



Gardnerville Water Company  
Regular Board Meeting Minutes  
Tuesday, March 12, 2024 5:00p.m.  
Board Room  
1579 Virginia Ranch Rd  
Gardnerville, NV 89410

Board Members Present:

Dave Ellison, *Chairman*  
Doug Sonnemann, *Vice Chairman*  
Barbara Henningsen, *Secretary*  
Ken Deering, *Member-at-large*

Staff Members Present:

Mark Lovelady, *GWC Manager*  
Kristien Bennett, *GWC Financial Officer*  
Mikayla Webb, *GWC Administrative Assistant*  
Jon Summers, *GWC Operations Supervisor*  
Chuck Zumpft, *GWC Attorney*

Dave Ellison called the March 12, 2024, Regular Board Meeting to order at 4:57 p.m.

**Public Present:** None

**Approval of Agenda:** Doug Sonnemann made a motion to approve the Agenda for the March 12, 2024, Board Meeting. Ken Deering seconded the motion. Motion was approved.

**Minutes of the February 13, 2024, Regular Board Meeting:** Doug Sonnemann made a motion to approve the February 13, 2024, Regular Board Meeting Minutes Barbara Henningsen seconded the motion. Motion was approved with changes per Dave Ellison regarding changing the dates of previous minutes needing approved.

**Financial Statements for February 2024:** Ken Deering made a motion to approve the February 2024 Financial Statements as presented. Barbara Henningsen seconded the motion. Motion was approved.

**Water Operations Supervisor Quarterly Update:**

*Operators had conducted inventory and notified of what part goes where and how it goes, repaired/ put extensions on hydrants, fixed 20-25 meters with 20-25 left to do, attended a conference that supplied them with helpful information and tools. Within the upcoming months there are plans to flow hydrants, do 395 inspections, and as stated above complete the following 20-25 meters.*

*Jon Summers brought up a current issue with the contractors of Carter Hill Homes. Nick Harvey as Mark Lovelady puts it “tells us what, when, and where.” He would like things done according to his time and not the office hours nor does his pit placement comply with the Uniform Plumbing Code regulation of 3 feet. Nick Harvey requested to be on the agenda to discuss the possibility of him being able to turn the water off and on himself within the pit. Most recent issue was that a pit was found to be tampered with by someone when Eamon Webb, Operator went to shut the water off, so it was documented through photograph.*

*The Board, Chuck Zumpft, and Mark Lovelady came up with a plan of action of updating the GWC rules and regulations to ensure that the plumbing code is referenced to avoid future issues repeating themselves.*

*A packet will also be drawn up for contractors providing them with the rules and regulations accompanied by a signature page to ensure they agree to the rules and regulations to allow affirmative action if they are not followed. Chuck will also draft a letter addressing the issues with Carter Hill Homes. Mark to set up a meeting with the county to address the Uniform Plumbing Code and future design reviews.*

**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 provided a new schedule of completion.

*Mark attempted to follow up with Keither Shaffer multiple times but had not received any comments on updates. Borjana Savic received an email stating an estimated ship date of the trial electrical parts is set for March 20, 2024.*

B. 1409 Interest Lane Sewer Line Issue

Mark met with Mr. Scott regarding the potential project. Mr. Scott is in agreement. Mark, Mr. Scott, Chuck Zumpft are to meet March 8<sup>th</sup> to discuss agreement. Mr. Scott and Mr. Beningo were in agreement of the proposed project. An agreement will be drafted, and all signed before the project begins.

C. Highway 395 @ Raley’s Waterline Improvement Project

A pre-construction meeting was held and SNC has indicated that they intend to complete the project early to mid-March.

*An additional meeting is set to take place in late March- early April due to a different crew coming in.*

D. Well Meters

Sierra Controls reprogrammed the well meters. Staff will be reviewing pumpage reports against the customer usage.

