



The Minden Town Board meeting was held at 5:30 p.m. on Wednesday, August 7, 2013, at 1602 Esmeralda Avenue, Minden, Nevada.

Board members present: Matt Bernard, Charlie Condrón, Roxanne Stangle, John Stephans and Steve Thaler.

Staff present: Greg Hill, Jenifer Davidson, Trish Koepnick, Ryan Russell and Bruce Scott.

The meeting was called to order at 5:30 p.m. by Chairman Condrón.

The Pledge of Allegiance was led by Mr. Thaler.

Stangle/Bernard moved for the approval of the agenda as published. Motion carried unanimously.

Bernard/Thaler moved for the approval of the minutes of the June 26, 2013 and July 3, 2013 Board Meetings, noting that the date for the July 3rd meeting needed correction. Motion carried unanimously as amended.

Acknowledgement of Gifts: Ms. Davidson once again acknowledged Model Dairy's contribution to the 4th of July celebration, saying that we cannot thank them enough for their partnership with the Town of Minden.

Acknowledgement of Service Awards: None

Public comment:

Bob Pohlman said now that the interlocal agreement is approved, he would like to look out ten years to Phase 2. When the first agreement was reached it was based on a Manhard Engineering study, suggesting that another 30 inch line would go north. Minden has accepted a lot of water rights that go far beyond what Phase One was intended for. He distributed a handout showing County commitments to the north as well as Minden's future commitments noting that it looks like we could add another 6-8 wells if we negotiated for the second line. He really does not want the Town to supply water south; the County can negotiate a deal with Gardnerville. He said that the Town has more than stepped up on the plate for the next 10-15 years.

John Hamer, speaking as a member of Minden Rotary Club, said that July 2014 will be the 30th anniversary of the Rotary building the Minden gazebo. They have reserved July 8, 2014 to celebrate, as well as having a reunion for Minden Rotarians. He would appreciate any Board thoughts on what this event can be.

STAFF REPORTS:

1. Public Works: Monthly report of activities by Greg Hill

Well 7 is moving forward with approval from NDEP about proposed changes. The Heybourne Booster may be operational in another month or so. The backflow survey is continuing. The CVI Amphitheater will have initial concert Sunday August 11th.

Greg presented a monthly pumping report and monthly peak flow reports and reviewed the figures. The report is based on SCADA figures, which monitors the system. Mr. Hill will present this report to the Board monthly.

A large part of a tree at Minden Park on Esmeralda was damaged on Thursday by a large construction vehicle. He felt that the tree would scar but heal up.

2. Engineering Report: Monthly report by Bruce Scott.

The information that Greg presented is really good information; it is very helpful to have day by day information as a helpful planning tool.

We have been working with Jenifer and John planning expenses, to help adhere to the planned budget for engineering costs.

We hope to bring bids to the next meeting for work at Well 7, as things have been worked out with NDEP.

Minden Town Board Minutes

August 7, 2013

Page 2 of 9

We are reviewing some adjustments in the access to open space that might affect the well site for the Ranch at Gardnerville.

3. Attorney report: Monthly report by Ryan Russell

There has been no formal response on the letter concerning Gateway, and Mr. Russell is pursuing feedback from NDOT. He has worked with Mr. Thaler and they have agreed on a recommendation for the process for the manager's evaluation. The manager's contract ties the evaluation to a set of goals; they would like to bring this to the Board for approval at the next meeting and he recommended appointing a representative to receive Ms. Davidson's self-evaluation as well as the evaluation from the Board. The actual evaluation would take place at the October's meeting with merit pay decisions being made. At the November meeting goals and policies would be approved for the next year if they decide to extend the contract.

Ms. Stangle noted that Mr. Russell has been named one of the top attorneys in Nevada.

4. Manager's Report: Monthly report by Jenifer Davidson

A meeting with Bently representatives has been set up for August 16th to discuss plans for Bently's Minden property.

The Hot August Nights Poker run is tomorrow at Minden Park.

