



BEATTY WATER & SANITATION DISTRICT REGULAR MEETING MINUTES

April 23rd, 2025

Frank Jarvis – Board Chair

David Bryan – Secretary/Treasurer

Teresa Sullivan – Vice-Chair

Edward Huffman – Member

ITEM # SUBJECT

1. **CALL TO ORDER**

Regular meeting to Beatty Water and Sanitation to order for April 23, 2025 at four o'clock.

2. **GENERAL PUBLIC COMMENT – Three-minute time limit per person for matters both on and off the agenda. No action will be taken by the Board.**

No comments.

3. **FOR POSSIBLE ACTION - Approval of the agenda for Beatty Water and Sanitation District Meeting April 23, 2025. (Non-action item)**

Motion to approve the agenda by Teresa, second by Dave. Motion carries 4-0

4. **FOR POSSIBLE ACTION** – Discussion and Deliberation to approve or amend the minutes for February 19th, 2025.

Frank sent an email with some changes, the copies the board members have are the updated ones. Motion to approve the minutes for February 19th, 2025 by Teresa, second by Eddie. Motion carries 4-0.

5. **FOR POSSIBLE ACTION** – Discussion and Deliberation to approve or amend the minutes for March 26th, 2025.

Frank – “Other than having some minor changes, typos, nothing substantial they looked good.” The board did not have the updated minutes. Motion to approve the minutes with changes by Teresa, second by Dave. Motion carries 4-0.

6. **PRESENTATION: OFFICE REPORT** – Update from Office Staff, Nye County, Utilities Services and/or Day Engineering regarding system breaks, illegal and new connections, and system projects update. No action will be taken by the Board.

Marty – “I don’t have anything as far as status on any project updates, but I do have questions. What is the status of the grants or the funding for the lining of the backwash water waste sludge at the treatment plant and are we pursuing waterline replacement with any funding at this time?”

Frank – “Great questions, as far as I haven’t heard anything on line extension replacements. As far as we know it is still on the list. I did some checking with our operator on the sewer treatment, the ponds, and it is high solids that we talked about the other day and it may be a sludge build up, so I have been talking with them and Joe is going to give us some options. I believe there’s somebody in Lander County possibly doing it so he gave me a contact for them to see what options and what they’re doing.”

Marty – “I do most of all in engineering for Lander County, we did a pond lining and overflow pond, and we did sludge removal from their existing pond. There are options for sludge removal and one of them is to basically dry the pond out and go in with a rubber tire, it is an aligned pond. Come with a rubber tire loader, I need a track and a rubber and on the bucket attachment for that there is a place that you can do land application of the sludge, and there’s the stream there too so I don’t know if that would be an option too for a land application, but you have to have basically a dry sludge, just only a certain percent of water content before you can dump it in a landfill.”

Frank – “Andy will work on that in the next week or two to see what our depth is, what would our next steps be to proceed if we need to?”

Marty – “The next step would be to reroute the water through the pond, we’ve got two ponds there, the policy pond and main where everything could be up against where it comes in. Your sludge data is going to vary big from where it comes in to where it exits. We have a few shots and different locations of the pond which we will have to plan on rerouting your flows to get that pond dried out. Route it to the other side if that is something that we can do. Last question I had was regarding the quote for the exterior roof of the Indian Springs tank, is that something you still want to peruse?”

Frank – “Yes, probably when it cools off.”

Marty – “Olympus provided a quote for that, and I imagine it changed since last year, but it would just be the filling of the roof of the tank which the price would be a little different, the price that was given was what we had as man and equipment on site. We will get an updated price and shoot for this fall.”

Frank – “As far as for us, I believe we had one service line leak that was repaired, other than that pretty quiet. We will be giving a disconnection notice on Hope Street, because they haven’t responded, the other ones we are having issues with a payment, but they are in contact with us so we are still working on that, the wire was rejected.”