E. BLM Tank Site

RCI sent a letter to BLM regarding its intentions with the parcel. RCI will be reviewing GWC’s need for that potential tank site.

F. Sale of 1394 Douglas Ave

A for sale sign and flyers are installed. A listing is placed on forsalebyowner.com.

*An offer from a couple located in Roseville, CA who own a luxury antique business. The offer is \$325,000, they would like to use Ticor title while splitting the title fees 50/50, a 60-day close, a deposit of \$9,750 will be made to secure, 45 days to do inspections, appraisals to be waived, GWC to pay 3% of broker fees totaling \$9,750, and 2 contingencies. One contingency being an approval of additional structures by Douglas County, and second being an approval of a Nevada Business license. The plan the couple has for this building is to use it as a storage facility to hold some of their antiques. The board tossed around many ideas such as making counter offers, renting the space out, or rejecting offer and keeping on the market.*

***Consensus of the Board is the offer is unreasonable as the timeframe is not suitable for the contingency of the additional structures due to the county timeline. The listing will stay listed, the***

*offer will be rejected, and if the property does not sell then later down the road discussion of renting the building will take place.*

**Agenda Item 2A: Discussion and Possible Action Regarding Water Storage Tanks Cleaning and Inspection Bid Award**

GWC has been scheduling maintenance inspection of the 1.5 and 2.6-million-gallon water storage tanks on a 2-year cycle for the past 20 years. These inspections involve hiring qualified scuba divers to dive each tank, inspect the interior of each tank for any major or minor repairs necessary, complete minor repairs, video the interior, and remove sediment from the tank bottom. The tanks were last cleaned and inspected in 2022.

On February 1, 2024 a request for proposals was sent to nine tank diving contractors, 3 quotes were received.

Bid Award

The following bids were received:

<u>Company</u>	<u>Bid Amount</u>
Potable Divers Inc	\$3,700
MIT Diving & Coating	\$5,500
LiquidVision	\$7,696

Potable Divers, the low bid, has completed work for GWC in 2005 through 2022. They have always completed the work in a very thorough and professional manner.

Recommendation

Manager and staff recommend the Board of Directors award the water storage tanks cleaning and Inspection contract to Potable Divers Inc. in the amount of \$3,700. Additionally, allow completion of any spot repairs to the interior of the tanks on a time and material basis for \$250 per hour plus \$20.00 per tube of epoxy.

**Barbara Henningsen made a motion to approve the Potable Divers at price of \$3,700. Doug Sonneman seconded the motion. Motion was approved.**

**Agenda Item 2B: Discussion and Possible Action Regarding Awarding Financial Statement Review and Income Tax Preparation.**

GWC requested a proposal from Michel Knott, CPA to review its financial statements and prepare its 990 Income Tax Return for the fiscal years ending December 31, 2024, 2025, and 2026.

Mr. Knott has reviewed GWC’s 2021, 2022, and 2023 financial statements and has prepared the 990 Income Tax Return. He has also updated the Board of Directors with a review of the financial statements and any reportable conditions found during the review.

Below are the quotes for 2024-2026:

<b>Fee Quote with 5% annual inflation increase</b>						
<b>Fiscal Year Ending</b>	<b>Form 990</b>	<b>Plus Either:</b>	<b>1. Review (no Internal Control testing), or</b>	<b>2. Audit (Internal Control testing)</b>	<b>Grand Total Option 1 (990 plus Review)</b>	<b>Grand Total Option 2 (990 plus Audit)</b>

December 31, 2024	\$2,000		\$5,500	\$20,000	\$7,500	\$22,000
December 31, 2025	\$2,100		\$5,775	\$21,000	\$7,875	\$23,100
December 31, 2026	\$2,205		\$6,065	\$22,050	\$8,270	\$24,255

Recommendation

Manager and staff recommend the Board of Directors award Financial Statement Review and 990 Income Tax Preparation to Michel Knott, CPA in the amount of \$7,500 for 2024, \$7,875 for 2025, and \$8,270 for 2026.

