Lincoln County Water District

181 Main Street, Suite 115, P. O. Box 206,
Pioche, NV 89043, (775) 962-5164

MINUTES

WEDNESDAY, APRIL 18, 2012, 10:00 A.M., COMMISSION CHAMBERS, LINCOLN COUNTY COURTHOUSE, PIOCHE, NV

Action may be taken on items denoted with an asterisk*.

1. *Call to order, open meeting compliance, roll call, prayer and pledge of allegiance.

   Meeting called to order at 10:04 a.m. Present: G. Tommy Rowe, Paul H. Mathews, E. Edwin Higbee, Jr., Paul Donohue, Wade Poulsen-General Manager, Dylan Frehner-Legal Counsel, and Shannon Simpson-Administrative Assistant. Absent: Kevin J. Phillips. Prayer: Ed Higbee. Pledge: Paul Donohue.

2. Public Comment and Discussion. ***No public comment.***

3. *Discussion/Possible Action: Approve/Modify minutes from the Lincoln County Water District (LCWD) March 21, 2012, meeting.

   Motion by Tommy Rowe to approve the March 21, 2012, meeting minutes, 2nd by Ed Higbee, motion passes unanimously.

4. *Discussion/Possible Action: Approval of vouchers paid on check dates April 2, and April 16, 2012.

   Motion by Paul Donohue to approve the payment of vouchers for check dates April 2, and, April 16, 2012, 2nd by Ed Higbee, motion passes unanimously.

5. *Discussion: Board and Staff member reports:

   Wade:
   - Presented the consolidation to Panaca Farmstead and Alamo Sewer & Water GID.
     - Panaca Farmstead is interested. They have set a public meeting for their shareholders May 3, 2012, 6:00 p.m., in Panaca at their District Office. Fliers will be posted.
     - Alamo Water & Sewer. Good discussion. Concerns about the Board and County Commission being the same members. Emphasized one of the benefits of consolidating will help them defer their rates. Felt that they will stay where they are at for now.
   - March 27, 2012, went to Carson City, NV, and met with the USGS. Asked all of the various districts and entities to come forward and discuss with them what the USGS can do for them in the future. Requested that the recon reports of the 1960's be updated. Also would like help with the initiatives of monitoring. USFW and BLM also attended.
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- Set up a meeting this Friday, April 20, 2012, in Carson City with Jason King and Pete Goicoechea – State Legislator, and the City of Caliente. City of Caliente has some water issues over a well and water rights.
- The latest SNWA ruling from the State Engineer has been released.
  - The State Engineer said there was not enough evidence to show that there was sufficient development in Lincoln County to grant the water the 3000 a.f. as point-of-use in Lincoln County, but it can be used in Clark County. Spoke with Rick Felling-Chief Hydrologist for the State Engineer's Office expressing concern of this ruling. If Lincoln County can provide sufficient information the point-of-diversion can be moved.
  - Gave 5000 a.f. more water in this ruling; a little more each in Delamar, Dry Lake, and Cave Valleys.
- April 25, 2012, going to Reno to meet with Vidler and BLM to renegotiate our Memorandum of Understanding (MOU) with the BLM. Our current MOU is the reasoning behind why the BLM has not reimbursed the LCWD for the LCLA and Kane Springs right-of-ways. Vidler, Dylan, Wade and Mike Baughman will be attending.
- Virgin Valley Water District submitted a request to the Bureau of Reclamation (BOR) for a grant to study Basin 222. The BOR has denied their request for the grant.

Dylan:

- Monday's presentation at the County Commission Meeting, 04/16/12, by BLM doing a business plan is something new. Want to discuss with Amy Lueders on 04/25/12 when they meet with the BLM. Paul Donohue asked to not discuss and said that this has been put on hold for now.
- Due to the State Engineer denying us because of lack of information on beneficial use he has spoken with Emilia Cargill-Coyote Springs General Counsel and trying to schedule meetings with CSI to get the latest information if/when we go back before the State Engineer. Will be meeting with Carl Savely-General Counsel for CSI located in the Reno area on 04/26/12.
- Will be meeting with SNWA General Counsel John Entsminger in the near future to see how the additional water will be divided and will bring back agreements to present to the Board.
- Toquop Energy still waiting on Tom John's to get us a revised agreement. Still looking at moving forward.

