

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
March 10, 2008
6:00 P.M.

Trustees Present: Chairman Laura Lau, Vice Chairwoman Denise Pierini, Secretary/Treasurer William Eisele, Trustee Brian Patrick, Trustee Kathryn Clark-Ross

Trustees Absent: (none)

Staff Present: General Manager Dennis Longhofer, District Analyst Human Resources & Community Sandi Eisele, District Analyst Operations Nancy Fredrickson, Wastewater Supervisor Andy Joyner, Field Operations Supervisor Russ Sterling, Administrative Assistant Karen Ziemer

Others Present: Attorney Scott Brooke, Dale Morlan, Ronald Lynch, Art Baer, Michelle LaFontaine, Michael Glucksman, Skip Allen, Sheila Allen, Dianne Humble, Steve Weaver

1. **Call to Order:** Chairman Lau called the meeting to order at 6:00 P.M.
2. **Pledge of Allegiance:** Led by Chairman Lau
3. **Approval of Agenda:** Chairman Lau requested that item 5 be deleted from the agenda. At the last board meeting council was asked to research and come back to the Board with a determination of what the Board had approved regarding the General Manager position going to half time. Chairman Lau requested that item 6 be split to 2 items the first being the General Manager's performance evaluation and second the General Manager's contract renewal.

Vice Chairwoman Pierini motioned to approve the agenda as amended. Amendments are to remove item #5 regarding modification of the General Manager position to half time to be considered after we hear from our attorney at our next meeting on March 26, 2008, and split item #6 into two items; first the General Manager's performance evaluation and second discussing the contract renewal. Trustee Patrick seconded. Motion carried 4-1, 4 ayes by Trustee Clark-Ross, Trustee Patrick, Chairman Lau, Vice Chairwoman Pierini, 1 nay by Secretary/Treasurer Eisele.

4. **Public Interest Comment:** Resident Ron Lynch inquired if there would be an opportunity for public comment after the General Manager's performance evaluation and contract renewal is discussed. Chairman Lau responded that there would be opportunity for public comment.
6. **a. Discussion on General Manager Dennis Longhofer's performance evaluation (no action):** General Manager Longhofer reviewed his 2007 District Accomplishments report with the Board of Trustees. **(Exhibit A)**

Public Comment: Ron Lynch commented that it would be easier to give public comment after the board has discussed the General Manager's performance. Chairman Lau responded that at the advice of counsel, she is asking for public comment before the Board actually speaks. Ron commented that he remembered when the prior Board was on deck, little or nothing was getting done in the district. Equipment was broken down, and there was poor employee morale, all because a big chunk of money

was being funneled into city hood. Now he sees big improvements with the purchase of better equipment, seal coated streets, and general fixing up in the district. Financially, the district is back on its feet. Improvements in the sewer district and water systems have taken place. Dennis has been exposed to pressure and micromanagement from former and some current Board members. One of Dennis' goals was to try to get the district to \$1,000,000 in reserves and we are almost there. Ron stated he believes that those criticizing Dennis are jealous of the job he has done for the district. Art Baer commented on Ron Lynch's comments. Art stated he is a former trustee and all the money wasted on city hood was not wasted. Mr. Lynch and a couple of other people here were the ones who wasted it. Mr. Baer commented that the district went in to the study so it could be put on the ballot for the people to decide what they wanted to do. Art commented that Mr. Lynch was one of the lobbyists who went down and fought against this. Art Baer stated he is tired of Mr. Lynch getting up and slamming him because he is a former trustee.

Dianne Humble from Sunridge commented that Ron Lynch is one lone voice in district that thinks Dennis is doing such a bang up job. She questioned the \$1,000,000 in the bank and asked where the \$2,000,000 was that we get reserves off of each month and shows in the budget. She has been in the district over 10 years. She stated she has never seen the streets in such a horrendous condition. Nothing has been done with the white striping she presented pictures on. The snow plowing was the worst it's ever been, yet tax dollars were used to buy a snow plow. The excuse she got for that was that it had a flat tire. Dianne commented that she knew enough to have hers tuned. The machine should have been ready to go for a storm. Dianne stated the district can run without a manager and has a lot of experienced employees in the water and sewer district. Dianne questioned justification for the General Manager permitting employees to drive vehicles that are paid for with tax dollars to and from work and paying \$2,000 in fuel bills per month for a 12 mile district. Dianne commented that some things Dennis said were true, and he is qualified to work in the field. The nitrate well was proposed over 4 years ago and he's had 2 years to work on it. The piping is in the ground and there is no reason we should not have been using that nitrate well for parks. The parks don't look any different than always except a little greener, and the streets are really bad. Two capable employees are running the water and sewer plants. She sees no reason to renew Dennis' contract. Dianne stated there are poor management skills up the line to the Chair and asked Chairman Lau if not qualified please step down from the upcoming vote.