Valley Vision workshops are concluded; the first presentation will be given at the Critical Issues conference. It will be presented to the Town Boards with a chance for feedback from the Boards before going to the Board of Commissioners.

There are currently some issues with healthy trees with bee hives in them at multiple locations; we are currently deciding what the best course of action is.

There was a water sampling incident isolated to one sampling station that resulted in the state requiring notification to customers. Subsequent tests were fine and the issue is resolved.

Ms. Davidson praised staff for all of their efforts for the two summer Town events; they were a tremendous success.

5. Board member committee reports:

- Policy and Procedure Review- Steve Thaler said he hopes to review at least two more policies by the end of the year.
- Event Planning- Roxanne Stangle said she received no negatives concerning the 4th of July. She thanked Bev Giannopoulos for her role in the parade, as well as the work of the staff. The first meeting for the Christmas event has been held.
- Citizen's Advisory Committee- Roxanne Stangle reported that The Citizens Advisory Group had a great first meeting with very enthusiastic people. The main thing they did was get to know each other as well as going over the Gateway renderings. The next meeting is August 21.
- Capital Improvement Plan- Matt Bernard said tonight's look at the 395 lighting study will give guidance on the next actions. Mr. Condrón suggested input from the Citizens Advisory on capital improvements and what they would like to see.
- New Development Applications- John Stephans said the only new thing is talk of an electric charging station for Bently. He will be at the meeting with Bently on August 16th.
- Minden Water- Charlie Condrón said that all contracts are signed and completed; we have received our retro reimbursement.

6. Chairman Report: Charlie Condrón thanked everybody for the 4th of July, for especially Bev Giannopoulos for her role in the parade. He is excited about the Citizens Advisory and all of the input that they may give, and encouraged coordination between the staff and the advisory committee to enhance communication.

CONSENT AGENDA FOR POSSIBLE ACTION

1. Approval of July 2013 financial report including claims paid June 20, 2013 through July 25, 2013. Stangle/Thaler moved to approve the consent agenda. Motion carried unanimously.

ADMINISTRATIVE AGENDA:

1. For possible action: Discussion and possible action to approve, approve with conditions, continue or deny a request to continue support of the proposed SR 88/Cottonwood Slough Hazard Mitigation Project grant application and recommit matching funds not to exceed \$40,000 in cash and in-kind services for the project. Appearance by Mimi Moss, Director, Douglas County Community Development.

Mr. Bernard recused himself from voting as he works for RO Anderson and he previously worked on this grant.

Ms. Moss said that this provides additional capacity under State Route 88 by putting culverts north of the existing bridge at the Cottonwood Slough, which backs up during large flooding events. The estimated cost is 1.5 million; it was previously 2 million. Due to funding issues with FEMA no funding was allowed, but now that FEMA has the money we are resubmitting for the next cycle, which is a very quick cycle. They are asking for the same commitment from the Town of \$40,000; all of the other partners have committed to their share, including NDOT, the County, CWSD, and East Fork Fire. The funds from Minden will finish out the required matching funds. This would commit 2013-14 funds, with construction in 2014-15.

Ms. Davidson said that this is before the Board as a re-commitment; it is still funded in the budget.

Mr. Thaler said that he has no problem with the recommitment; he questioned why East Fork Swimming Pool did not commit, as it will benefit them tremendously. Ms. Moss said that previously they had no commitment from them and did not approach them this time around. They are going by the previous commitments and will have to find more sources if original parties do not recommit.

Public comment:

Robert McMillan objected to the way this item is written as it says recommit matching funds not to exceed matching funds in cash and in kind, which he felt adds up to \$80,000. He also questioned the true value of the Douglas County commitment; they are committing \$90,555 but getting \$45,000 back for admin fees. He does not believe that this will benefit the Town as he saw no damage to the Town during the last two floods. Ms. Moss said that the commitment can be a combination of cash and in kind; the committed amount is budgeted for and the costs in kind can be deducted. The full committed value is no more than \$40,000 for the Town.