6. Vidler Update.

Ryan Hoerth:

- Received response from Rick Felling about our request to reduce the water sampling stipulation in the Tule Desert. We don't have to do water quality tests out in Tule Desert until there is a pump in Production Well #1. Also reduced the number of wells to four that we will have to pump. Granted request that we only have to meet with the National Park Service every 5 years or on an as needed basis.

7. *Discussion/Possible Action: Performance evaluation of Wade Poulsen - General Manager. Possible action may include, but is not limited to, termination, suspension, demotion, reduction in pay, reprimand, promotion, endorsement, engagement, retention, salary increase, or 'no action'. (The Board may consider character, alleged misconduct, and professional competence, physical or mental health pursuant to NRS 241.031.)

- Monday's presentation at the County Commission Meeting, 04/16/12, by BLM doing a business plan is something new. Want to discuss with Amy Lueders on 04/25/12 when they meet with the BLM. Paul Donohue asked to not discuss and said that this has been put on hold for now.
- Paul Donohue reviewed the form Wade provided to have at our last meeting. Feels he is doing a good job.
- Ed Higbee feels he is working well with the other towns trying to get them to consolidate.
- Paul Mathews would like Wade to work on projecting/forecasting of the water serviceability of the disposal lands.
- The Board would like Wade to develop a salary plan to present to the Board.

8. *Discussion: Review of tentative budget for the 2012 – 2013 fiscal year.

Motion by Paul Donohue to approve the tentative budget for the 2012 – 2013 fiscal year, 2nd by Tommy Rowe, motion passes unanimously.

9. *Discussion/Possible Action: Options for filling the Administrative Assistant job position.

- Wade would like to wait to see what occurs with consolidation before hiring another Administrative Assistant. Wade is offering three options:
- Option 1: He has had discussions with Leslie Boucher-County Recorder/Auditor and Shawn Frehner-Treasurer and believes the LCWD's work takes approximately 10-12 hours per month. Wade would like to retain Shannon for the time being, as well as work for the Treasurer's Office. Benefits will be paid on a percentage basis.
- Option 2: To hire a temporary person temporarily for 3-4 months.
- Option 3: To hire someone to fill the Administrative Assistant position.

Motion by Paul Donohue to approve Option 1 to go no longer than 1-year, 2nd by Ed Higbee, motion passes unanimously.

10. *Discussion/Possible Action: Donation to the County Fiscal Officers Association of Nevada.

- Wade recommends donating $2500.00, to the CFOA for the annual conference that will be hosted by Lincoln County this year and held in Pioche, NV.

Motion by Tommy Rowe to contribute $2500.00, to the CFOA for the annual conference, 2nd by Paul Donohue, motion passes unanimously.

11. *Discussion/Possible Action: Update(s) to the LCWD Investment Policy Statement dated June 15, 2011.
    - The updated policy has been sent to the State Treasurer for review. We are waiting for their approval. Wade would like to wait until the State Treasurer has had a chance to review it before approving it.

12. *Discussion/Possible Action: RE: Agreement for placement of water monitoring equipment on the John K. Wright property in Garden Valley.

    - The John K. Wright Trust has 130 acres in Pine Creek that is private property. A letter has been sent to Mark Wright, Trustee. This agreement is with Mark Wright to put a stream gauge on his property. There is no liability or payment to be made on behalf of the County. Sets the terms of us being on their property.
    - Paul Mathews disclosed that John K. Wright is his great-grandfather. Paul has nothing to do with the trust.

    Motion by Paul Donohue to approve the agreement for placement of water monitoring equipment on the John K. Wright property in Garden Valley, 2nd by Ed Higbee, motion passes unanimously.

13. Public Comment and Discussion.

    - Dylan Frehner – Commenting as a Lincoln County citizen – Wade has not received a salary increase in 2 years. He is concerned that public monies of $2500.00, can be donated to the CFOA (a good cause), and telling an employee that we can't give him a 3% raise, $1000.00, concerns him. We are donating money that doesn't refurbish itself to some other entity.
    - Grant Perkins-Manager Panaca Farmstead Association Suggests that a member from each town's water board be pulled to create a Water Board other than the County Commissioners.

14. *Adjourn. ***Motion by Tommy Rowe to adjourn the meeting, meeting adjourned by Paul Mathews at 10:48 a.m.***

Submitted for approval on May 17, 2012, by Shannon Simpson, LCWD Administrative Assistant.

Shannon Simpson

Approved by: Paul Mathews
Signature

Paul Mathews — Chair Person
Print Name — Title