

CARSON CITY UTILITY FINANCE OVERSIGHT COMMITTEE

Minutes of the April 6, 2021 Meeting

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A regular meeting of the Carson City Utility Finance Oversight Committee was scheduled for 1:30 p.m. on Tuesday, April 6, 2021 in the Community Center Robert “Bob” Crowell Board Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Bob Johnston
Vice Chair Randy Bowling
Member Cynthia Turiczek
Member Jim Bathgate
Member Ron Knecht

STAFF: Darren Schulz, Public Works Department Director
Sheri Russell, Chief Financial Officer
Pamala Ganger, Deputy Chief Financial Officer
Jamie Stevenson, Accounting Manager
Andy Hummel, Wastewater Utility Manager
Eddy Quaglieri, Water Utility Manager
Adam Tully, Deputy District Attorney
Danielle Howard, Public Meetings Clerk

NOTE: A recording of these proceedings, the commission’s agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record. These materials are on file in the Clerk-Recorder’s Office, and available for review during regular business hours. An audio recording of this meeting is available on www.Carson.org/minutes.

CALL TO ORDER AND DETERMINATION OF A QUORUM

(1:32:40) – Vice Chairperson Johnston called the meeting to order at 1:32 p.m. Roll was called, and a quorum was present.

PUBLIC COMMENT

(1:35:42) – Vice Chairperson Johnston entertained public comments; however, none were forthcoming.

1. FOR POSSIBLE ACTION – APPROVAL OF MEETING MINUTES.

1.A FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING APPROVAL OF THE MAY 4, 2020 DRAFT MEETING MINUTES.

(1:33:23) – Vice Chairperson Johnston introduced the item and entertained corrections, changes, and/or a motion.

(1:34:06) – **MOTION:** Member Bowling moved to approve the May 4, 2020 meeting minutes as presented. Vice Chairperson Johnston seconded the motion. The motion carried 5-0-0.

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2. MEETING ITEMS:

2.A FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING ELECTING A CHAIRPERSON AND VICE-CHAIRPERSON FOR THE UTILITY FINANCE OVERSIGHT COMMITTEE.

(1:36:01) – Vice Chairperson Johnston introduced the item.

(1:36:25) – Member Bowling moved to nominate Bob Johnston to the position of UFOC Chair. Member Knecht seconded the motion. Vice Chairperson Johnston accepted the nomination and entertained Member comments. When none were forthcoming, he called for a vote. **The motion carried 5-0-0.**

(1:38:04) – Member Knecht moved to nominate Randy Bowling to the position of UFOC Vice Chair. Member Turiczek seconded the motion. Vice Chairperson Johnston entertained Member comments and, when none were forthcoming, called for a vote. **The motion carried 5-0-0.**

2.B FOR INFORMATION ONLY: PRESENTATION ON BACKGROUND AND MISSION OF THE UTILITY FINANCE OVERSIGHT COMMITTEE IN REGARDS TO CARSON CITY WATER, WASTEWATER, AND STORMWATER UTILITIES.

(1:38:55) – Chairperson Johnston introduced the item. Mr. Schulz, Mr. Hummel, and Mr. Quaglieri presented a PowerPoint Slideshow on the matter, which is incorporated into the record along with the Staff Report, and responded to clarifying questions.

2.C FOR INFORMATION ONLY: PRESENTATION OF THE RESULTS AND OUTCOME OF THE UTILITY RATE STUDY PERFORMED IN 2020 BY FARR WEST ENGINEERING.

(2:01:26) – Chairperson Johnston introduced the item. Farr West Engineering Principal Engineer and President Brent Farr introduced himself, referenced the Staff Report, and presented a PowerPoint Slideshow titled Water, Wastewater, and Stormwater Rate Study Refresh, which is incorporated into the record. Mr. Farr, Mr. Hummel, Ms. Russell, and Mr. Schulz also responded to clarifying questions.

2.D FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING TENTATIVE FISCAL YEAR 2020 WASTEWATER FUND BUDGET, ITS COMPLIANCE WITH ADOPTED FINANCIAL POLICIES, AND RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE THE TENTATIVE WASTEWATER FUND BUDGET FOR FISCAL YEAR 2022.

(2:43:36) – Chairperson Johnston introduced the item. Ms. Ganger referenced the Staff Report, and she and Ms. Stevenson presented a PowerPoint Slideshow and the accompanying documents, all of which

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are incorporated into the record. Ms. Ganger, Mr. Schulz, and Mr. Hummel also responded to clarifying questions.

(2:56:03) – Chairperson Johnston entertained a motion.

(2:58:55) – MOTION: Member Bowling moved to acknowledge that the tentative Wastewater Fund budget for fiscal year 2022 is in compliance with the adopted financial policies and to recommend that the Board of Supervisors approve the tentative Wastewater Fund budget for fiscal year 2022. Member Turiczek seconded the motion. Chairperson Johnston entertained Member discussion and called for a vote. The motion carried 5-0-0.

2.E FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE TENTATIVE FISCAL YEAR 2022 WATER FUND BUDGET, ITS COMPLIANCE WITH ADOPTED FINANCIAL POLICIES, AND RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE THE TENTATIVE WATER FUND BUDGET FOR FISCAL YEAR 2022.

(2:59:56) – Chairperson Johnston introduced the item. Ms. Ganger referenced the Staff Report as well as presented a PowerPoint Slideshow and the accompanying documents, all of which are incorporated into the record. She and Mr. Schulz also responded to clarifying questions.

