

The Regular Meeting for the McGill-Ruth Consolidated Sewer & Water GID was held February 17, 2026, at the McGill Ruth Sewer & Water GID Office, 29 Fourth Street, McGill Nevada.

Present: Chairman, Rob Cummings
Vice Chair, Elaine Blackham
Member, Steve Winton
Member, Joni Drahos
Member, Leonard Mathews

Also Present: Amy Garcia, Office Manager
Kurt Carson, Maintenance Supervisor
Jim Pierce, Maintenance Tech

Chair Cummings called the meeting to order at 2:30 p.m.
Pledge of Allegiance

Public Comment
None

New Business

Discussion/for possible action/possible approval or disapproval of moving forward with a (1) appraisal and public hearing for the sale of 29 Fourth Street; McGill NV

Manager Garcia said I have spoken with two commercial appraisers, and the minimum appraisal cost will be \$2,500. I would recommend one appraisal along with a public hearing to meet NRS statute requirements.

Member Winton believed the sale would take time and we need to move forward with a possible contingency of renting the building until we could move.

Member Winton motioned to move forward with one appraisal and public hearing: appraisal cost not to exceed \$2,500. Vice Chair Blackham seconded the motion; motion passed.

Discussion/for possible action/possible approval of assignor consent from McGill Ruth Water District to White Pine Waterpower, LLC; assigning NDWR Permit 48923 BLM ROW N-43651 rights, title and interest

Manager Garcia said this was approved last year under NDWR permit 48923. I placed on the agenda again to tie NDWR Permit 48923 and BLM ROW N-43651 together as the same location and well.

Member Mathews motioned to approve the assignor consent along with letter of intent. Member Drahos seconded; motion passed.

Discussion/for possible action/Meter upgrade/replacement project McGill and Ruth;

possible approval or disapproval to allow Amy Garcia to submit pre-application for McGill Ruth Meter Upgrade Project with the State Revolving Fund to be added to the priority list for potential funding

Manager Garcia said this will allow me to apply so we can get placed on the priority list. They meet in the Spring and Fall.

Supervisor Carson said about 6 years ago we came to the board to purchase more MXU's [for meters] that were outdated. Our reader will not read them, so we had to get another reader for them. We started replacing them, then things got expensive after covid. We replaced some last month and they will not read; there is a new generation of meters and now we can't reprogram or read with either the first reader or the second reader. Clint [Western NV Supply] is writing a program we can download an app and read it off our phone and limp along for a while. The first reader is very old, and every two to three years it will quit reading. It must be sent off to Sensus to be rebuilt and Sensus says they are running out of parts and cannot continue to rebuild it. Once they cannot repair it, we cannot read meters.

Supervisor Carson said just the parts are half a million dollars, and to turn it into a job will be 1.1 to 1.2 million. If it must be engineered, 1.5 million. We thought about just getting new MXU's that send the readings to the newer reader; there are roughly 800. I don't believe Jim and I could replace them timely so we would need a contractor. We could get by, but the meters are old and some have over a million gallons. The next issue is I don't want contractors yanking on the coils and blowing them apart. That 1.2-million-dollar job, I would recommend contingency of \$200,000 to \$300,000 for when they break a meter, they can charge us to replace it that day. I believe they will break 50-100. I recommend securing some kind of funding and working up the job as to what we want to replace.

Manager Garcia said the next element of this is does it need to be engineered? We don't believe it needs to be engineered; the meters are already in the ground, but the Bureau of Safe Drinking Water may require, with their permit, an engineer's stamp. If we do, the engineer could put together the cost less the 15% maintenance has already installed. The only item getting approved today is allowing me to submit the application for funding and get placed on the priority list.

Member Winton motioned to approve and allow Amy Garcia to submit a pre-application for the meter upgrades through SRF to be added to the priority list. Member Drahos seconded the motion; motion passed.

Maintenance Report

**Water Supply*

Supervisor Carson said we received the letters back from the Sanitary Surveys for Ruth and McGill. Ruth was written up for a defective flapper valve. We have ordered one and will replace it once the weather breaks, take a picture and send it to the State. McGill, our eye wash was expired so we purchased a new one. We had a sinkhole around the outside of the well; we filled it in and now all we need to do is send a picture into the State.

**Sewer Ponds*

Supervisor Carson said we lost another motor on the aerators. All the East side motors are shot. I let it go because we had the McGill Sewer Reline Project going and they would be replaced. I

hate spending \$6k to \$7k on another motor and have it run for just a few months. When it does warm up it will stink down there; it is really going to stink this summer. If the Board wishes we can check into a new motor.