Sandy Deyo said he has asked several times before about what will happen with the additional flow and has never gotten an answer; the comments only cover south of Hwy 88. Ms. Moss said the design will take a look at the flow and has to meet FEMA and County standards. Historic flow will be determined by the design engineer and properties cannot be impacted any more than they are today.

Thaler/Stephans moved to approve a request to continue support of the proposed SR 88/Cottonwood Slough Hazard Mitigation Project grant application and recommit matching funds not to exceed \$40,000 in cash and/or in-kind services for the project. Motion carried with Mr. Bernard abstaining.

2. For possible action: Discussion and possible action to approve, approve with conditions, continue or deny a request by La Costa Minden, LLC and ABN Enterprises, LLC to 1) donate 136.8 acre feet of decreed surface water rights to the Town of Minden in exchange for future connection fee credit for 30.54 single family residential lots; and if 2.1 is approved, to 2) authorize the chairman to execute an agreement for the same on behalf of the Town. Appearance by Michelle Godde, Project Coordinator, Syncon Homes.

Mr. Bernard recused himself as he has worked in a private capacity previously for Syncon Homes. Ms. Davidson noted that this request is consistent with the policy previously approved by the Board.

Minden Town Board Minutes

August 7, 2013

Page 4 of 9

Mr. Scott said that this concept was spoken about in the past with Syncon, and as of now all chain of title issues are resolved, everything is recorded and he recommends approval. This is based on an appraisal done several years ago with a ratio of 4-1. It offsets only the water right element of a water permit, where the applicant either brings water or pays the Town for water. This is a donation of surface water, and would be beneficial for a greenbelt or water area.

Michelle Godde spoke on behalf of ABN and affirmed what Mr. Scott said, noting this would be a water rights credit for future use.

Mr. Stephans questioned ownership of the development. Ms. Godde said that there are other LLCs functioning as the developer for Syncon Homes. Mr. Stephans was in favor of revenue generation, feeling at this time it is more important than surface water rights. He had concerns about no sunset clause for finalizing the agreement.

Mr. Thaler said he knows that the policy allows us to do this, but we have acquired a lot of surface water; which is only seasonal water. Mr. Scott said that we have not sold any water rights that the Town has acquired; we do lease water from year to year. The net result is that we keep the surface water in the valley recognizing that some of the major development proposals we have seen in the past have had open or wetland areas. The surface water resource benefits the valley as a whole. Mr. Thaler agreed with Mr. Stephans and felt that we have limited revenue for wells; he is not opposed to the concept, but we do not have enough money coming in to make improvements to our system.

Ms. Stangle agreed that when we were flourishing it was different; she does not see how this benefits Minden.

Mr. Scott said the water rights factor for a residential permit is basically half of the cost. There is strategic potential with having surface water, as the ability to pump has been established in other areas. He noted this is clearly a policy decision. The Board needs to figure out if Minden even wants to be in the surface water business. There is no question there is a loss of revenue in terms of hard cash, it is more of a quality of life issue that sends a message that we are engaged in water stewardship, which can be a plus.

Mr. Condron agreed it is not the most opportune time to ask for this with all of our water issues and fiscal responsibilities. We need to approach this subject and determine what amount of surface water we want to have.

Public comment:

Robert McMillan asked where the 136.8 acre feet of surface water is coming from. Mr. Condron said that when the water right is owned, there can be a transfer if the state engineer approves and there is a diversion change. Mr. McMillan would like to see the acreage remain bare so it can absorb the water. If given to the Town he would like to see the land bare, not roof gutters.

Stephans/Thaler moved to deny a request by La Costa Minden, LLC and ABN Enterprises, LLC to donate 136.8 acre feet of decreed surface water rights to the Town of Minden in exchange for future connection fee credit for 30.54 single family residential lots. Motion carried unanimously with Mr. Bernard abstaining.

