

**ADMINISTRATIVE AUTHORITY, DBA
WENDOVER PIPELINE COMPANY
REGULAR MEETING OF MAY 31, 2006**

1. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 4:04 p.m. The following members were present: Chairman Glenn Wadsworth, Joey Thaut, Dr. Steve Lawrence and Nancy Green. Others Present: Craig Neeley, Bryce Kimber, Raul Naranjo, Leon Flinders and Claude Fratto.

2. ITEMS FROM THE AUDIENCE

None offered or received.

3. *APPROVAL OF THE MINUTES:

Dr. Steve Lawrence had a change under the Water and Operations Report where the discussion of Pilot Valley Estates, the sentence included reads as follows:

“Chairman Glenn Wadsworth would look into the legal liabilities of serving water outside the two city limits.” Joey Thaut made the motion to approve the minutes of the regular meeting on April 27, 2006. The motion was seconded by Dr. Steve Lawrence and passed. Nancy Green abstained due to not being present at that meeting.

4. OLD BUSINESS

***a. Consideration and Discussion Regarding Update for 2005-2006
Construction Projects**

Craig Neeley stated that a letter had been received from Union Pacific Railroad concerning the temporary crossing that was done when Shafter Phase IV was done. Craig also explained that Graymont had been in contact with him concerning a permanent connection. General discussion was had regarding Craig Neeley potentially consulting with Graymont.

5. NEW BUSINESS

***a. Discussion and Decision Regarding Proposal from Barnett Intermountain
Water Consulting and Other Matters Appropriately Related Thereto**

Craig Neeley explained that Barnett Intermountain would assess and prioritize potential sites for the next groundwater well in Goshute Valley; the contract would be not to exceed \$10,000.00. Nancy Green made the motion to accept the proposal from Barnett Intermountain Water Consulting not to exceed \$10,000.00 and to include all other expenses (such as postage, phone, travel, meals and lodging). The motion was seconded by Dr. Steve Lawrence and passed unanimously.

***b. Discussion and Decision to Establish Uniform Process and Procedures for
Providing Water for Applicants Outside of the Municipalities**

Chairman Glenn Wadsworth discussed having Craig Neeley lay out the connection fees and other procedures for providing water outside of the municipalities. Joey Thaut stated that it should be based on the letter provided by Gary Di Grazia, which explained that the Interlocal Agreement should be followed. General discussion was had regarding a uniform process and procedures for applicants outside the municipalities, and to establish a fee structure. Joey Thaut made the motion to forward establishing a uniform process and procedures for providing water for

applicants outside of the municipalities to the next meeting. The motion was seconded by Dr. Steve Lawrence.

***c. Discussion and Decision Regarding Update on Pilot Mountain Estates and Other Matters Appropriately Related Thereto**

Chairman Glenn Wadsworth stated that the application had been received, and a modification to the will serve letter had been done. Due to the modification on the will serve letter Gary Di Grazia included a clause that said: *“Current Nevada Law requires any subdivision served by a public water system to make available for domestic use 1.12 acre feet of water annually for each ERC.”* General discussion was had regarding the 1.12 acre feet of water.

***d. Discussion and Decision Regarding Connection to Pipeline by Frehener and Other Matters Appropriately Related Thereto**

Bryce Kimber stated that this is an information item explaining that Frehener is temporally connected to the pipeline. General discussion was had regarding Frehener’s connection to the pipeline.

***e. Discussion and Decision Regarding the Proposed Pollution Legal Liability Program from the Nevada Public Agency Insurance Pool (POOL) and Other Matters Appropriately Related Thereto**

Claude Fratto explained the pollution legal liability insurance. General discussion was had regarding the premium for the Pollution Legal Liability, and whether to participate in the program. Joey Thaut made the motion to forward the proposed pollution legal liability program from the Nevada Public Agency Insurance Pool (POOL) to the next meeting. The motion was seconded by Nancy Green and passed unanimously.

6. WATER AND OPERATIONS REPORT

***a. Water Quality** – Raul Naranjo explained that the annual report is due the end of June. General discussion was had regarding Shafter Well 5, including the level.

***b. Update on EPA** – Raul Naranjo explained that the State has changed the testing and can now test the whole system at three-mile.

***c. Transmission Line** – Everything fine.

***d. Booster Pump** – Still there.

***e. Injection Well** – Not currently in use.

***f. Johnson Springs** – Good.

***g. Shafter Wells No. 1,2,3,4 and 5** – Shafter Wells 4 and 5 currently running.

7. *FINANCIAL REPORT AND BUDGET REVIEW

Claude Fratto explained that there is a \$30,000.00 loan on the USDA and at the first of next month there is a \$90,000.00 final payment due to Zion’s. Discussion was had regarding closing the Zion’s money market account when the loan is paid off. Joey Thaut made the motion to approve the financial report and budget reviews for April 27, 2006 and May 31, 2006. The motion was seconded by Dr. Steve Lawrence and passed. Nancy Green abstained from the approval for the April 27, 2006 report.

Chairman Glenn Wadsworth asked about the 1 ½ % increases on construction water. General discussion was had regarding the annual increase of 1 ½ % on construction water in the City of West Wendover.

8. *APPROVAL OF CLAIMS

Joey Thaut made the motion to approve the claims for payment. The motion was seconded by Nancy Green and passed unanimously.

9. *NEXT MEETING DATE AND ADJOURNMENT

Dr. Steve Lawrence made the motion to set the next meeting date for June 29, 2006 at 4:00 p.m. The motion was seconded by Joey Thaut and passed unanimously.

Joey Thaut made the motion to adjourn. The motion was seconded by Dr. Steve Lawrence and passed unanimously.

ATTEST:

Anna E. Bartlome
Secretary