**Safety and Health*

Supervisor Carson said O'Flaherty did install a new water line at the new office; 1 Fourth Street.

Discussion only/Engineering Report/Updates on Projects

McGill Sewer Pond Reline Phase II

Manager Garcia said the liner contractor for Reck Bros has had their limits raised and now needs to get their Sam.gov registration taken care of. Once this is done, we can forward the contracts and schedule a preconstruction meeting.

Supervisor Carson said the big thing is getting the aerators ordered; that will be long lead time and we need them first. We need the aerators in the new pond, so it doesn't smell all summer while we are draining the new pond.

McGill Well Rehab

Manager Garcia said Gibson Drilling is finishing a well in Baker and will be moving on to our well in March.

1 Fourth Street, Future Office Site Project

Discussed under other agenda items.

McGill Ruth Meter Replacement Project

Reported earlier.

Financial Report

BUDGET

Contract Labor- We currently have \$47,300 left in FY 26 for contract labor. Work done at 1 Fourth Street, for a new water line, and indoor facilities will be placed under this budget item.

Last month we spoke about budgeting for new glass and doors at 1 Fourth Street in the amount of \$43k; I would like to wait and see what the building inspector says about our current doors and hold off on all expenditures for this. I have had the locks and cylinders changed so we were able to make extra keys on the current doors and hope to be able to budget them out over the next few years.

Legal-We are at \$23,602 in legal fees; budgeting only \$25,000. We need to amend the budget which I have placed on the agenda today. See the breakdown in legal fees here:

- Foreclosures \$15,839.51
- rPlus Matters \$ 2,497.50
- General Matters \$5,265.00

Unfortunately, given the complexity of service related to the Lundgren foreclosure, and being out of state/un-traceable, the costs associated with serving Lundgren's exceeded what is normal. Legal was able to complete service and confirm it with the Court in January. So far, the Lundgren parties have not filed an Answer, nor indicated any intent to participate in the proceeding. The Answer deadline was February 12th. If legal does not receive any Answer, they will file a *Motion for Default Judgment*. This should prompt the Court to either issue a default judgment in the District's favor and initiate foreclosure or direct Schroeder Law if they need to submit any documents or provide any additional information before it issues that judgment. The process should be relatively short, as the court is directed to determine your claims "in a summary way" under statute (NRS 108.239).

Upcoming FY2027, we have two additional properties eligible for foreclosure. I have drafted a letter informing the customer(s) of the upcoming foreclosure. I will begin doing this, in hopes of avoiding future legal fees by making an earlier effort to collect.

General matters include over \$2,500 in work legal had to do for the McGill sewer pond reline project per USDA; review of contracts. Ultimately, this large overture in legal is due to foreclosure proceedings.

rPlus Hydro has just been monitored, along with reviewing filings, as they come in. Confirming whether they directly impact the District and/or water resources and directing them to the District for its files. That is the minimum level of involvement for this type of case. The NEPA comment periods are scheduled for 2027. When that time approaches, we can have discussion with legal about what level of involvement in public comment should be pursued, and the costs associated with that.

Office Supplies- We budgeted \$30k in office supplies this year, to include any new computers, or furniture needed for 1 Fourth Street. I would like to purchase a desk for myself downstairs, and possibly upstairs; \$3k. Due to the stairs and size of current desks, along with the inability to un-assemble, we will need to take one up in pieces and assemble it there. If my current desk can survive the move, it may also be an option.

BILLS

Jongeward Construction will be creating the building plans and paying the permit fee for 1 Fourth Street and submitting plans to the White Pine County building department. This will cost approximately \$2k-3k, depending on the cost of the building permit. Mr. Jongeward will be doing all communication with the building inspector at the end of the month regarding the construction, and ADA compliance.

Prior Month: **\$84,940.64** Current Month: **\$58,997.30**

BUDGET AMENDMENTS FY26

- Operating Supplies and Permits; \$15,000 to \$26,000; August 18, 2025

- Buildings/1 Fourth Street/Indoor Improvements [to include contractor work and flooring]; \$15,000 to \$80,000
- Legal Fees; \$25,000 to \$37,000

RESERVE USE AND TRANSFERS FY 26

Item G refers to using reserve funds to pay for the costs to get the new office into service and completed. Currently, reserve deposits are required annually, and we have started doing quarterly. We may consider making annual reserve deposits after all considerations to use are considered throughout the year.