3. For possible action: Discussion and possible action regarding a Highway 395 Lighting and Streetscape Plan. Presentation and appearance by Tony Price, Design Services Manager, MSA Engineering Consultants.

Tim Russell from RCI spoke with Tony Price, as they have been working together on this project. They decided to cost out the project in phases, as there are varying factors of complicity involved on the Highway. Phase One is Gardnerville to 6th Street; this section is primarily lighting and is less involved. Phase Two is the intersection of Hwy 88 and 395 to 6th Street. This portion has lots of lighting and NV

Minden Town Board Minutes

August 7, 2013

Page 5 of 9

energy units, as well as other utilities, making it much more complicated. They looked at different lamp sources including traditional high pressure sodium, LED lights and solar, favoring LEDs because of improved costs, longevity, and color options. The cost is almost doubled but the offset is longevity in hours. Solar is up for discussion but costs a lot more money.

The cost estimate used is based on LED lighting. The costs will be determined largely by the Board in the selection of style, options such as banner arms, Christmas lights or other details. The cost for Phase One is around 1 million for all coordination and construction. Phase Two is broken into sections: lights, as well as undergrounding utilities. This will cost around 5.5 million for a total of about 6.5 million. This is in a reasonable range compared to Genoa and Gardnerville. Genoa was under redevelopment district funding and Gardnerville was largely funded by an NDOT grant, as well as bonding.

Ms. Stangle asked if there was any possibility of grant funding for Minden, or any NV Energy programs. Mr. Thaler likes the project but was concerned that we did not include the real Town limits, both up 395 and down 88. Mr. Russell said that could be phase three and would be easy to add as it is basically a clean area.

Mr. Bernard felt the cost is a lot more than he had ever expected. He appreciates the report and thinks this can be part of our capital projects possibilities, but felt that we definitely need to try to get some grants, or figure out how to fund this.

Mr. Condron thanked Mr. Price for the work and noted it is certainly a large project for Minden to take on. He would like to look for partners to help out with this as it is a public roadway.

Public comment:

Robert McMillan agreed with Mr. Thaler about the Town line and had an objection to the cost borne by Minden property owners. He suggested a compromise; if we do the lighting on 395 the overhead wires could be at the alleys and go underground at 395. The cobra lights in Town could be painted black and the major lines could be detoured behind Westwood; this would be a major improvement with minor costs. Where there is a will here is a way and we should consider the ways.

Mr. Bernard felt we do not need to make a motion. We need to deal with this report and find funding. Mr. Thaler would like to see how much it would cost to add phase three to the initial draft study. Ms. Davidson said that staff would investigate expanding the report and look at options, including funding options.

4. For possible action: Discussion and possible action to approve, approve with conditions, continue or deny a request to 1) accept a bid by Aqua Drilling for a test well at the Buckeye Booster Station in the amount of \$61,096.84; and if 4.1 is approved to 2) authorize the Chairman to execute Agreement for the same on behalf of the Town. Appearance by Bruce Scott, Town Engineer, Resource Concepts Inc.

Mr. Scott took the opportunity to clear up confusion about the possibility of a test well at the Heybourne site. He felt that we should have a few more things in order before going in that direction.

This request is to begin the process of a test well with the goal for the well to be in the ground and in production by next summer. The costs were included within the budget for a well at the Buckeye complex.

The first test well was fairly deep, with the idea to have a deeper amount of aquifer to work with, but arsenic numbers were all over the map. They looked at the geology, and other wells in the area, and determined that we will be better with a shallower well as arsenic seems to be deeper.

A second more precise test well can block off individual aquifers and we can be confident of minimizing or eliminating the arsenic level. The existing test well cannot be used because the individual aquifers are

Minden Town Board Minutes

August 7, 2013

Page 6 of 9

not able to be blocked out. The price is higher because of the construction of a more precise well. The location of a test well is determined by ownership, water rights at that location, and water quality expected because of what is in the vicinity. We cannot use the first test well because we need flexibility to test the aquifers; the deeper well cannot be retrofitted. We will use the information from the first test well to design the new test well. With what we have learned from the first test well we will be much more careful in the future.