7. **FOR POSSIBLE ACTION:** - Review new service packet to avoid confusion on when fees must be paid or any other changes. Make applicable changes if deemed necessary. Set date for implication of new forms or take no action.

Frank – “The confusion came in on our new service installation application, there is a highlighted portion that says “All applicable fees must be paid within one year of this approval. If these fees are not paid and developed by the above time limitation, capital Improvement fees and unit or units will be subjected to forfeiture. The confusion came in because before when you submit your service installation application, we expect the capital credit fee to be with it, but when you read this, it makes it sound like you can pay within one year. But unfortunately, we won’t look at your application until you pay. We’ve had a suggestion to change that all applicable fees must be paid before any service is done. You have one year to have installation complete. If these fees are not paid and developed by the above time limitation capital improvement fees and units will be subject to forfeiture. Another option listed is ‘All capital improvement fees must be paid prior to being agendized and brought before the board for approval. If approved, you have one year from the approval date to complete installation of the water, sewer services. If the installation is not completed within one year, the capital improvement fees will be subject to forfeiture. The Beatty Water Sanitation fees will be charged when the work is done.’ There are two separate portions to it, the improvement fees are paid

upfront, then we give you an estimate for the work to be done, you choose whether to proceed with the work, and once the work is completed, because there could be additional charges or less charges to make out what it is, then we bill for the actual cost and work between.” Item tabled.

8. **FOR POSSIBLE ACTON** – Discussion, Deliberation, and Possible Decision to appoint a new board member from letters of interest received or continue the posting of the open Board Member position to allow for more applicants.

Frank – “We had one letter from last meeting that I read from Jon DeLee, that is the only one we received and it was posted, it had about a week or two to run before the last meeting. It had been posted from the last month’s meeting until this meeting. Carrie sent it out to the town email twice.”

Motion to appoint Jon DeLee the new board member based on his letter of interest by Teresa Sullivan. Secon by David. Motion carries 4-0.

9. **PRESENTATION AND ACTION** – Presentation by AngloGold Ashanti and request to advance the lease auction of the 400 AFA of Oasis Valley Water Rights.

Steve – “Thank you for the opportunity to present to the board I appreciate your time, I would like to introduce myself, Steve Yopps, VP of permitting government community relations, Allison Anderson, is our community relations manager and we both appreciate your time today. We are going to be talking about the proposed lease of Oasis Valley of water rights from Beatty Water and Sanitation District for our North Bullfrog Project. We have kind of covered the purpose and again this is going to cover a little bit about what North Bullfrog Mine Project is, he proposal that we have for the water lease aren’t intended to say this is what you should do. It is just an example of how to do the calculation. Some community benefits, so the proposed water lease and then our request for action, there is an appendix for diversion rate, only permit applications, and that will be the strategy that we use to maintain certificated status of the current oasis value of water rights, but allow them to be assigned to a well closer to the mine. Our request is at least for four-hundred-acre feet per annum of the Beatty Water and Sanitations Oasis Valley rights. We would also consider a water sales on a unit rate basis if the Water Sanitation District would want to go that route. But for right now, you’ll see lease used throughout this presentation. These water rights would be allocated to cover dewatering for the North Bullfrog Project. If you recall, the North Bullfrog Project sits right on the basin boundary and the yellow jacket open pit is the one that sits furthest north, the base cuts right through the middle of that pit. When we dewater that pit, we know that we’re going to be pulling at least some amount of oasis valley water into that dewatering effort, along with some additional water from Sarcobatus Flat. To have the math work, we need some underground water rights leased to us from the water district to allow us to do the dewatering piece in Oasis Valley and have that covered off from a state engineers standpoint and just inappropriate to application of water.”

Frank asks how far is the yellowjacket from us? Steve – About six miles north of the Indian Springs Well complex.

Amima Anderson – “I was just curious the amount already held by AGA”

Steve – “Almost eighteen hundred acer feet and that is associated currently with two permits 87214 and 83057.”