- ~~*7,000 to Day Engineering; McGill Well Rehab Done 2025~~
- \$51,499 Cut in Valves (Ruth)
- (Possible) 1 Fourth Street; bringing new facility into service; costs associated with indoor repairs and construction
- (Possible) Sewer Pond match/Loan; bringing new sewer facility into service

FY26 OUTLAY PROJECTS

- Cut in Valves- \$65,000 (Actual \$51,499)
- McGill Well Pump Replacement-\$216,000 (Actual 215,058.00)
- Phase II McGill Sewer Pond Reline-\$2,862,680 (Actual 1,947,645.00
Const/\$235,640.00 Engineering, Contingency/Bond \$270,960, Total
2,454,245.00)
- 1 Fourth Street, Indoor Improvements-\$80,000
- 1 Fourth Street, Electrical Upgrades-\$35,000 (Actual \$17,866)
Current billing of \$14,985.16 will most likely cover current electrical work as well. We may see a small additional billing, but it should not be much more, per Duke at JW Electric
- ~~Annual Skid Steer Installment \$20,000~~

SUMMARY AND RECOMMENDATIONS OR OTHER ITEMS

- Utilize reserve funds to bring the new office facility into service while allowing the accrued interest to continue to fund the reserve and stop all quarterly transfers until the end of the year. At the end of the year, we can determine if we need to request a transfer from reserves or make an additional deposit by considering all construction costs.
- March Agenda-Action item allowing annual deposits to reserves; not quarterly
- March Agenda; action and approval/disapproval of 1 Fourth Street office furniture purchases (1/2 desks) \$3k before June 30.
- March Agenda: action and approval/disapproval to de-obligate funds from USDA for the McGill Sewer Reline Project.

Discussion only/consideration and review of the FY2026-2027 budget for McGill Ruth Consolidated Sewer and Water GID

Manager Garcia presented a tentative FY27 budget, and reviewed each item.

	Info Actual 6/30/2023	Info Actual 6/30/2024	Info Actual 6/30/2025	12/31/2025 per G/L	Pojected 6/30/2026	Budget 2025-2026	Variance to Budget 25-26	Tentative 2026-2027	Final 2026-2027
Water & Sewer									
OPERATING REVENUE									
Water sales	293,341.00	298,088.00	381,218.00	209,973.00	419,946.00	392,000.00	27,946.00	420,000.00	
Sewer sales	185,613.00	191,024.00	188,517.00	97,335.00	194,670.00	195,700.00	(1,030.00)	199,820.00	
Connections	8,513.00	6,590.00	11,392.00	5,020.00	10,040.00	9,500.00	540.00	9,500.00	
Water Obligation \$4.50	49,641.00	51,847.00	108,463.00	55,071.00	110,142.00	152,916.00	(42,774.00)	110,000.00	
Sewer Obligation \$14.00	159,569.00	161,196.00	173,349.00	86,832.00	173,664.00	170,000.00	3,664.00	173,000.00	
Misc. Water-Internet/hangers	1,703.00	1,329.00	7,252.00	388.00	776.00	250.00	526.00	250.00	
Miscellaneous Sewer/ hangers									
Allowances/Bad Debts	17,087.00	-604.00	17,582.00						
Total operating revenue	715,467.00	709,470.00	887,773.00	454,619.00	909,238.00	920,366.00	(11,128.00)	912,570.00	
OPERATING EXPENDITURES									
Salaries & wages	227,748.00	236,939.00	279,866.00	137,462.00	274,924.00	285,000.00	(10,076.00)	303,550.00	
Employee benefits	110,549.00	121,628.00	129,318.00	71,363.00	142,726.00	144,000.00	(1,274.00)	149,000.00	
Payroll Tax	3,811.00	4,122.00	4,643.00	2,372.00	4,744.00	6,200.00	(1,456.00)	5,200.00	
Net Pension GASB68	26,975.00	30,694.00	2,416.00		-	-	-	-	
Service Supplies									
Advertising	2,078.00	1,849.00	2,481.00	1,277.00	2,554.00	3,500.00	(946.00)	3,600.00	
Contract labor	75,494.00	11,051.00	30,151.00	2,700.00	5,400.00	50,000.00	(44,600.00)	50,000.00	
Engineering	2,125.00	1,874.00	1,376.00	1,358.00	2,716.00	15,000.00	(12,284.00)	15,000.00	
Insurance	5,048.00	11,845.00	18,706.00	16,678.00	20,678.00	20,000.00	678.00	21,000.00	
Accounting	11,700.00	17,660.00	20,500.00	23,300.00	46,600.00	25,650.00	20,950.00	26,750.00	
Legal	28,838.00	12,128.00	21,604.00	19,882.00	39,764.00	25,000.00	14,764.00		
Miscellaneous & Bank Fees IC	17,897.00	5,556.00	5,536.00	1,393.00	2,786.00	6,000.00	(3,214.00)	6,000.00	
Maintenance agreement	17,392.00	30,311.00	37,471.00	24,704.00	49,408.00	41,000.00	8,408.00	44,500.00	
Office and supplies	5,444.00	15,198.00	6,755.00	7,916.00	15,832.00	30,000.00	(14,168.00)		
Operating supplies & Permits	22,645.00	20,658.00	26,380.00	21,729.00	43,458.00	51,000.00	(7,542.00)	51,000.00	
Repairs & maint-equipment	18,517.00	4,875.00	3,615.00	288.00	576.00	13,000.00	(12,424.00)	13,000.00	
Repairs & maint-plant	53,799.00	80,664.00	44,311.00	17,062.00	34,124.00	70,000.00	(35,876.00)	70,000.00	
Transportation	8,272.00	8,425.00	5,828.00	3,623.00	7,246.00	15,000.00	(7,754.00)	15,000.00	
Utilities	77,605.00	66,152.00	73,898.00	33,067.00	66,134.00	90,000.00	(23,866.00)	90,000.00	
Depreciation/Amortization	307,494.00	332,348.00	341,053.00	166,899.00	333,798.00	332,348.00	1,450.00	332,348.00	
Total operating expenditures	1,023,431.00	1,013,977.00	1,055,908.00	553,073.00	1,093,468.00	1,222,698.00	-129,230.00		
	(307,964)	(304,507)	(168,135)	(98,454)	(184,230)	(302,332)	118,102		