Public comment:

Bob Pohlman said five years ago Park Cattle drilled a well close at the pole line ditch and he wondered if there was water quality information available from that. Mr. Scott said that Ag wells are generally shallow, and you get composite but do not know what you have by strata.

Thaler/Stangle moved to approve a request to accept a bid by Aqua Drilling for a test well at the Buckeye Booster Station in the amount of \$61,096.84 and to authorize the Chairman to execute Agreement for the same on behalf of the Town. Motion carried unanimously.

5. For possible action: Discussion and possible action to approve, approve with conditions, continue or deny a request to 1) accept a bid by Kustom Koatings, Inc. for the Town of Minden 2013 Street Sealing Project in the amount of \$82,727.20; and if 5.1 is approved, to 2) authorize the Chairman to execute Agreement for the same on behalf of the Town. Appearance by Bruce Scott, Town Engineer, Resource Concepts Inc.

Mr. Scott said that this is our annual street sealing project, with the emphasis this year in the Mackland area. There will also be the sealing of the roads paved last year. We had two bidders this year, with the low bid from Kustom Koatings, Inc. He recommended approval as presented.

Public comment: none

Bernard/Thaler moved to approve a request to accept a bid by Kustom Koatings, Inc. for the Town of Minden 2013 Street Sealing Project in the amount of \$82,727.20 and to authorize the Chairman to execute Agreement for the same on behalf of the Town. Motion carried unanimously.

6. For possible action: Discussion and possible action to approve, approve with conditions, continue or deny a change order to the previously approved contract with Qualcon Contractors, Inc. for the 2013 Town of Minden Street Rehabilitation Project to include the parking lot owned by the Town adjacent to Francisco's Restaurant for an amount not to exceed \$15,000. Appearance by Bruce Scott, Town Engineer, Resource Concepts Inc.

Mr. Scott said that there was a suggestion to complete the Esmeralda/Third Street area by including this parking area, which is part of Minden right of way. To add this to the current project requires a change order.

Mr. Hill commented that as long as he has worked for Minden, the Town has maintained this area only by sealing and painting the parking lot lines. Francisco is willing to pay for the entire improvements if the Board is willing to consider transfer of ownership; he would especially like it to be done in light of all the improvements happening in the area. Mr. Condron felt it is appropriate to address this while we are in the area doing work; the concept of ownership is complex and we need to focus on just paving the parking lot. The cost saving is \$5000 to bring the grinder in; when the casino opens it will be an asset to more than Francisco's.

Mr. Thaler felt that we need to ultimately sell this property; there might be some issues if we just give the property to Francisco. He expressed concern about public perception and he needs to have a feeling on where we were going in order to be in favor of this.

Mr. Bernard said he was concerned about making improvements on property solely for the benefit of one business. He favored doing the project and taking the next step of legal considerations for abandonments and compensation.

Ms. Stangle agreed that it would reflect poorly on the Board to not include this section in the project and that we should pursue the next steps with Francisco.

Mr. Hill said that Francisco realizes that once the casino goes in the property will be used by others, and if he could purchase the property it might give him a bit more control.

Public comment

Robert McMillan said that we gave a gift to CVI of 8th Street and in doing so we set a precedent. Francisco's parking will be nonexistent when the casino is in. He suggested letting Francisco come to the Board and ask that this to be given to him, and he can do the improvements rather than the Town spending the \$15,000.

Stangle/Bernard moved to approve a change order to the previously approved contract with Qualcon Contractors, Inc. for the 2013 Town of Minden Street Rehabilitation Project to include the parking lot owned by the Town adjacent to Francisco's Restaurant for an amount not to exceed \$15,000. Motion carried with Thaler voting no. Staff will pursue information concerning sale of property to Francisco's restaurant.

7. For possible action: Discussion and possible action to approve, approve with conditions, continue, or deny the revised Minden Park Rental Policy, effective September 1, 2013. Appearance by Jenifer Davidson, Town Manager.

