

Best Water! Best Service!



Gardnerville Water Company
Regular Board Meeting Minutes
Tuesday, December 8, 2020 5:00p.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*
Chuck Zumpft, *GWC Attorney*
Amber Ambrose, *GWC Administrative Assistant*
Bruce Scott, *GWC Engineer*

Public Present:

Keith Shaffer, *Resource Concepts, Inc.*

Carl Spahr called the December 8, 2020 Regular Board meeting to order at 5:02 p.m.

Approval of Agenda: Doug Sonnemann made a motion to approve the Agenda for the December 8, 2020 Board meeting Agenda. Dave Ellison seconded the motion. Motion was approved.

Minutes of the November 10, 2020 Regular Board Meeting: Dave Ellison requested that the November Regular Board Meeting Minutes be corrected to reflect his question regarding high yield savings accounts instead of public vs. business rates. Barbara Henningsen made a motion to approve the November 10, 2020 Regular Board Meeting Minutes. Ken Deering seconded the motion. Motion was approved.

Financial Statements for November 2020: Dave Ellison made a motion to approve the November 2020 Financial Statements. Ken Deering seconded the motion. Motion was approved.

Kristien Bennet reported that per her research, interest rates will not go up for two years and recommended that GWC should diversify the portfolio to include Corporate and Municipal Bonds. Barbara Henningsen expressed concern regarding the percentage invested and the risk but agreed that diversifying the portfolio is a good idea. Ken Deering agreed that the board be cautious and limit the percentage invested. Consensus of the board to approve 50% of portfolio for investments and will revisit the subject in December 2021.

Ken Deering made a motion to approve raising the limit of the Class B Investment Policy to 50% and diversify the portfolio. Barbara Henningsen seconded the motion. Motion was approved.

AGENDA ITEM 1: Engineer Report

Bruce Scott gave an update status of water rights from the Watermaster. Some records that have been submitted for donation do not match records on file and they are sorting through that. Obtaining the water rights will help GWC calculate a more accurate allocation of actual water used and the actual number of customers served. Bruce informed the board on a second temporary application for water

rights for Well 10 that was filed to give the state more time to act on the primary water rights. There has been a delay in the process due to COVID-19. Bruce also informed the board that preliminary design work for the water line replacement project in front of Raley's has begun. NDOT clarified where they will be putting the drainage pipe and where that effects the water line being placed.

AGENDA ITEM 2: Old Business

A. Parceling of Well 10 Site

As-builts were submitted to Douglas County. Douglas County is completing the parceling of the property in to three parcels. GWC will obtain new deeds and then put the house and lot up for sale.

Dick McCole was contacted to prepare an estimate of the house and property. He is waiting for the final parceling to be completed. The Board should have an estimate for the January 2021 board meeting to set the sale price.

B. Well 10 CMAR Project

Contracts were submitted to Chuck for review and are on the agenda for tonight's board meeting. Keith Shaffer, RCI, will review the contract with the board and answer any questions.

C. 1394 Hwy 395 Parceling

Mark meet with Keith Shaffer of RCI regarding the project. Keith filed creating a pre-application to submit to Douglas County.

D. Security Gate

Artistic Fence installed the final parts of the new security gate and it is working properly.

Agenda Item 2A: Discussion and Possible Action Regarding Well 10 Pre-Construction Agreement with Farr Construction Corporation

The Owner-CMAR Pre-Construction Agreement agrees to employ Farr Construction Corp. dba Resource Development Company (RDC) to perform Pre-Construction Services and they agree to expeditiously perform such services for the referenced project.

For furnishing all labor, materials, equipment, tools and services, and for doing everything required by this agreement including, but not limited to, providing the required Guaranteed Maximum Price proposal, GWC will pay a total sum not to exceed: \$ 28,000.00.