*The Board of Directors discussed if audits are necessary.*

**Consensus of the Board is that audits are not needed. Ken Deering made a motion to approve Michel Knott, CPA to review GWC’s financial statements and 990 Income Tax Report. Doug Sonneman seconded the motion. Motion was approved.**

**Agenda Item 2C: Discussion and Possible Action Regarding Server Replacement**

The GWC backup 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, purchased in 2022, 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 7 years of life expectancy.

The new Server would include the following:

Dell PowerEdge R350 Server:

- Intel® Xeon® E-2388G 3.2GHz, 16M Cache, 8C/16T, Turbo (95W), 3200 MT/s
- 128GB UDIMM, 3200MT/s, ECC
- Front PERC H755
- (2) 600GB 15K RPM SAS ISE 12Gbps 512n 2.5in Hot-plug Hard Drive
- (5) 960GB SSD SATA Read Intensive 6Gbps 512 2.5in Hot-plug AG Drive, 1 DWPD
- Dual, Hot-Plug, Redundant Power Supply 600W
- Broadcom 5720 Dual Port 1Gb On-Board
- Broadcom 57412 Dual Port 10GbE SFP+
- (4) SFP+ SR Optic, 10GbE
- iDRAC9, Enterprise
- ReadyRails™ Sliding Rails With Cable Management Arm
- 5-year Dell NBD warranty

The 2024 CIP budget included an estimate of \$23,793. The quote from E Squared C, in the amount of \$10,716, this for the server, labor to migrate all software, and Windows licensing.

Recommendation

Manager and staff recommend the Board of Directors award the GWC office server replacement to

E Squared C in the amount of \$10,716.

*Dave Ellison requested the Financial Officer Kristien Bennett investigate a business by the name of DTS Fiber to see if this could provide GWC with it's needs in the future to ensure there are options as they have installed equipment for many places in the North Side of town with the download speed of 500 mega bites per second. Many businesses have moved to them, so is that an opportunity for us? The company did move South so would this be accessible to GWC?*

**Barbara Henningsen made a motion to approve the GWC Server Replacement by E Squared C at the price of \$10,716. Ken Deering 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 29 meter(s) installed or replaced
  - B. There were 0 plan reviews
  - C. There were \$0 in impact fees invoiced
  
2. Service Orders, Locates & Leak Notices
  - A. There were 20 locates completed by GWC staff
  - B. There were 129 service orders completed by GWC staff
  - C. There were 35 leak notices completed by GWC staff
  
3. Monthly Water Operations Update
  - A. CVMC fire hydrant repair-JS
  - B. Sierra Controls well 1 meter – JS
  - C. NDOT Hwy 395 project supervision – JS
  - D. Replaced bad register heads - EW
  - E. Pressure test at CV Vet - EW
  - F. CVMC fire hydrant extension– EW
  - G. Water samples– BA
  - H. Walmart fire hydrant repair– BA
  - I. Snow removal – BA
  
4. Current Projects in Review
  - A. Martin Stahl Apartments
  - B. Stoneridge
  - C. Virginia Ranch - Muller Parkway
  - D. Virginia Ranch – Collector Road
  
5. Current Projects Under Construction
  - A. Carson Valley Medical Hospital
  - B. Thoroughbred Crossing Apartments
  - C. Village at Martins Trail
  - D. Carson Valley Veterinary
  
6. Posnian Annexation

*A special meeting has been requested as the plans were not received in time for the 03/12/2024 meeting. An annexation was previously approved but has since expired.*

***Consensus of the Board was not to schedule a special meeting and this can be agendized on at the April 2024 Board meeting.***

**Agenda Item 6: Board Comments**

No Comments.

**Agenda Item 7: Adjournment**

**Doug Sonnemann made a motion to adjourn the meeting. Barabara Henningsen seconded the motion. Motion was approved. Dave Ellison adjourned the meeting at 7:02PM.**