The board elected to keep office supplies at \$30k and would have further discussion on legal.

Vice Chair Blackham felt it may be advantageous to join White Pine County to curb some legal fees. They have 6 or 7 people who have partnered with them: Resource Concepts. They monitor all the water problems throughout the County.

Manager Garcia asked what the level of involvement would be from our own legal; or would we ask them to do nothing. Vice Chair Blackham said correct; he [Jeremy] would take up doing this.

Discussion/for possible action/possible approval or disapproval to amend FY2026 capital outlay budget for buildings; improvements to 1 Fourth Street from \$15,000 to \$80,000 possibly utilizing reserve funds

Manager Garcia said this is the current \$15,000 already budgeted, plus \$15,000 for carpet and \$50,000 for the remainder of the remodel.

Member Winton motioned to approve the amendment with Vice Chair Blackham seconding. Motion passed.

Discussion/for possible action/possible approval or disapproval to amend legal fees for FY26 from \$25,000 to \$37,000

Vice Chair Blackham motioned to amend legal fees from \$25,000 to \$40,000 with Member Drahos seconding. Motion passed; with amendment higher due to the large variance in legal this year.

Discussion/for possible action/possible approval of invoice from Jongeward Construction in the amount of \$15,250.40 for labor and materials for trenching for power and water lines, and framing of office at 1 Fourth Street, McGill Nevada; capital outlay item, possibly utilizing reserve funds

Vice Chair Blackham motioned to approve the invoice with Member Winton seconding. Motion passed.

Discussion/for possible action/possible approval or disapproval to approve O’Flaherty Plumbing quote for \$10,400 for replacement of water line, and plumbing fixtures for 1 Fourth Street, McGill Nevada; capital outlay item, possibly utilizing reserve funds

Member Mathews motioned to approve the quote with Member Drahos seconding. Motion passed.

Discussion/for possible action/possible approval or disapproval of proposal from C&C Carpet Center for flooring at 1 Fourth Street, McGill Nevada; capital outlay item, possibly utilizing reserve funds

Manager Garcia reviewed the proposal which included the carpet roll, or tiles. The roll was \$13,300, and the tiles \$14,900. The tiles were a bit more durable and could be replaced if damaged.

Vice Chair Blackham motioned to approve the flooring/tiles in the amount of \$14,900 with Member Mathews seconding. Motion passed.

Discussion/for possible action/possible approval or disapproval of a part time employee/maintenance worker position and duties

Supervisor Carson said we provide 24-hour service and when one of us is out, we really need two people.

Member Winton asked how call outs were handled. Manager Carson said we alternate Wednesday to Wednesday, and whoever has the phone has the truck.