Pat Baer commented regarding a comment on the excellent audit of the books. In December Art Baer gave a \$130 check for some disks to the district that has not been cashed. Pat asked if the check could be found.

Andy Joyner, Wastewater Supervisor commented that he would like the Board to base General Manager Longhofer's evaluation on his merit and performance rather than personality.

Michelle La Fontaine commented that it appears Dennis is doing a good job and she likes him.

Board of Trustees' Comment: Chairman Laura Lau commented to the Board to remember this portion of the meeting is for performance evaluation only. Laura suggested that because there is no specific evaluation tool, each trustee could use their own notes or written evaluation as they wish. Attorney Scott Brooke stated that the main purpose of the evaluation is to provide feedback. Scott commented that each individual can make their own comments as feedback to each other and to General Manager Longhofer on the performance evaluation item. Chairman Lau confirmed with Scott that each individual Board member could make a statement or choose not to make a statement.

Vice Chairwoman Denise Pierini commented to the public that this has been a difficult process and has not been taken lightly, as a man's future is at stake. The Board realizes the impact that this decision

has on the District. She commented that she is saddened with the lack of support from the public to the Board. She would like to see more support from the public in that the Board has the ability to make good, sound and conscious decisions for the benefit of the district, since that is what they elected the Board for. Denise addressed General Manager Dennis Longhofer regarding his report stating money has been saved. She asked where the funds came from and stated she does not feel there is money saved when there are two outstanding loans other than the \$2,000,000. Dennis answered that the majority are connection fees set aside from new construction in the operating fund. Dennis re-stated that the money has been set aside for infrastructure. Denise asked Dennis about the need for a Manager of Field Operations and why it had not been brought to the Board before. Dennis answered he did not think we needed a Manager of Field Operations because he has been performing the responsibilities. Dennis stated that he was bringing the Manager of Field Operations position to the Boards' attention because they may not find someone as a manager with certifications for water and sewer that can perform the duties he has been doing. Denise commented that the entire board was pleased with the initiation of the street repair project and Dennis' 5 year street projection. Denise commented that the handicapped parking needs to be marked clearly. Dennis agreed that the whole parking lot needs to be re-striped. Denise thanked Dennis for his graciousness in helping her find out the workings in the district. Denise commented that Dennis had invited her to talk with any of the staff. She was glad he felt comfortable with the offer, although she chose not to. Denise commented she was dismayed by the interaction she has seen with Dennis and Secretary/Treasurer Eisele and they both could have handled things better. Denise thanked Dennis for all his efforts this past year and wished him the very best.

Trustee Brian Patrick commented on Dennis' detailed list of accomplishments. Brian commented that some of these ideas came from the Board, employees or the public. Brian stated that it is important to him that the accomplishments made by the district are regarded as a team effort. Brian reviewed the leadership assessment by Dennis and his experience in water, sewer and his licenses. He commented that there were some solid ideas Dennis had come up with, and some things had to be done. Brian stated that the streets and side streets had been taken care of and sidewalks were being worked on progressively each year. Brian mentioned the Parks Department had continued with the light ceremonies, Christmas party, tree and Easter Bunny. He noted that these are team celebrations that make the District go. Brian commented that vehicles have been purchased as well as a snow plow and sweeper. Brian addressed Dennis about his performance and the difficulty he has had when Dennis or staff members do not necessarily have all the facts available to discuss with Board. Brian stated this frustrates him and the public. If the Board is not aware of the process Dennis is taking to take care of things, the Boards' hands are tied and it becomes difficult to proceed. This frustrates the Board and the public. Brian emphasized that the responsibilities fall to the Team, Water, Sewer, and Parks.

