPLACE BULLYING POLICY
- LAYOFFS

All revisions have been reviewed by the Board of Directors on October 23, 2019 and have made subsequent modifications for final revision. The revision to the Overtime Policy would start January 1, 2020 as any revision to Employee Compensation should be noticed to each employee 30 days advance.

Recommendation

GWC Manager and staff recommends adopting the Employee Handbook as presented and the Overtime Policy revision starting January 1, 2020.

Agenda item 2B was tabled to December 10, 2019 Regular board meeting.

AGENDA ITEM 2C: Discussion and Possible Action Regarding Data Backups

To safeguard GWC, 3 data backups need to occur. GWC can accomplish this by storing one copy of the data on a server, another on an on-site NAS, and a third in the cloud backup service. Currently we are only doing one copy on a server. The cost for an ioSafe NAS with 2 hard drives and cloud backup service by E Squared C is \$1,749.57 and \$100 per month for the cloud backup service.

During the September Board Meeting, some board members were concerned with the monthly cost of the cloud backup. Kristien contacted E²C to obtain more information. Their cloud provider accepts GWC's Veeam backups and support the Veeam format. E²C has a channel only (white label service for MSPs only) cloud provider that results in a static price point for the client, rather than a dynamic one.

The \$100 a month covers the cost of the services, along with the continued labored required to spin up the cloud environment, manage the cloud environment, and check to ensure backups to the cloud environment are non-corrupted and able to be recovered from. They do that by mounting them at random and checking for file recoverability on a per doc basis. This ensures that should you ever have to recover from a cloud backup, it is 100% useable.

The cloud gets very convoluted, so providers can advertise the great rates like "free trial" or "1TB of storage for \$3 a month" but the truth is that it is just storage cost. There is still a host fee + storage fee + download transaction fee. The true cost could put it into the \$50-\$70 range or higher and may not accept certain types of backup formats.

If the worst-case scenario happened and the server crashed and the one backup was corrupt, what would GWC do? Who is held liable for a data crash? GWC's data is not secured.

Recommendation

GWC Manager and staff recommends awarding E Squared ioSafe NAS with 2 hard drives and cloud backup service, with the cost of \$1,749.97 and \$100 per month for the cloud backup service. Dave Ellison suggested training be provided to employees to aid in cyber security and information security awareness. Kristien Bennett will gather and provide the appropriate training.

Dave Ellsion made a motion to awarding E Squared ioSafe NAS with 2 hard drives and cloud backup service, with the cost of \$1,749.97 and \$100 per month for the cloud backup service. Ken Deering seconded the motion. Motion was approved.

AGENDA ITEM 2D: Discussion and Possible Action Regarding Well 1 VFD And Wiring Upgrade

Well #1 requires a complete electrical rewire. Current controls and wiring are 40 + years old. Currently Well 1 has a soft starter installed in 1990. The need is present to change the soft starter to a VFD. The soft starter only controls the starting and stopping of that motor while a VFD can vary the speed of a motor. A VFD is the better choice since speed control is required.

The soft starter is on the 2020 CIP with an estimated replacement cost of \$23,600.

The breakdown of the cost for Well 1 is the following:

- Bryant Electric \$19,776
 - Sierra Controls \$23,465
- Total Cost \$43,241**

Recommendation

Manager and staff recommend awarding the Well 1 VFD and wiring upgrade to Bryant Electric in the amount of \$19,776 and Sierra controls in the amount of \$23,465.

Ken Deering made a motion to recommend awarding the Well 1 VFD and wiring upgrade to Bryant Electric in the amount of \$19,776 and Sierra controls in the amount of \$23,465. Doug Sonnemann seconded the motion. Motion was approved.

AGENDA ITEM 2E: Discussion and Possible Action Regarding SCADA Infrastructure Plan

Sierra Controls has provided GWC a proposal for a SCADA Infrastructure Plan in the amount of \$8,730. This Infrastructure Plan will take 2 Sierra Controls staff 3 days to complete a site survey. They will survey of all GWC Infrastructure, will identify site specific details including any weak and outdated equipment, failing equipment and specific upgrade recommendations. This Infrastructure Plan will assist GWC's Capital Improvement Projects (CIP) for needed infrastructure requirements, useful life, replacement year, and reserve amounts. The Infrastructure Plan is also part of Water Infrastructure Act of 2018.

Recommendation

Manager and staff recommend awarding the SCADA Infrastructure Plan to Sierra Controls in the amount of \$8,730.

Ken Deering made a motion to award the SCADA Infrastructure Plan to Sierra Controls in the amount of \$8,730. Dave Ellison seconded the motion. Motion was approved.

AGENDA ITEM 3: Attorney's Report

Chuck Zumpft reviewed Well 10 Drilling Contract and Healthcare Reimbursement Account Policy as requested.

AGENDA ITEM 4: Manager's Report

The following is a recap of work completed by GWC staff in the month of October 2019.

1. Meters, Plan Reviews & Impact fees
 - A. There were 6 meters replaced in October 2019
 - B. There were 1 plan reviews in October 2019
 - C. There were \$0 in impact fees invoiced in October 2019
2. Service Orders

There were 110 service orders completed by GWC staff in October 2019
3. Locates

There were 21 locates completed by GWC staff in October 2019

4. Leak Notices
There were 51 leak notices completed by GWC staff in October 2019
5. Monthly Staff Projects
 - A. Monthly Bacteria and Turbidity Sampling and Testing
 - B. Well 10 lot clean-up
 - C. Winter preparations
6. Current Projects in Review
 - A. Firestone - Tires Plus
 - B. Thoroughbred Crossing Apartments - plans approved
 - C. Residence 1861 - Plan Revisions
7. Current Projects Under Construction
 - A. High Sierra Fellowship
 - B. JT Parking Lot
8. Save The Date
 - A. Christmas Kickoff - Heritage Park - December 5
 - B. GWC Christmas Dinner Party - Genoa Station Bar & Grille - December 14
9. Board Meeting
 - A. A closed personnel meeting will take place December 10, 2019 after the Regular Board Meeting.

AGENDA ITEM 6: Board Comments

Dave Ellison requested that an overview as well as education be provided to the board in regards to GWC's financial plan. This will take place at the December 10, 2019 board meeting.

Bruce Scott stated that the state engineer has been conducting meetings regarding AB62 legislation regarding proofs of completion and beneficial use on wells. The proofs of completion and beneficial use are okay on our wells. GWC is also maintaining water rights in good standing and we are way ahead of the curve. GWC needs to particularly pay attention to extensions of time for proofs of beneficial use which RCI will take care of. Bruce also stated the state engineer will be conducting an in room study and will come back with new regulations. Bruce Sand RCI will be keeping an eye on this. Walker and Associates want people to think about water from a valley wide bigger picture for future planning process. Bruce recommends if a working group is formed with other water companies, GWC should participate and watch their back.

AGENDA ITEM 7: Adjournment

Barbra Henningsen made a motion to adjourn the Board meeting. Doug Sonnemann seconded the motion. Motion was approved. The meeting was adjourned at 7:22 p.m.