MAINTENANCE WORKER-GENERAL MAINTENANCE (PART TIME)

- A. Carry out all activities that enable the District to function in a professional, business-like manner with respect towards all persons.
- B. Attendance and daily work schedule based on workload and need by current full time maintenance workers, and must not exceed 1,040 hours annually. One, or both conditions must apply: 1) Absence of one full time maintenance worker in a workday, and workload exceeds what one maintenance worker can accommodate. 2) Emergency

call outs during the regular workday, or after hours, to assist one or both maintenance workers in an emergency situation.

- C. This position will not exceed 1,040 years annually and is not eligible for benefits.
- D. Able to execute and assist other District employees in the following functions:
 - 1. Maintain phases of field work relating to water connects, disconnects, and cleaning and maintaining main sewer lines.
 - 2. Operate all District equipment when necessary.
 - 3. Assist in the maintenance and operation of sewer treatment facilities.
 - 4. Assist in operation and maintenance of the collection and distribution system.
 - 5. Assist in the operation and maintenance of wells.
 - 6. Assist and check chlorinator, water levels, transmission lines, distribution systems, sewer ponds, collection systems, and aerators.
 - 7. Assist and read meters for billing
 - 8. Assist and collect water and sewer samples as needed.
- E. Subject to be on call and assist full time maintenance employees after hours if needed; and may be required to take maintenance phone during the absence of one or both of the full-time maintenance employees.
- F. Assist and carry out all duties directed by the business office employees in regard to connections, disconnections, meter maintenance.
- G. Salary schedule for new hires will always be DOE and determined by Board Members; no wage scale.
- H. All other issues as the District Chairperson may direct.

Member Winton motioned to approve the part time maintenance position with Member Drahos seconding. Motion passed.

Correspondence Discussion

February 2026

- 1) Copy of Budget Worksheets FY2027
- 2) Copy of Western NV quote for Meter Replacement Project
- 3) Copy of Quote; O’Flaherty Plumbing for work at 1 Fourth St., McGill NV
- 4) Copy of proposal C&C Carpet; Flooring 1 Fourth St., McGill NV
- 5) Copy of Duties ‘Maintenance Worker-General Maintenance (Part Time)
- 6) Ruth Town Easter Egg Hunt Donation Letter; Melissa Spear (email)
- 7) Concerned Citizen; Letter regarding GID Expenditures

*Account Adjustments 1/13/2026 to 2/10/2026 (email)

*Financial Statement/Balance Sheet

*Check Register

*Financial Report

*Shut off notices (email)

- *Rate Table Summary (email)
- *Bank Reconciliation (email)
- *Payroll Register(s) January 22, 2026, and March 5, 2026(Email)
- *Regular Meeting Minutes; January 20, 2026

Discussion/for possible action/possible approval or disapproval of the Regular Meeting minutes of January 20, 2026

Vice Chair Blackham motioned to approve the minutes with Member Winton seconding. Motion passed.

Discussion/For Possible Action/possible approval or disapproval of checks 14852 through 14872 in the amount of \$21,404.06; payroll checks 2596 through 2612 in the amount of \$26,346.56 for the period of January 13, 2026 through February 9, 2026.

- *Invoice Cloud-\$536.20**
- *Mt. Wheeler Power-\$4,117.67**
- *IRS-\$2,672.16**
- *AT&T- 137.93**
- *Starlink-\$120.00**
- *Elan VISA- \$293.36**
- *NDEP Wastewater Renewal -\$110.00**
- *PACT Quarterly-\$1,463.50**
- *BCT Monthly IT-\$1,795.86 (\$897.93 December & January)**
- Total Accounts Payable \$58,997.30**

Member Mathews motioned to approve the bills with Member Drahos seconding. Motion passed.

Public Comment

None

Recommendations for Items for Future Agendas

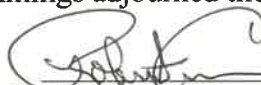
The next meeting will be March 16, 2026, at 2:30 p.m.

- Possible furniture purchase for 1 Fourth Street; not to exceed \$3,000
- Possible de-obligate funding USDA; McGill Sewer Pond Reline Project
- Possible approval to allow annual reserve deposits to State Investment Pool


Member Winton would like an update to District properties; possible sale or gifting to White Pine County.

Adjournment

Being no further business, Chairman Cummings adjourned the regular meeting at 4:01 p.m.



 Chairman, McGill Ruth Consolidated Sewer &
 Water GID



 ATTEST: Secretary

