

VIRGIN VALLEY WATER DISTRICT REGULAR BOARD MEETING
VIRGIN VALLEY WATER DISTRICT OFFICE
JUNE 2, 2009

Minutes of a Regular Board Meeting of the Virgin Valley Water District Board held on June 2, 2009, at the Virgin Valley Water District Office at 3:00 p.m. Attending were President John Paul, Vice-President Kenyon Leavitt, Secretary-Treasurer Cecil Leavitt, and Board Members Ted Miller and Robert "Bubba" Smith arriving at 3:10 p.m. Also present were Michael Winters General Manager, George Benesch District Counsel, Erik Beyer District Engineer, Michael (Boomer) Johnson Chief Hydrologist and Mary Johnson taking minutes and other interested parties of agenda items.

President John Paul called the meeting to order at 3:00 p.m.
Cecil Leavitt offered a Prayer and Ted Miller led the pledge.
Public Comment – There was no public comment at this time.

Discussion: Board Comments - None

President of Board Comments – John Paul stated that the State Legislation Session was over and he was anxious to see what accomplishments will improve our community by their session. Also, he mentioned that the general manager had distributed a notice regarding the discoloration of the water and that it had been tested and everything seemed to be in order.

CONSENT AGENDA:

Kenyon Leavitt made a motion to approve the consent agenda as listed below. Cecil Leavitt seconded this motion and it was unanimously carried. 5-0

1. Discussion & Action - Approve Agenda
2. Discussion & Action – Approve of Minutes from **5/21/09 Special Board Meeting**
3. Discussion & Action – Approve Purchase Orders Over \$2,500
 - a. Technical Services Company – **Ratify \$6,475.00 – Sand Separator for VVWD Well No. 30**

**** End of Consent Agenda****

4. Discussion & Possible Action – Consideration to Select RBF Consulting for Professional Services Agreement for the Aquifer Feasibility Study and Authorize the General Manager to Execute Agreement with RBF

Boomer reported that five (5) firms had submitted proposals. Two of the firms were from out of state and three were within the immediate area. RBF is located in Las Vegas and Southern California. Bowen & Collins are out of Salt Lake City, UT with an office in St. George, UT and Stanley Consultants were based in Las Vegas. All firms met the requirements. Boomer stated that RBF would be the best suited for our recharge application. The rating table was included

and RBF was the best candidate in Boomer's opinion. Boomer further stated that RBF would be looking at where we should conduct recharging and costs associated with these tests and that RBF may find that outside funding is available. Ted questioned if we have had any other business dealings with RBF and Boomer stated that the VVWD has not, but that he has while he was working with the LVVWD. John Paul questioned how extensive the feasibility study would be and if they would be looking at above ground storage and Boomer stated that they would and went into further explanation of a current project that RBF is involved in California and that this would be part of the feasibility study. John Paul wanted to add direction to the General Manager that when the decision is made and the General Manager concludes the consulting agreement that we for sure want to look at the possibilities of surface storage. Boomer stated that this could be a task item in the agreement. John Paul further stated that the City of Mesquite may be able to provide some options and feels that whoever conducts the feasibility study should be directed to contact the City Manager and see if there is any possible way to work with them in a collaborate effort to see if they can offer anything to our feasibility study. Kenyon Leavitt questioned the time frame and Boomer stated that it would probably take up to six (6) months before the feasibility study report would be completed. Cecil Leavitt had some questions regarding the rating form that Boomer answered.

Kenyon Leavitt made a motion directing the General Manager to enter into and execute an agreement with RBF Consulting to provide professional services for the Aquifer Feasibility Study and with the recommendation that the City of Mesquite be included and the City Manager be contacted to see if there is any possible way to work with them in a collaborate effort to see if they can offer anything to this feasibility study. Cecil Leavitt seconded this motion and it was unanimously carried. 5-0

5. Discussion & Possible Action – Review Options of Utilization of 188 Mesquite Irrigation Shares Available August 1, 2009

Mike Winters stated that the District's lease agreement with Legacy Construction expires August 1, 2009. Mike stated that he has spoken with Cresent Hardy of Legacy Construction and that he has stated that he would need 30 to 40 shares to water the Falcon Ridge Golf Course. Mike further stated that he has had some preliminary discussions with SNWA and that they would be willing to lease all or part of these shares at \$300 per acre-foot. Mike also said that in his opinion, the more irrigation water used by the golf courses, construction and recreation, etc. is less demand on the culinary system. John Paul questioned the term of the lease with SNWA and Mike stated they were looking at two years lease with options after that. John Paul stated that it looked like we would have a back-up offer with SNWA if we could not lease out the shares as they become available. Bubba stated that he thought the parameters had already been set for leasing water from the District and these parameters were discussed. Mike explained that he had initiated talks with SNWA as a way to bring in revenues. Mike further stated that if the board so desired to go ahead with the auction and that we would bring back for auction at the last meeting of July or at the end of July. Kenyon Leavitt stated that he felt that we should go out to auction and if any shares were not

the Board should look at water shares and in his opinion, use locally; but if looking for money, then contact SNWA or we should be looking at reservoirs. John Paul opened the item for public comment and Kraig Hafen and Quincy Edwards offered their comments.

