

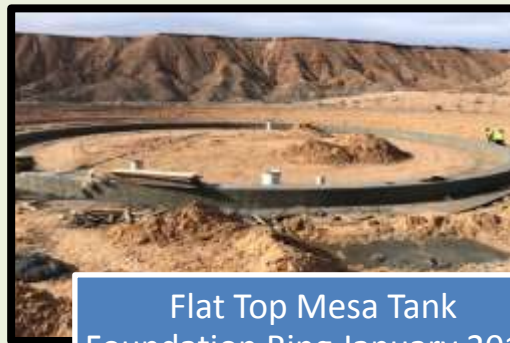
Virgin Valley Water District FY2018 Annual Report

500 Riverside Road
Mesquite, NV 89027
Phone: 702-346-5731



5th Annual Report

July 1, 2017 – June 30, 2018



Flat Top Mesa Tank
Foundation Ring January 2018

Date: October 2, 2018

Prepared By: Kevin Brown, General Manager

For: Virgin Valley Water District Board of Directors

Board of Directors:

Nephi Julien, President (Bunkerville)



Ben Davis, Vice-President (Mesquite)



Richard Bowler (Bunkerville)



Travis Anderson (Mesquite)



Randy Laub (Mesquite) 5/2018



Barbara Ellestad (Mesquite) 1/2015 – 4/2018

District Staff:

Administration:

Natalie Anderson
Kevin Brown
Aaron Bunker
Kyle Hughes
Mary Johnson
Valarie Martinez
Wes Smith
Hatty Tanner

Meters:

Kason Bulloch
Rob Faught
John Zarate

Treatment:

Philip Abbott
Keith Garrett
Troy Tanner

Distribution:

Dylan Dominguez
Cameron Klug
Adam Owsley
Bryan Plum
Steve Tietjen



Still The Best Staff Ever!!!!

From the General Manager

Fiscal Year 2018 was a busy one! When you look at the next page of projects and programs accomplished and/or started in FY2018, one will notice an emphasis in infrastructure improvements. Some of those improvements were to repair existing failing components. Some of the improvements were to stay ahead of the growth curve.

Our Operations Group continues to perform at an excellent level maintaining the system. Fixing leaks, maintaining meters, collecting water samples, operating the treatment plants...it's what they do and they do it well!

Our Customer Service Group also performs at an outstanding level. They process over 100,000 transactions per year. They do a great job every single day assisting all of our 9,000+ customers on the phone or in person. They did a fantastic job converting from our legacy billing software to Xpress Bill Pay.

Compared to three years ago, our litigation issues have mostly sorted themselves out. In FY2018 the Board negotiated a net positive agreement with Pool/Pact regarding insurance claims. The Board negotiated retrieving water shares from two of three golf courses.

Staff continues to utilize the WaterWorth financial planning software to evaluate the planned cost of operations vs. planned revenue stream. Because of the current growth spurt, revenues resulting from more paying customers and from developers paying System Development Charges and Conditional Commitment for Water Service Fees continue to increase. More discussion of the financial status of the District continues further in this Report.

With our fantastic staff, excellent plans in place, and the financial wherewithal to accomplish the plans, the District is in a great place figuratively and literally!



Monitoring of Water for Safe Drinking Water Act Compliance – Over 100 potential contaminants monitored for



Water System Pressure Zone Map

Projects and Programs

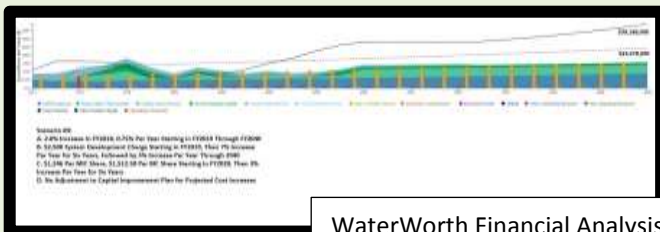
FY2018 proved to be another eventful year as many projects were started with the aid of the new rates structure implemented in FY2015. The following projects were accomplished/started:

Projects:

- Replaced failing water mains on Mesa Blvd., Aztec Circle, and Marilyn Parkway
- Started Well 1A Outfitting and Site Development
- Started Well 27A Outfitting and Site Development
- Replaced Flat Top Mesa Tank
- Installed High Pressure Transmission Line to Bella Horizon Area
- Replaced Summit Court Pipe and Asphalt
- Converted to new bill payment system, Xpress Bill Pay
- Refreshed Website
- Replaced Failed Pump at Well 31
- Greens Way Water Main Failure/Repair

Programs:

- Completed Well Sustainability Study
- Continued WaterWorth Implementation
- Continued SB271 Implementation
- Upgrade GIS System to Web Based



WaterWorth Financial Analysis



Well 31 Pump Replacement

Mainline Pipe Break



Well 27A Construction



Financial Report

- **The 2008 Bond Was Paid Off On March 1, 2018**
 - Current outstanding bond debt is \$19,728,194
 - The debt reduction surcharge dropped from \$10 to \$9.30 per EDU
- **Water Use Revenue Was Up 5.3% Over The Previous Year**
 - ~3% of the increase from growth in customer base
 - ~2.3% additional growth from increase in water use and rate increase
- **Total Integration of WaterWorth Software In Budget/Rate Setting Process**
 - First rate increase using WaterWorth was approved in December 2017
 - Rate increase process involves setting rates in four year increments
- **Interest Income Was Up \$70,337 (70%) Over Previous Year**

The District continues to be in a strong financial position, Using WaterWorth, The District has completed the first step in establishing a fully sustainable water system.

The past year the District redefined our banking relationships, which resulted in a significant increase in interest income on available cash reserves. We continue to explore ways to maximize the return on investment on our funds.



VVWD by the Numbers

- **2,240,000,000** Gallons (or 3,390 Olympic sized swimming pools) of water pumped from July 1, 2017 to June 30, 2018 – up 280 pools from last year



- **High: 232,283,000** Gallons Delivered in July 2017



- **Low: 98,023,000** Gallons Delivered in January 2018



- **>\$4,000,000**
Direct and indirect economic impact to the local economy
- **9,244**
Total Metered customers (3/4" – 12")
- **4.8%**
Growth Rate (increase from previous year in number of meters)
- **>80°**
Temperature of our water as it is pumped out of the ground



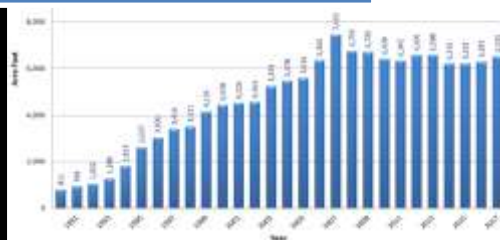
Looking Forward to FY2019

- Next Bond Paid Off, Next Debt Reduction Fee Drop to \$8.30/EDU
- Updates to Rules, Regulations and Rates
- Hire District Engineer
- Purchase HydroVac Vehicle
- Upgrade Precipitation Gages
- Complete Design Standards and Specification Updates
- Continue Evaluation of Revenues with WaterWorth Software
- Complete Well 27A for Production
- Complete Well 1A and Treatment Plant 1A for Production
- Replace Failing Water Main on Kitty Hawk Dr. and Lower Oasis Blvd.
- Drill Well 34
- Replace Well 26
- Start Planning Well 35
- Start Northwest Tank and Transmission Line Construction
- Update Water Conservation Plan
- Update Emergency Response and Vulnerability Assessment Plans
- Convert Website Backend Software to WordPress
- Complete Agreement with Lincoln County Water District for Additional Water Supply
- Implement Gold Butte National Monument MOU



HydroVac Vehicle

Historical Volume of Water Pumped



Completed Flat Top Mesa Tank
June 2018