

Best Water! Best Service!



Gardnerville Water Company
Regular Board Meeting Minutes
Tuesday, June 14, 2022 5:00p.m.
Board Room
1579 Virginia Ranch Rd
Gardnerville, NV 89410

Board Members Present:

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

Staff Members Present:

Mark Lovelady, *GWC Manager*
Kristien Bennett, *GWC Financial Officer*
Lisa Taylor, *GWC Administrative Assistant*
Chuck Zumpft, *GWC Attorney*

Public Present:

Peter Baratti
Teodora Gonzalez

Ken Deering called the June 14, 2022, Regular Board Meeting to order at 5:00 p.m.

Approval of Agenda: Doug Sonnemann made a motion to approve the Agenda for the June 14, 2022, Board Meeting. Dave Ellison seconded the motion. Motion was approved.

Minutes of the June 14, 2022, Regular Board Meeting: Doug Sonnemann made a motion to approve the June 14, 2022, Regular Board Meeting Minutes. Carl Spahr seconded the motion. Motion was approved.

Financial Statements for June 14, 2022: Dave Ellison made a motion to approve the June 2022 Financial Statement as presented. Carl Spahr seconded the motion. Motion was approved.

Public Comment: (No Action) – This portion of the meeting is open to the public to speak on any topic not on tonight’s agenda, limited to three minutes.

Agenda Item 1: Old Business

A. Well 10 CMAR Project

GWC and RDC signed the CMAR contract on 05/25/2022. RDC will be seeking the building permit and begin mobilization.

B. 1394 Hwy 395 Parceling Project

Mountain West Construction has yet to complete the 1394 Hwy 395 project. Asphalt pouring is scheduled for 6/9/22, the date the project contract is set to be due.

C. Highway 395 Waterline Improvement Project

GWC and RCI is working on coordinating plans with NDOT.

D. GWC Mission Statement

Current mission statement:

The Gardnerville Water Company is committed to providing water in a courteous and accountable manner, for the long-term benefit of our customers, above and beyond the standards set for public health, safety, and the environment.

Suggestion:

The Gardnerville Water Company is committed to providing water in a courteous and accountable manner for the long-term benefit of our customers. We strive to meet and exceed the standards set for public health, safety, and the environment.

Reliably provide clean water at a good value to GWC members, now and for years to come.

Reliably deliver safe water with minimal downtime and interruption. Invest in processes, equipment, and technology to minimize customer service interruptions, and to best facilitate customers' interactions and transactions with the water company. Develop, retain, and fairly compensate qualified staff who can best achieve the goals of the water company.

Consensus of the Board wants GWC Mission Statement to be short and concise, more to the point of what is most important to our customers. The Board picked out certain verbiage and sent it back to Trebeca to revise.

E. GWC Accounting Internal Controls

Michel Knott reviewed GWC accounting internal controls and other policies and determined they were sufficient for a small company such as GWC. He had minor additions such as: who opens the mail, who takes deposits to the bank, and who approved timecards. He suggested a GWC Financial Policy to take all the different financial policies (accounting, purchasing, contracts, emergency account, etc) and bring them under one. Kristien will be drafting that for board review. GWC Accounting Policies are attached for review.

Kristien completed a draft GWC Financial Policies for the Doug Sonnemann and Dave Ellison to review. The board discussed whether they agreed that the controls were sufficient. Barbara Henningsen disagreed. She believed the board needed greater control over reviewing invoices, bank reconciliations, and that managements spending levels were too great. Ken Deering said he disagreed, he felt he didn't need to approve tires for a truck but to approve the purchase of the truck. Dave Ellison agreed. He said that he felt the CPA determined the processes were sufficient and that the board is reviewing everything. Doug Sonnemann described his process as GWC Treasurer in approving invoices, bank statements and reconciliations.

F. Storage Tank Diving Inspection

RDC was provided the video and pictures of tank 1. Mark Lovelady meet with RDC and they agreed to complete all warranty work required. RDC will seek to do the work Fall 2022.

Agenda Item 2A: Discussion and Possible Action Regarding Server Replacement

The GWC server was purchased in January 2017 and is recommended by E Squared C, GWC's IT Service Company, to replace the server every seven years. Servers can take between 3-4 weeks to arrive after ordered, and a couple more weeks to migrate the software and data GWC requires.

With this in mind, to provide redundancy for GWC data requirements, the current server will be moved to a backup position running in conjunction with the new server. GWC will utilize the new server as its main server and run the current server as a backup server so if the new server fails, GWC will only be down approximately 1 hour for E Squared C to switch servers. The current server has 2 years of life expectancy and can be reviewed for possible replacement in the 2024 CIP budget.

The new server option includes one of the fastest server disk drives on the market today. It will ensure the fastest speeds possible for Caselle and other server-based services (shared files, etc.). The server rack is a 24U option would be ideal to move the SCADA server into the rack for added security.

This dual running scenario comes with an additional monthly cost of \$250 per month. This includes all the digital tools, securities, and management nuance that goes into keep each of those servers running to the standards outlined in the MSA.

The new Server would include the following:

CPU: 3.4 GHz, 4 Cores

Memory: 64 GB

Storage: 2.22 TB (OS: 300 GB 15K, DATA: 1.92 TB SSD)

Warranty: 7 years

Network: 1000 BASE-T (x2) and 10G SFP+ (x2)

Windows Server 2022

Microsoft licensing - 10 users

24U rack server enclosure – hold both main & backup server plus SCADA server

The 2022 CIP budget included an estimate of \$18,395. The quote from E Squared C, in the amount of \$16,002, this for the server, rack server enclosure, labor to migrate all software, and Windows licensing.

