



Gardnerville Water Company  
Regular Board Meeting Minutes  
Tuesday, March 14, 2023 5:00p.m.  
Board Room  
1579 Virginia Ranch Rd  
Gardnerville, NV 89410

Board Members Present:

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

Staff Members Present:

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

Dave Ellison called the March 14, 2023, Regular Board Meeting to order at 5:00 p.m.

**Approval of Agenda:** Ken Deering made a motion to approve the Agenda for the March 14, 2023, Board Meeting. Barbara Henningsen seconded the motion. Motion was approved.

**2022 Financial Statement Review, Michel Knott, CPA**

Zoom meeting with CPA, Michel Knott for the Financial Review. Review Report Contents, Review Procedures, Review Conclusion – Unmodified, no changes needed. Financial Results are very good, showing increases for all categories. Financial Indicators, Liquid Reserves and Current Ratio increased; the Equity Trend went down from last year but nothing to be concerned about. Michel has no concerns with GWC review.

**Minutes of the February 14, 2023, Regular Board Meeting:** Doug Sonnemann made a motion to approve the February 14, 2023, Regular Board Meeting Minutes. Barbara Henningsen seconded the motion. Motion was approved.

**Financial Statements for January 2023:** Barbara Henningsen made a motion to approve the January Financial 2023 Statements as presented. Carl Spahr seconded the motion.

**Financial Statements for February 2023:** Barbara Henningsen made a motion to approve the February 2023 Statements as presented. Carl Spahr seconded the motion.

Kristien Bennett presented the 2023 GWC Financial Plan Update. She covered customers, usage, and income, Historical 5-year income and expenses, asset management forecasts, population growth and anticipated rate increases. She indicated even with the large expense of well 10, GWC will be able to cover all anticipated repair and maintenance projects, while growing the reserve balance. This plan includes an anticipated rate increase of a minimum of 4% for 2025-2029.

**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**

RDC has some minor weather delays but are still working on the project. RDC has completed part of the grading and yard piping. They have updated their schedule and billed GWC for their first project billing in the amount of \$262,250.79.

### **B. Highway 395 @ Raley's Waterline Improvement Project**

GWC has submitted to Bureau of Safe Drinking Water for review. RCI and Mark are in discussions of removing the waterline going across Hwy 395 to Kingslane.

### **C. NDOT Highway 395 Project**

NDOT is going out to bid for the project. They should have a contract by April 2023. No further updates have been received.

### **D. Well 9 Rehab**

Carson Pump is scheduled to rehab the well mid-March. They are currently working on Well 10.

### **E. Well Meters**

GWC ordered the well meters from Sierra Controls. The meters were expected mid-March but are delayed.

## **Agenda Item 2A: Discussion and Possible Regarding Selling the GWC Old Office Located at 1394 Douglas Ave (Formally 1394 US Hwy 395 N)**

Peter and Teodora Baratti (DPB LLC) have accepted the GWC Board of Directors offer to sell the GWC old office located at 1394 Douglas Ave (formerly 1394 US Hwy 395 N) APN 1220-04-101-037 at the terms listed below:

Purchase price: \$400,000

Balloon payment: 5 years

Interest rate: 5%

Down payment: 20% \$80,000

Loan: \$320,000

Monthly Loan Payment: 1,717.83

The Baratti's are requesting all legal, recording, and title fees be split 50/50.

If the GWC Board of Directors vote to sell 1394 Douglas Ave, Mark Lovelady, GWC Manager, will contact Dr. Black to notify him of GWC's intention to terminate the month-to-month lease and provide him a move out date.

At the February 14, 2023, Regular Board Meeting was consensus of the board to approve the sale of the GWC old office, located at 1394 Douglas Ave (formally 1394 US Hwy 395 N). The board agreed for Mark Lovelady, Kristien Bennett and Chuck Zumpft to put the agreement together and email to the board. Mark is working with RCI to obtain the legal description of the property, once that is obtained Chuck will be including it in the Contract for Deed. On 3/7/23 the board of directors reviewed the draft Contract for Deed and Promissory Note. Boards comments were sent to Chuck for review on 3/8/23. After changes are made, the documents will be sent to the Baratti's for review and execution of the agreements.

### Recommendation

Manager and staff recommend the Board of Directors sell the GWC old office located at 1394 Douglas Ave (formerly 1394 US Hwy 395 N) APN 1220-04-101-037 to DPB LLC with a purchase price of \$400,000, balloon payment of 5 years, interest rate of 5%, down payment of 20% \$80,000, loan amount of \$320,000, monthly loan payment of 1,717.83, and permit Mark Lovelady, GWC Manager to sign all applicable documents.