Ms. Davidson said that this is an attempt to clean up some issues with the park rental. Mr. Thaler's big concern was holding deposit checks; he also wanted to incorporate helping out the service clubs. He felt that this revised policy addressed his concerns. Mr. Condron liked the Rotary Club use concept.

Public comment: none

Thaler/Stephans moved to approve the revised Minden Park Rental Policy, effective September 1, 2013. Motion carried unanimously.

8. For possible action: Discussion and possible action regarding the administrative draft of the "Comprehensive Regional Water System Plan for the Carson River Watershed" prepared by Resource Concepts Inc. for Carson Water Subconservancy. Presentation and appearance by Bruce Scott, Town Engineer, Resource Concepts Inc

Mr. Scott apologized for the manner in which this report came out and his lack of discussion and coordination with the Town Board. He cannot give a good reason why he did not do a better job of communicating. He said that this is an overview of potential regionalization in the Carson River watershed. The basis was the Manhard report done for the County, addressing future demands. This is a draft, and many of the Board's concerns will be addressed in the final report. It includes an overview of the agreements that the Town has entered into; he does not believe that it commits the Town but he understands the concern for implication. Ed James of the Carson Water Sub-Conservancy District understands that the Town does not endorse this report; he would like to potentially talk to the Town about this. It is important for the Town to discuss it and to indicate that they have made no decisions outside of the contracts in place. The Carson River basin has tried to create enough protection to avoid the issues that occurred in Washoe County and the legislature. The ability to have a group that can speak for a water shed basin has a potential value.

Minden Town Board Minutes

August 7, 2013

Page 8 of 9

Mr. Condron would like to focus this discussion on giving staff direction on how to respond concerning this report. It could take hours, and we are not set up to talk tonight about Minden's future in the water business.

Mr. Bernard found this report very upsetting, and felt there was a huge amount of disrespect in the assumptions. He is proud of what this Board has done as brand new stewards of the water system. It took 18 months to come up with a fee schedule with our partners. He is troubled that in trying to be a good steward this report is forcing his hand. It supposes to send water to Genoa and Lyon County. He is troubled that other people wrote things such as "each individual water purveyor looks out for their own narrow interests, the regions not served." He would like to bring whoever wrote that out of the shadows to say what they perceive the Town of Minden responsibility to be. He has to answer to the Town residents and the state engineer. He is uncomfortable with what strings may be attached to taking money from CWSD. He believes that the RCI logo on this report lends a certain amount of credibility to this report.

Mr. Stephans pointed out specific language that the staff can address, as some of the language needs to be eliminated. There was discrepancy with the amount of acre feet used by the Town. Also, The Town is committed to keep water in the Carson Valley, and refused committing to future purchases by Carson City. However, there are ambiguous statements concerning transmission lines for future developers. The statement that increased pumping does not appear to influence groundwater levels in his area does not have enough data collected to justify. He is most concerned by the implication of a centralized agency that would oversee the overall management of the water in the Carson Valley. He felt this report is a big slap in the face, especially as we were not even asked to review it. He recommends that if we do not get to review this, we need to send a disclaimer to all parties involved in this.

Ms. Stangle said we are the custodians of this water, but our first and biggest responsibility is to the residents of Minden. There is an undercurrent of Minden not doing its job, or we are a weak link that somebody can come in and take over. Someone had to instigate this. She feels that Mr. Scott has done an awesome job for Minden all of these years. Her concern is about so much in the report that she does not understand, and she felt that we need a workshop. She also wondered how the Subconservancy Board can vote on this when they have not asked Minden.

Mr. Thaler felt that we cannot control anything about this report because we did not pay for it or authorize it. The quagmire is that in this report Mr. Scott represents the Town, but his firm RCI contradicts the direction of the Town. His biggest concern is about the future water purveyor that will manage all of this. It is a conflict of interest for Mr. Scott to tell us how to manage and protect our water system, but then imply a third party come in and manage this system. Is it still the intent of RCI to recommend this? If so there is a conflict for the future. What we need to do in reaction to this report is to say that we continue to protect our water rights.