“This proposal is for this proposal is for four-hundred-acre feet of water rights in Oasis Valley to cover the Oasis Valley dewatering component of that yellow jacket effort. Our water will be

assigned or should say, your water will be assigned to the North Bullfrog dewatering Wells. This is kind of changed as well. We know that we're probably going to be assigning really all the rights to dewatering well number three, which is the one furthest north and the right in the pit boundary. And with regard to term, this is, again, just a suggestion. We're willing to lease them for twenty years. You know, if Beatty Water Sanitation is more comfortable with the ten-year lease, with an extension, you know, it's really your choice on what those terms are, but we would be interested in a twenty-year term if that works for you. We value Oasis Valley Water at about \$5,000 an acre per foot. I think the Beatty Water and Sanitation District has gotten appraisals that maybe slightly less than that, but quite honestly, the water in Oasis Valleys at a minimum, \$5,000 an acre foot from our view. So, you know, we were using that as kind of a base cost. The idea would be to take the four-hundred-acre feet times the 5,000, it's about \$2 million in total and recoup that over the term of the lease. We're proposing kind of a 15 initial year term with some renewal options. So basically the \$2 million dollars would be recaptured in a 15-year period. Again, you know, we're not going to presume to tell you what those lease terms should be if you want recoup in 10 years. That works for us as well. You just divide this by 10 instead of 15 the payment goes up, that would be again, \$2 million over the primary term of the lease would be that the revenue into Beatty Water Sanitation for those 400 acer feet. With regard to prepayment and protections, again, you know, water sales, we would say we don't get off to a running start because of permitting and things like that. In other words, the lease, term starts before we get permitted. You know, we would be acceptable to whatever provisions that you think might work for Beatty Water Sanitation with regard to that interim period before we start using water, \$50,000 was just an idea, but again, it's up to you. With regard to these water rights, as you well know, the Oasis Valley rights that you have are certificated rights, we do not want to jeopardize that certificated status. When we spoke to RCI, which is our water consultant engineer, they recommended that we'd pursue a diversion rate only strategy, where we use the base right, but you assigned the actual pumping at a different location. The base rights would kind of stay at Indian Springs, but you can add an additional pumping point with a diversion rate only application. The certificate status isn't jeopardized by then, starting a new permit with these water rights move North. That is the strategy. It's covered pretty well in the appendix, but if you would like RCI to come in and you know, really speak to diversion rate only applications, examples of that across Nevada, they'd be happy to do that, and we'd be happy to pay for that.”

Frank – “The question is, has this been done?”

Steve- “Yes, it's done frequently, so we're not breaking new ground at all with, you, this strategy, it according to RCI, this should really keep the certificated rights in good standing, not jeopardize their status, but allow you to sell water at a different location, no reductions, no haircuts. But again, I would suggest that you talk to RCI and confirm that and get examples of how that all works. With regard to the permitting, this is the piece that is a bit of a lift for Beatty Water and Sanitation to allow this to all happen. These diversion rate only applications have to be under your banner. We are happy to assist with our CI technical support on those permit applications, but they will have to be done under your banner. It can't be done under ours. And so, you know, once the rights are assigned to the well that we will drill, then either the we start paying you through the lease or a unit water sales agreement. Again, kind of your choice. and we will pay for all of that that effort and technical support.”

Frank – “What would be the difference between a lease or a water source?”