(3:07:49) – MOTION: Member Knecht moved to acknowledge that the tentative Water Fund budget for fiscal year 2022 is in compliance with the adopted financial policies and to recommend that the Board of Supervisors approve the tentative Water Fund budget for fiscal year 2022. Member Turiczek seconded the motion. Chairperson Johnston entertained Member discussion and, when none was forthcoming, called for a vote. The motion carried 5-0-0.

2.F FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION REGARDING THE TENTATIVE FISCAL YEAR 2022 STORMWATER UTILITY FUND BUDGET, ITS COMPLIANCE WITH ADOPTED FINANCIAL POLICIES, AND RECOMMENDING THAT THE BOARD OF SUPERVISORS APPROVE THE TENTATIVE STORMWATER UTILITY FUND BUDGET FOR FISCAL YEAR 2022.

(3:09:06) – Chairperson Johnston introduced the item. Ms. Ganger referenced the Staff Report as well as presented a PowerPoint Slideshow and the accompanying documents, all of which are incorporated into the record. Ms. Russell also responded to clarifying questions.

(3:13:17) – Ms. Russell clarified that the internal service charges were a product of the functions of the City that help the Stormwater Utility Fund, with the general City fund paying for many Public Works Staff.

(3:15:51) – Member Knecht commented that Los Angeles, California and the Los Angeles Department

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of Water and Power use the same sort of charges as the internal service charges to “milk the enterprise for the benefit of the general fund so that the city could claim that they were holding down taxes, ... but what came in one pocket went out the other essentially, so people are naturally always skeptical that we can audit and verify those charges.”

(3:17:53) – Chairperson Johnston entertained a motion.

(3:17:58) – MOTION: Member Turiczek moved to acknowledge that the tentative Stormwater Utility Fund budget for fiscal year 2022 is in compliance with the adopted financial policies and to recommend that the Board of Supervisors approve the tentative Stormwater Utility Fund budget for fiscal year 2022. Member Knecht seconded the motion. Chairperson Johnston entertained Member discussion. Vice Chairperson Bowling pointed out that there have been many challenges over the years for Staff and the Committee to try to get money to meet the financial policy goals due to having been underfunded for years and commented that “it is an absolute thrill to sit here with a motion like that on the table where it meets all the policy goals.” **The motion carried 5-0-0.**

2.G FOR INFORMATION ONLY: PRESENTATION AND DISCUSSION OF MANAGER’S REPORT ON PERSONNEL, PROJECTS AND PLANNING.

(3:19:27) – Chairperson Johnston introduced the item. Mr. Quaglieri presented his report, which included that Well 3B had been redrilled, the Quill [Water Treatment Plant Rehabilitation] Project was in progress, and the Transmission Main Project was recently completed, with the last piece being known as the East-West Transmission Main. He announced the following future projects:

- The Prison Hill Booster Pump Station, replacing two existing underground booster pump stations in the southeast portion of the City along the South Edmonds Drive area
- A major tank coding project for the Goni Canyon Tank
- Well rehabs for Wells 44 and 24B during the next fiscal year
- Development of a Well Maintenance Program to evaluate the age of the wells and when they were last rehabbed to place them on a schedule

Mr. Quaglieri informed the Committee that the Production Crew has replaced all of the pumps and motors in all of the booster pump stations over the last couple of years, and there had been preventative maintenance done at the Quill [Water Treatment Plant] that involved dredging out the raw intake water ponds, which has greatly improved the water quality being treated. He noted that there was a future study on the Timberline and Lakeview areas on building and redundancy to those pump stations as well as future waterline replacements for Long Street, Curry Street, Fifth Street, and Colorado Street.

(3:24:32) – Mr. Hummel referenced the organizational charts for the Carson City Public Works Water Division and the Carson City Public Works Wastewater Division, both of which are incorporated into the record. He stated that the third year for the closed-caption television (CCTV) inspection of the sewer

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lines had been recently completed, and he noted that the Riverview Lift Station on Fifth Street was rebuilt. He announced the following future projects:

- An initial analysis for the dewatering system at the Treatment Plant involving drying the solids in the water using a centrifuge process and disposing the remnants
- Preparing to bid for some electrical upgrades at the Treatment Plant for some of the feeder lines and some of the original circuit breakers

Mr. Hummel noted that “we’re in a pretty good state right now” in terms of staffing with one potential retirement in the upcoming fiscal year, and there have been new staff members that have joined over the last year. He also responded to clarifying questions.

3. FOR INFORMATION ONLY: FUTURE AGENDA ITEMS

(3:32:50) – Chairperson Johnston entertained suggestions for future agenda items; however, none were forthcoming. Mr. Schulz noted that a calendar had not been put together for the rest of the year for UFOC meeting dates because he did not believe that there was a reason to call for a meeting unless there was additional information to present. He suggested contacting via email if there is a need for a meeting or if the Members have an item they would like to discuss.

(3:37:00) – Member Knecht congratulated and thanked Staff and consultants, and he complimented them for a “really good job today.”

(3:37:23) – Vice Chairperson Bowling pointed out that former Members Michael Bennett and Bruce Scott were “outstanding resources,” having served on the Committee for “a long, long time,” and he commented that they “added so much to the success of the program.” Chairperson Johnston noted that he was very impressed during his time on the Committee by Mr. Bennett and Mr. Scott.

4. PUBLIC COMMENTS

(3:38:58) – Chairperson Johnston entertained public comments; however, none were forthcoming.

5. FOR POSSIBLE ACTION: TO ADJOURN

(3:39:08) – Chairperson Johnston adjourned the meeting at 3:39 p.m.

The Minutes of the April 6, 2021 Carson City Utility Finance Oversight Committee meeting are so approved this 24 day of January 2022.