**Barbara Henningsen made a motion to approve the sale of GWC old office, located at 1394 Douglas Ave (formally 1394 US Hwy 395 N) APN 1220-04-101-037 to DPB LLC with a purchase price of \$400,000, balloon payment of 5 years, interest rate of 5%, down payment of 20% \$80,000, loan amount of \$320,000, monthly loan payment of 1,717.83, and permit Mark Lovelady, GWC Manager to sign all applicable documents. Carl Spahr seconded the motion. Motion was approved.**

### Agenda Item 3: Attorney Report – Chuck Zumpft

No Report.

### Agenda Item 4: Manager's Report

1. Meters, Plan Reviews & Impact fees
  - A. There were 2 meter(s) installed or replaced in February 2023
  - B. There were 0 plan reviews in February 2023
  - C. There were \$0 in impact fees invoiced in February 2023
2. Service Orders, Locates & Leak Notices
  - A. There were 4 locates completed by GWC staff in February 2023
  - B. There were 76 service orders completed by GWC staff in February 2023
  - C. There were 58 leak notices completed by GWC staff in February 2023
3. Water Consumption & Pumpage

<b>Total Water Pumped</b>	<b>28,936,500</b>
<b>Total Acre Feet Used</b>	<b>88.78</b>
<b>Total Water Outflow</b>	<b>0</b>

<b>2023 CONSUMPTION</b>	
January - February Total Consumption	<b>29,422,496</b>
March - April Total Consumption	
May - June Total Consumption	
July - August Total Consumption	
September - October Total Consumption	
November - December Total Consumption	
GWC Authorized Usage	<b>0</b>
<b>2023 TOTAL Consumption</b>	<b>29,422,496</b>

<b>Water Loss (Gallons)</b>	<b>-485,996</b>
<b>Water Loss (%)</b>	<b>-1.68%</b>

<b>2023</b>	<b>Pumped</b>	<b>Sold</b>	<b>Difference</b>	<b>Percentage</b>
<b>January - February</b>	28,936,500	29,422,496	-485,996	-2%
<b>March - April</b>	0	0	0	#DIV/0!
<b>May - June</b>	0	0	0	#DIV/0!
<b>July - August</b>	0	0	0	#DIV/0!
<b>September - October</b>	0	0	0	#DIV/0!
<b>November - December</b>	0	0	0	#DIV/0!
<b>GWC Authorized Usage</b>	0	0	0	#DIV/0!
<b>2023 TOTALS</b>	28,936,500	29,422,496	-485,996	#DIV/0!

4. Monthly Water Operations Supervisor Update
  - A. Lots of snow removal
  - B. Well 10 completed two hot taps on each side of property
  - C. Jonas passed the D3 test
  - D. Jake and Eamon are scheduled to take D2 exam on March 17<sup>th</sup>
  - E. Snow damage at well houses will be scheduled for repair in the spring
5. Staff HR/Safety Courses Taken
  - A. Wage and Hour Laws – February
  - B. Preventing Bullying and Violence – March
  - C. Management & Leadership Skills for New Managers and Supervisors (2-Day) – Jonas
  - D. Competent Person/Trench Safety & Confined Space – All Operators
6. Current Projects in Review
  - A. Gardnerville Station Outlet – waiting for NDOT review
  - B. Martin Stahl Apartments
7. Current Projects Under Construction
  - A. Carson Valley Medical Hospital
  - B. Residence 1861 Apartments
  - C. Thoroughbred Crossing Apartments
  - C. Stor-All Expansion
  - D. Village at Martins Trail
  - E. Carson Valley Veterinary
  - F. Ashland Park
8. Current Properties in Annexation
  - A. Corley Ranches LLC - The Farmstead at Corley Ranch - 130.55 acres – submitted 2/15/23
  - B. Ashland Park - 13.72 acres – submitted 2/15/23

9. Virginia Ranch Project

The Virginia Ranch project was on the Town of Gardnerville's board meeting agenda on 03/07/23. Mark spoke in opposition to the location of the location of senior living directly across from GWC and next to Curtis and Sons. Due to the heavy truck traffic for Curtis and Sons and GWC's construction water fill station and location of GWC's generators, this area will be very noisy. He also spoke in opposition to the location of the well site. The location of the well Virginia Ranch must build was pulled for discussion. It was currently planned to be located within the RV storage area. The Town of Gardnerville board of directors approved the concept as shown. The project must be approved by the Douglas County planning department and commissioners. Mark also reminded the project's engineer that they must submit plans to GWC as there is a water main in the area before they can begin work on the Muller Parkway extension.

**Agenda Item 6: Board Comments**

No Comments.

**Agenda Item 7: Adjournment**

**Carl Spahr made a motion to adjourn the meeting. Ken Deering seconded the motion. Motion was approved. Dave Ellison adjourned the meeting at 7:03 PM.**