Steve – “The lease term lease is four hundred-acre feet divided by the term of the lease. You end up honestly with kind of the same revenue stream. It's just more granular, say you sell it on 1,000 gallons, every thousand gallons, AGA pays a certain amount. If you want to go that direction versus a lease, you know, just you might end up, you, maybe possibly making more. And you know it's kind of sets us up, I guess, if you're going to be a municipality selling water to a large user on a unit rate basis, it kind of gets that precedent established for future activities. So again, you know, it's, I guess, a strategy decision for Beatty Water and Sanitation is how do they want to sell water to large users in the future? And we're willing to have this this lease or this water sale set the precedent for a future. It's something to think on and how you might want to do it. I think you have plenty of examples of leases. We just would need to give you a couple examples of unit rates, but kind of like when in a big city, you pay on the gallon basis, not necessarily, on an interval basis. So, for instance, the unit rate, if AGA were to use a lot of water early, that revenue is captured early versus extended out, so kind of time of use payment versus a lease.”

Amina Andeson – “My question is as far as lease term if you are looking at using up to four hundred acer foot, why would you not consider a year-to-year lease?”

Steve – “We would consider a year-to-year lease. Quite honestly, we only need the Oasis Valley water for really a four-year dewatering period on our open pits. So, we would be shutting the well down, but Beatty would be capturing that revenue for an additional 11 years. So, if we go on the unit basis, you know, some on a unit basis Beatty Water and Sanitation will probably just get revenue over the first four years that the well is in operation because at that point the pit is dewatered.”

Matt Rader – “I have one additional question will the Beatty Water and Sanitation District be provided with the plan of Operations ahead of their decision to lease or sell out a unit cost or will they have to wait until the end of the year to see that?”

Steve – “The B Tab is a cooperating agency so they're going to be one of the first groups to see this information. Beatty Water Sanitation isn't a cooperating agency so the earliest they can see it is when BLM releases it to the genera which is towards the end of the year.”

Matt Rader – “Clarifying question is they will make a decision unclear on perhaps peak use total to analyze use across the period of time. And so, then they're kind of wagering one or the other. And of course, that would be their decision, but they don't have all the information to make a clear decision.”

Steve- “I can provide the information on this particular plan. There's about 13,000-acre feet used life of mine. Much of that is from the make of water well field in Sarcobatus Flat. It is part of this mind plan. That makeup water well fields out here. There's an additional 2,000-acre feet for life of mine pit dewatering. So, you know, if our water models are accurate, about 50% of that 2,000 comes from Oasis Valley, 1,000-acre feet, life of mine, and another thousand-acre feet, life of mine from Sarcobatus. In reality, you know, we're into an agreement where we only need a thousand-acre feet of OB water and probably paying much more than that. So, yeah, if you were to look at a ten-year term at 400-acre feet a year, we're paying, you know, for 4,000-acre feet and only using 1,000.”

Amina – “I was just curious as to what were the considerations that were on the table for cooperating agency, that I would assume that the Beatty Water would have met multiple check boxes to be a cooperating agency and to have an idea of the impacts prior to.”

Steve- *“The cooperating agencies are selected by the BLM, not us. I think B tab is traditionally been a cooperating agency with anything that's happened within the Beatty Township boundary, so they're kind of an automatic. They probably didn't even know that Beatty Water Sanitation District existed, quite honestly.”*

“. We've already spoken about the community benefits. In our budget, we have a \$2 million, essentially allocated for a pit dewatering. How we end up paying Beatty Water and Sanitation before that is your decision. If you choose to go into it either a lease or a water sale. It does generate, obviously, revenue that you can utilize for upgrades and other service improvements. So really our request is to request that you, Beatty Water and Sanitation District initiate the lease auction or a water sales agreement so that you know we have assurance that we have the appropriate Oasis value water rights to actually dewater the pit as part of this proposed water conservation plan alternative that we think could be a lot more select. And again, thank you for your time and your consideration, and we certainly will answer any questions that either the Beatty Water Sanitation District board has or the community in general. Allison's the best person to send those questions to and she'll get the right the right folks on it.”