Bubba Smith made a motion to follow the parameters already set for leasing irrigation shares and direct the General Manager to set a date for auction for the 188 shares. Ted Miller seconded this motion and it was unanimously carried. 5-0

6. Discussion & Possible Action – Consideration to Review the Duties, Expectations and Responsibilities of the District’s Legal Counsel and What, if any, Action Should be Taken

Mike stated that he had put this on the agenda with John Paul reluctantly agreeing to go this way in lieu of having the RFP’s and RFQ’s for Administrative Legal Counsel on this agenda. Mike explained that George Benesch has been an excellent attorney for the District for many years and that George was involved in the writing of Chapter 100 and creating the District. Mike further stated that no one has come forward with what changes that they have wanted and believes the board should outline what changes they would like to see and then see if George would want to make these changes. John Paul stated his reasons for his reluctance to have this put on the agenda because at the meeting on March 3, 2009 by a 3-2 vote the board voted to accept RFP’s and RFQ’s for Administrative Legal Counsel. John further stated that he does not find George’s services unacceptable, but he was one of the votes because he didn’t think that the job performance was not at the best, but that there was no jobs outlined. John further stated that the District received nine (9) offers for the RFQ and RFP and at the next meeting it would be put on the agenda for a new attorney to share some responsibility and we would need scope of work outlined. Cecil asked what was on the 3/3/09 agenda and John read the items and then read the item on this agenda and asked what those agenda items on 3/3 had to do with George Benesch and John Paul stated that it didn’t have anything to do with George. Bubba talked about the meeting in March and he wanted to move forward with the RFQ’s and RFP’s and then it would be easier to decide what legal counsel duties would be. Bubba further stated that George was not an employee and we should not be doing a performance review and that we should just move forward. Mike noted that he did do as the board asked regarding the RFP’s and RFQ’s for legal counsel. George Benesch thanked the board for their consideration. Kenyon Leavitt stated that the board needs to realize that we purvey water and to do this as cheaply as possible and that we need an attorney that will be able to take care of our water because that is the board’s responsibility. Ted Miller stated that he felt we should move forward and that we would need George Benesch for water issues, but maybe not for other issues.

The item died for a lack of a motion.

7. General Manager’s Report

Mike had not included a written report. Mike informed the board that the Zee Designs still

needed the board's pictures and bio's and would also like a message from the president. Mike further stated that we would begin to run credit cards next week and by the end of June, the website

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should be up and running. Mike also stated that there was something that was going to be very monumental; Lincoln County and Vidler Water Company have appealed the State Engineer's decision regarding basin 221. George has filed a Notice of Intent to Participate and he further stated that George and Boomer would be very involved with this appeal. Mike also mentioned that we had received a telephone call from a customer and that they had green water and it appears that we had a filter break through. Water samples were taken immediately to Las Vegas to make sure the water was okay for consumption. The iron content was a little high, but there is no MCL for iron. The reservoirs were drained and flushed and it was found that there had been some malfunction with the turbidimeters and they were repaired.

Mike Chandler was present and reported on the arsenic plants stating that site #31 has been operational with a 3 to 4 ppb of arsenic. Site #32 would be operating tomorrow (6/3/09) and Site #28 was operable, but the painters have been in there for the past week. The Hardy Way Site is progressing quickly and they plan to have an Open House for the public in the near future.

8. Hydrologist's Report

Michael had not included a written report. He informed the board that he been reviewing the RFP's for the Aquifer Feasibility Study. He further stated that they were working on getting equipment into the valley for well #30 and work should begin next Monday. Boomer further stated that we had received a pump and had replaced it in well #31 and it was doing well. On June 23, 2009 we will be meeting with the mediator regarding the change order from Longview Construction and their sub-contractor. Boomer then went into more detail of Lincoln County Water District and Vidler Water Company's appeal.

9. Engineer's Report

Erik had not included a written report and stated with the slowed down economy that he really had nothing to report. Erik stated that he continues to review development plans as they come in.

10. Public Comment

There was no public comment at this time.

11. Adjournment

President John Paul adjourned the meeting at 4:28 p.m.

(NOTE): The minutes of this meeting have been tape-recorded and will remain on file in the District office for a one-year period for public examination.