Mr. Scott said what is important is that we are the wholesaler for a regional system. It could get bigger within the valley. Minden has partially answered the question by being a wholesaler in order to hold on to our water rights, but there is no interest in being a retailer. He is not sure that we have a situation where we can't protect our water rights and we can't continue to be sovereign with regard to the supply side. He does not see a water authority as contradictory. He looks at us as a wholesaler, he does not recommend a water authority but that may be an answer. It is going in that direction now, and he does not see that as contrary to Minden being the wholesaler and owning the water rights. This is the path that Minden has been on as the best defense to avoid being taken over. As part of this process there is a value to Minden in maintaining the position we have taken. He would not support anything that would take Minden out of the equation as Minden has worked so long and hard to hold onto the water. He honestly felt that we have to do something to keep us from being the bad guys with the state engineer.

Minden Town Board Minutes

August 7, 2013

Page 9 of 9

Mr. Condron said he was equally disappointed with this report; he wants a solution. We should put this on the shelf for two years as we need some experience with wholesale water before going forward. He asked what we need to do to send the message that the Town of Minden is not ready to support this until we have some experience in the wholesale business. He felt there are some people that don't like the fact that Minden is sitting pretty. We are working to share this water and it is a lot of hard work. Minden brings the biggest piece of pie to the plate and we were not even consulted.

Mr. Scott said that we would have no authority to shelf this; that would be the decision of the conservancy district, but language can be changed. Mr. Thaler does not think we can stop it; we cannot ask him to change this because we did not pay for the report.

Mr. Bernard believed the solution is saying we have nothing to do with his report. This would not be a stand-alone letter, but a disclaimer in the report. Perhaps we can do workshops and talk about what we want to do with our system.

Public comment

Mike Olsen said that he formerly sat on the CWSD Board. There are five representatives on that Board from Douglas County and he suggested reaching out to them to change the report.

Sandy Deyo said that it has been stated many times in the past that the agreement with the state was for Minden as a water company to perform certain functions within the area. Maybe in reviewing that agreement it would be determined that this report violates this agreement. Bruce said that the state permits allow for the delivery of water within Carson City and Carson Valley; we are limited by the agreements with Carson City, Indian Hills and Douglas County and the permits do not allow going outside that. The things contemplated potentially in this report would send water further downstream or have more linkages along the river, the source from which could be Minden, but the permits with the state would not allow this as it stands today. The Minden Board has not agreed to that at all and has not agreed to the concept of transfer outside of contractual arrangements as they stand.

Mr. Thaler felt that part of the process is to ask the Town manager to talk to other local entities such as the Gardnerville Water Company about their stance, and in the meantime we need to talk to our attorney, as there are many issues here.

Mr. Condron would like to see Ms. Davidson work with legal counsel to put something together, with the time constraints in mind.

Mr. Russell said from a legal standpoint everything that has been said tonight can be conveyed by simply saying that it hasn't been endorsed by Minden, and he recommended the fewer words the better. It should not be put in writing because we do not want to forestall the ability to review it in a few years by being bound by the letter. Staff can evaluate the issue and if they need to say anything, simply say that they do not endorse it.

Thaler/Stangle moved for the staff to evaluate the issue and if they need to say anything at the meeting simply say that they do not endorse it. The Manager and Town counsel would attend the CWSD meeting speaking to be on the record and in the minutes of the CWSD.

Ms. Davidson commented that she also heard that this Board would like to define for itself what we are going to do, and she would be happy to facilitate water workshops.

Mr. Russell said that procedurally there was a motion but he agreed that direction to staff was sufficient, so he felt that the motion should be withdrawn on the record. The motion was then withdrawn.

Public Comment: None

Adjournment: Ms. Stangle moved to adjourn the meeting at 9:09.