Frank – *“We have a process for a lease that we've gone through the water service agreement is something kind of new. We don't have a large account. I know on the power side to have a large loan user. So, there's different levels of different tiers of building, basically. So, you know, residential and small commercial, media commercial, large commercial and then there is looking at new higher rates or larger load users. So, I mean, it could be a data center, it could be something so there's different tier approaches that would be something we' that to look at. We do have we have two appraisals that are in there. We'll probably have to renew them if we choose to move forward. As I think they were if I remember I do it for three months, so we'll have to get them renewed the price listed on the appraisals, I think was about \$3,000 an acre foot, so it was considerably less. And I mean, I agree, I think, our waters were more than that. So, we will would have got, but we do have the appraisal by statue, we have to have appraisals. We'll probably have to have them renew if we choose to go forward.”*

Carrie – *“Quick question. The post of this is for dewatering the pit? Where does the water go? What are you going to do with it?”*

Steve- *“Great question and we're figuring that out as part of the diversion rate only application. There are a few examples where the state engineer has allowed a diversion rate only permit to have an interbasin transfer component. So, the water would be extracted from Oasis Valley through the dewatering well and pushed into Sarcobatus to support, you know processing as an example. So, when you have water at the surface, you know, why not use it consumptively in mining operations? Because what it'll do is it'll reduce the amount of water coming out of the Sarcobatus make up water will field and total drawdown is generated by two components. The makeup water well field and the dewatering. So, both of those components generate the drawdown contours. So, if you got water at the surface already that's been extracted from Oasis Valley, you might as well use it and reduce the amount that you're going to be pumping from Sarcobatus.” Motion by Eddie to continue the process of for lease or longer service agreement. Second by Dave. Motion carries 4-0.*

10. **FOR POSSIBLE ACTION** – Discussion, Deliberation and Possible Decision on Will Serve for 400 S First Street for 24 water and sewer units submitted by Steampunk Enterprises LLC, owner Edward Ringle. Item tabled from 12/24 meeting.
Item tabled until next meeting when we have a new board member to be seated.

11. **FOR POSSIBLE ACTION** – Discussion, Deliberation and Possible Decision on Will Serve for 451 E Hwy 95 for 75 water and sewer units submitted by Edward Ringle. Item tabled from 12/24 meeting.
Item tabled until next meeting when we have a new board member to be seated.

12. **BOARD MEMBER COMMENTS** – This item is limited to announcements or topics / issues proposed for future workshops and agendas.

No comments

13. **FOR POSSIBLE ACTION** – Schedule next Board of Trustees meeting date and time.
Next board meeting scheduled May 21st for 4:00 pm, we have a public hearing scheduled for the budget.

14. **GENERAL PUBLIC COMMENT** – Three-minute time limit per person for matters both on and off the agenda. No action will be taken by the Board.
Steve – “We currently hired Dell engineering to begin engineering an enhanced water system out of Amargosa Desert to provide potable water for the community and its current size plus anticipated growth of 5,000 folks. I listen that your water engineer is also, you, looking to do different things, you know, line ponds and things like that. It might be helpful for us to collaborate so that you know, that whole effort is, you know, our engineering corporates your ideas, and vice versa. At some point, you know, that we talked about a workshop enhanced water systems out of Amargosa Desert, you know, that we're still open to that workshop. Now we actually have a technical resource that almost full time is working on this project force us along with some supplemental metallurgies, it's advancing much quicker now than it once did.”
Amina Anderson – “. I would urge the board to really consider what your list of priorities are in the community infrastructure, what for you are, what your needs are, and we may need the alignment for maybe they don't. The priority should come from the outside perspective. And I think with the feasibility of an enhanced treatment waters and, coming from Oasis Valley with realistic as one world, for a place and it is really a transfer issue that will eventually something the state will share, because it is part of the plan now, but if you're predominantly selling or leasing water rights with this basin and using the all of your water, they have things to say about it.”

15. **ADJOURNMENT**
Motion to adjourn by Teresa second by Eddie

Translated By: Haylee Faulkner

Date: 05/14/2025

Frank Jarvis

Teresa Sullivan

Dave Bryan

Edward Huffman

Jon DeLee
