

VIRGIN VALLEY WATER DISTRICT REGULAR BOARD MEETING  
VIRGIN VALLEY WATER DISTRICT OFFICE  
JULY 1, 2008

Minutes of a Regular Board Meeting of the Virgin Valley Water District Board held on July 1, 2008, 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 Member Ted Miller. Board Member Robert "Bubba" Smith was not present. Also present were Michael Winters General Manager, George Benesch District Council, 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 Kenyon Leavitt led the pledge.**

**Public Comment** – Mayor Holecheck questioned if item no. 5 would be opened for public comment.

Discussion: Board Comments - None  
President of Board Comments - None

**CONSENT AGENDA:**

**Cecil Leavitt made a motion to approve the consent agenda as listed below. Ted Miller seconded this motion and it was unanimously carried. 4-0**

1. Discussion & Possible Action - Approve Agenda
2. Discussion & Possible Action – Approve of Minutes from **06/17/08 Regular Board Meeting**
3. Discussion & Possible Action – Approve Financial Statement for **March 2008**
4. Discussion & Possible Action – Approve Bills Paid - **\$211,979.61**

**Contingent upon meeting the Criteria to Ordinance II**

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

5. Discussion & Possible Action – Consideration to Reconsider the Former Decision made by the VVWD Board to Restore Emergency Fire Protection and Emergency Domestic Service to Beaver Dam Water Company Due to Misinformation Presented to the VVWD

John Paul began stating that he had requested that this item be put on the agenda after reviewing a fax received from the Beaver Dam Water Company (BDWC) received the day after the board meeting with information different than what was presented at the board meeting. Mike Winters stated that Bob had stated that the BDWC would require no more than .7 acre-feet

of water or 228,000 gallons per day, but the fax received calculated out to 950 gpm or 4.2 AF per day. The fax also mentioned peak use and domestic emergency use if there were to be a loss of source. George Benesch, District Council, after reviewing the fax from BDWC contacted the State Engineer and was informed that emergency fire flow would be allowed, but peak demand and emergency domestic service would have to go through the process of obtaining an export permit, which the VVWD would have to obtain since they are the permit holder and this could cost from \$50,000 to \$100,000 and could take up to two years; and the State will not waiver from statute. Mr. Benesch urged the board to only consider providing emergency fire flow.

John Paul questioned Mr. Frisby several times if he would be willing to put a deposit down to obtain the export permit and Mr. Frisby stated he was not prepared to answer that question at this time. Comments were made by other board members and their desire to only provide emergency fire protection.

Bob Frisby, owner of the BDWC, handed out information containing letters from Leslie and Associates explaining Arizona Administrative Code and requirements for storage, for peak demands and fire flow requirements; a memo from Mike Winters to Bob; and a letter from Mike Winters to the Arizona Dept. of Environmental Quality all dated in August of 2005. Cecil Leavitt commented on the letters and stated that the situation has changed since the Wind River circumstances and Bob's participation in the No Nevada Water Grab website and outright lies and misinformation given.

John Paul asked Bob if has or was willing to go to the State of Arizona and become an active management area or water district and Bob stated that he did not want to open up that Pandora's box. Bob further stated that he was a privately owned business and controlled under the Arizona Corporation Commission.

George stated that the District had permission at the time the Mesquite Farmstead Water Association became a District to service a small section of Arizona, but since that time circumstances have changed and the State Engineer of Nevada has revoked that permit and would only allow for emergency fire flow protection without obtaining an export permit.

John Paul opened the item for public comment and Mayor Holecheck, Mesquite Fire Chief Derek Hughes and City Manager Tim Hacker all offered comments.

There was further discussion regarding loss of source, fire flow requirements, emergency domestic service, BDWC options and whether an actual agreement was required.

**Kenyon Leavitt made a motion to provide emergency fire flow back-up service only to BDWC for a period of two years and reviewing the situation thereafter every two years. Cecil Leavitt seconded this motion and it was unanimously carried. 4-0**

6. Discussion & Possible Action – Update on Website – Tracy Lee

Tracy stated that he had posted an RFP but failed to get any suitable back-up. The RFP required a mandatory pre-conference proposal at the District and interfacing with our current accounting system and that the RFP may need changed somewhat to accommodate some

prospective bidders. Board members questioned whether a web cam conference was possible, which it is not.

**Cecil Leavitt made a motion directing Tracy Lee to modify and resubmit RFP and report back to the board in six (6) weeks with a progress report. Kenyon Leavitt seconded this motion and it was unanimously carried. 4-0**

7. Discussion – Discuss and Review Water Conservation Quarterly as Outlined in the Plan for Public Input and Education of the Customers

Mike stated that we are required to discuss quarterly, but really had nothing to say since the District is very conservative averaging only .41 acre-feet per year/per home, while Las Vegas and other entities are nowhere near this amount with spending huge amounts of money on conservation. Erik Beyer also stated that he has been researching the water use in the Virgin Valley and has submitted his data to the State. The State requires tiered rates, which the VVWD already has. Erik further stated that the VVWD in 1998 had an average use of .49 AF per year/household and currently the District is at .41 AF per year/household for the last 2 to 7 years. The State asks that secondary water be used, which the District has been doing for years in Bunkerville and the City of Mesquite sales for effluent water is at 2,229 AF per year. Erik will have the report at the next meeting.

8. General Manager's Report

Mike had not included a written report. Mike informed the board that he would be unable to attend the next board meeting. Mike further informed the board that the District had received a Trespass Order at Well #30 from the BLM and we have answered, with the answer being distributed to the board members for their information, and we were waiting on their response. Mike also stated that the District had received a Trespass Order from Clark County, but that he had spoke with the Clark County Development Services and that they were going to waive the violation. Mike further informed the board that with the District beginning the new fiscal year that they would be seeing projects and assets coming to them for approval. The engineers, HDR, Inc., for the directional drilling project at the Bunkerville Bridge were about 75% completed and boring should begin in September and done by October and the State would begin their project in January. Mike had met with the Water Financing Board in Carson City and the District was granted 1.3 million more dollars for arsenic treatment, but there are some conditions and it looks like the District will have to increase rates, but we may have different options in how to do this. Mike has Bowen & Collins looking at the fees and options.

9. Hydrologist's Report

Michael had not included a written report. He informed the board that has been preparing the response to the BLM for the Trespass Notice, drafting EIS comments regarding Lincoln County

and also working on the Habitat Conservation Recovery Program.

10. Engineer's Report

Erik had not included a written report since he was on vacation last week. Erik informed the board that he called a company in Kansas about the polyethylene pipe failure, but has not received a response. Erik will meet with AWWA representative and see if any other water companies have or are having this problem.

11. Public Comment

There was no public comment at this time.

12. Adjournment

**President John Paul adjourned the meeting at 5:08 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.