Recommendation

Manager and staff recommend the Board of Directors award the GWC office server purchase to E Squared C in the amount of \$16,002.

Doug Sonnemann made a motion to approve the office server purchase to E Squared C in the amount of \$16,002. Carl Spahr seconded the motion. Motion approved.

Agenda Item 2B: Discussion and Possible Action Regarding Selling 1394 Hwy 395

GWC has received a Commercial Purchase Letter of Intent from Peter Baratti and Teodora Gonzales-Pacheco to purchase 1394 Hwy 395 in the amount of \$400,000.

Intent details:

- Terms - Commercial Real Estate Loan via Bank of America
- Closing - After parcel map is completed
- Closing costs - both parties bearing their own expenses
- Possession - no more than 15 days after closing
- Inspection - no more than 15 days after a binding purchase agreement is signed

Comparable sales are \$355,000 to \$365,000. GWC will have closing costs and legal fees (purchase agreement).

Mark Lovelady informed the board by going this route, not using a real estate agent, there is a savings of \$24,000. Parcel map to be completed by the end of July. Ken Deering asked how long the process can take. Per Chuck Zumpft, typically 3-6 weeks for process to be completed. Chuck recommended wording changes regarding closing costs.

Ken asked if Peter had any questions of what comes with or without the property. Peter said he does not. He is familiar with the area and said this is a fantastic opportunity for their small business. Peter and Teodora described their small business with the board and how they have outgrown their current location.

Recommendation

Manager and staff recommend the Board of Directors approve the Letter of Intent by Peter Baratti and Teodora Gonzales-Pacheco to purchase 1394 Hwy 395 in the amount of \$400,000, permit Mark Lovelady to sign the agreement, and begin the process of sale of the property.

Carl Spahr made a motion with revisions of closing costs, per Chuck Zumpft to approve the Letter of Intent by Peter Baratti and Teodora Gonzalez-Pacheco to purchase 1394 Hwy 395 in the amount of \$400,000, permit Mark Lovelady to sign the agreement. Doug Sonnemann seconded the motion. Motion approved.

Agenda Item 3: Attorney Report – Chuck Zumpft

No Report

Agenda Item 4: Manager’s Report

The following is a recap of work completed by GWC staff in the month of June 2022.

1. Meters, Plan Reviews & Impact fees
 - A. There were 4 meter(s) installed or replaced in June 2022
 - B. There were 0 plan reviews in June 2022
 - C. There were \$0 in impact fees invoiced in June 2022

2. Service Orders, Locates & Leak Notices
 - A. There were 45 service orders completed by GWC staff in June 2022
 - B. There were 22 locates completed by GWC staff in June 2022
 - C. There were 42 leak notices completed by GWC staff in June 2022

3. Water Consumption & Pumpage

Total Water Pumped	90,980,700
Total Acre Feet Used	279.13

2022 CONSUMPTION	
January - February Total Consumption	27,169,902
March - April Total Consumption	51,586,910
May - June Total Consumption	
July - August Total Consumption	
September - October Total Consumption	

November - December Total Consumption	
2022 TOTAL Consumption	78,756,812

Water Loss (Gallons)	12,223,888
Water Loss (%)	13.44%

4. Monthly Water Operations Supervisor Update
 - A. Completed SOPs for all sites
 - B. Jonas will retest June 2022 for D3
 - C. Eamon practicing for class B driving test
 - D. Yard maintenance and weed cleaning
 - E. Cleaning and painting fire hydrants
 - F. Cleaning street valves throughout system
 - G. Replaced both 6" check valves in booster 1 due to failure
 - H. Tank diving

5. Staff Safety Courses Taken
 - A. Heat Stress Recognition and Prevention – May
 - B. Industrial Ergonomics - June

6. Current Projects in Review
 - A. Maverik Gas Station
 - B. Ashland Park Subdivision
 - C. Ashland Park - Muller Pkwy
 - D. Village at Martins Trail
 - E. Pinenut Road Self Storage
 - F. Carson Valley Veterinary
 - G. Gardnerville Station Outlet
 - H. Stor-All Expansion

7. Current Projects Under Construction
 - A. Great Life Church
 - B. Residence 1861 Apartments
 - C. Thoroughbred Crossing Apartments

8. Current Properties in Annexation
 - A. Corley Ranches LLC - The Farmstead at Corley Ranch - 130.55 acres
 - B. Ashland Park - 13.72 acres

9. 2022 Board of Directors Notice of Elections

Ken Deering and Barbara Henningsen positions on the GWC Board of Directors is up for re-election. Notice of Elections was placed in the June 1, 2022, Record Courier, GWC website and Facebook page. Candidate applications are accepted June 24, 2022, through August 12, 2022. In the case of a full election is required, ballots will be mailed to eligible members by September 30, 2022. Ballots will be accepted until 2pm November 8, 2022, with ballot counting beginning after the 2pm deadline.

Agenda Item 6: Board Comments

No Comments.

Agenda Item 7: Adjournment

Dave Ellison made a motion to adjourn the meeting. Doug Sonnemann seconded the motion. Motion was approved. Ken Deering adjourned the meeting at 7:51 PM.