The scope of the CMAR's Pre-Construction Services includes, but is not limited to the following:

- Participate in regularly scheduled design progress meetings with the Engineer, the various consultants, and the Owner. The CMAR shall provide ongoing input with respect to constructability, construction costs, material selections/evaluations, construction duration and phasing, sequence of construction, and construction means and methods.
- Coordinate/participate in meetings with the County, Town, utility companies, and regulatory agencies in order to expedite the design/permit process.
- Develop review comments, suggestions, and cost estimates throughout the phases of design.
- Develop constructability and value engineering suggestions throughout the phases of design, considering different design/material/life cycle elements.
- Develop a Guaranteed Maximum Price (GMP) for the Work, based on completed design development drawings and roughly 75-95% through the construction document development.

Chuck Zumpft, GWC's attorney, has reviewed the contract, made necessary changes and modifications, reviewed the revised agreement, and gave the Manager his approval of the agreement as written on 12/01/2020.

The complete contract is attached for the Board's review.

Recommendation

Manager and staff recommend the Board of Directors approve the Owner-CMAR Pre-Construction Agreement with Farr Construction Corp. dba Resource Development Company (RDC) and permit the GWC Chairman, Carl Spahr, to sign the agreement.

Keith reviewed the contract and the board discussed timelines and what was to be expected.

Ken Deering made a motion to approve the Pre-Construction Agreement with Farr Construction Corporation. Doug Sonnemann seconded the motion. Motion was approved.

AGENDA ITEM 3: Attorney Report – Chuck Zumpft

Nothing to report

AGENDA ITEM 4: MANAGER'S REPORT

The following is a recap of work completed by GWC staff in the month of November 2020.

1. Meters, Plan Reviews & Impact fees
 - A. There were 4 meters replaced in November 2020
 - B. There were 0 plan reviews in November 2020
 - C. There were \$0 in impact fees invoiced in November 2020

2. Service Orders

There were 71 service orders completed by GWC staff in November 2020

3. Locates

There were 19 locates completed by GWC staff in November 2020

4. Leak Notices

There were 76 leak notices completed by GWC staff in November 2020

5. Monthly Staff Projects
 - A. Monthly bacteria and turbidity sampling and testing
 - B. Security Gate Installation
 - C. Water leaks and repairs
 - D. Jonas and Eamon OSHA training
 - E. PSI test for High Sierra Church

6. Current Projects in Review
 - A. Great Life Church
 - B. Maverik Gas Station

- C. BDR Construction Project
- D. Town of Gardnerville's Hellwinkle Ranch

7. Current Projects Under Construction

- A. High Sierra Fellowship
- B. Dotty's Casino

Mark Lovelady informed the board of the status of the annexation of Corley Ranch. They found a new broker and will be moving forward with the annexation process January 2021.

Barbara Henningsen asked about how GWC Staff is working out their schedule in accordance to guidelines due to COVID-19. Mark Lovelady explained the way the staff is social distancing and in office staff is now alternating schedules. The operators are socially distanced in the office and if they ride in a truck together, they must wear a mask.

Mark explained that the tank was inspected, and the corrosion was noted but it became more severe very quickly. Ken Deering asked about when the tank was last inspected. It was last inspected July 2020, and the tanks are inspected every two years. Mark explained that the tank was due for maintenance as it is 22 years old and has never been re-done. Ken inquired about how GWC keeps track of maintenance cost. Kristien informed the board the last tank that was redone cost about \$200,000 and she expects her budget for this project to be around \$300,000-\$350,000 and we need to start looking for a contractor and hopefully have a one no later than March 2021.

Ken also asked how vulnerable the water system will be with the well down, Mark explained that the other wells will just run more. Dave Ellison asked about the how GWC plans a budget for equipment replacements, Kristien explained that we base it on life expectancy.

AGENDA ITEM 5: Board Comments

Barbara Henningsen suggested that the board make decisions on what positions the board members will take for 2021.

Consensus of the board for Ken Deering to be Chairman, Dave Ellison to be Vice Chairman, Doug Sonnemann as Treasurer, Barbara Henningsen to be Secretary, and Carl Spahr to be Member at Large.

AGENDA ITEM 6: Adjournment

Carl Spahr adjourned the meeting at 6:43 PM.