Secretary/Treasurer Bill Eisele addressed the audience regarding accusations he is micromanaging. He commented that he has 38 years of management experience working with city and county government. The questions he may ask staff at the district may not be the same types of questions that the public nor other Board members may ask. He has never told anyone at the District to do anything. He asks serious questions that he has learned to ask over the years in his job areas in city and county governments. Bill stated he knew lots of things Dennis does very well, and other areas that need work. Bill commented this was one of the reasons he looked for and recommended hiring a consultant who came in and did a study. He felt that it was a thorough, good study. Bill commented that all Board members at that time had an opportunity to make reference calls, but that wasn't done. Now he is hearing the consultant's report being called bogus. Bill stated he thinks the report was right on the money and the reported problems still exist. Bill commented he thinks the problems can be corrected and there are a lot of areas we can improve in.

Trustee Kathryn Clark-Ross had no comment.

Chairman Laura Lau commented to General Manager Dennis Longhofer that she read through all of the accomplishments on his report. She was glad he had included it in the board packet as some items had been brought before the board and she knew about them, and some had not. Laura commented she did not have the water and sewer background that Dennis has. This is important when she has questions and Dennis has been able to answer her. Laura commented she was glad she had the opportunity to have once a month time with Dennis during Douglas County Leadership Committee meeting. This time allowed her to find out about projects going on in IHGID. Laura stated Dennis has been a real asset to IHGID with his experience and his certifications. Laura stated it is a big accomplishment to have money in the bank now. Laura remembered times in the past with no funds in the bank and late payments. She stated that streets are a great accomplishment, although not perfect and are a work in progress. Laura commented that finding the snow plow created better communications with Douglas County and IHGID. She thanked Dennis for the communications that provided some great opportunities for the District with the County. Laura stated her concerns have to do with follow through and coming back to Board with items. If something was discussed at a Board meeting, staff should keep track of and follow through to bring the item back before the board if needed. Laura stated that open communication between Dennis and the Board has not been great lately. Laura commented that these are things that can be worked on. She acknowledged it has been a difficult year and the Board has not always given clear direction. Laura thanked Dennis for all the work he has done.

6. **b. Discussion and possible action on General Manager Dennis Longhofer's contract renewal:** General Manager Longhofer commented it has been a very challenging two years with a lot of ups and downs. He has met some great people. Dennis was a supervisor at his previous job for several years and moved up to manager. He learned quite a bit while he was at that job, handling adversity and developed a thick skin. Dennis stated he has enjoyed working at IHGID and there is so much more we can do. Dennis commented that Indian Hills could become one of the premier areas in the County. He believes Indian Hills is a choice area with streets in better condition and sidewalks. This makes a big difference when compared to Douglas County. Dennis commented on the challenges of the wastewater plant and that projects must keep moving. He discussed watering and emergency power. Dennis stated another sequential batch reactor for treatment is needed and a brand new head works for initial pre-treatment. These are items that need to be replaced and planned for. Water lines under the streets are getting old and need to be replaced. Dennis would like to continue on with IHGID. Dennis stated we have a pretty good staff now, although a little short. He commended the office staff for doing a great job in the last few months when we were very short handed. Dennis would like to continue on to make this place as great as it can be.

Vice Chairman Pierini moved that a vote be taken by ballot, given to the Chairman and the Chairman read them for the record. All board members agreed.

Public Comment: Ron Lynch commented that on the vote, each of the members should sign their names so we know how each member voted. This was not made clear. Chairman Lau responded that on each of the ballots there is an area on the bottom for signature.

Mike Glucksman commented that he would like to have employees comment on keeping Dennis. No pressure if they did not want to comment.

Russ Sterling, Field Operations Supervisor commented that there were a lot of negative comments made about the street department tonight. Russ said some comments were probably justified; some he doesn't feel were. The comment about the snow plow going out with a flat tire was not correct. The

snow plow went out fully loaded, ready to go, had a flat tire in the process and blew an airline. These kinds of situations cannot be foreseen, they just happen. Unfortunately, it happened when we had a big snowstorm. Russ commented that nothing has been done for years with the streets. The District has lost some streets. The streets can be crack sealed like mad and still not be saved. Russ stated employees are trying to protect the ones they can save. Russ stated that Dennis has started some overdue projects at the water and sewer plants and the de-watering building. These projects are great for IHGID. Russ commented that Dennis works well with field staff. Russ stated he does not have a yea or nay vote for Dennis. Russ is a resident and an employee who thinks Dennis has done some good things for the District.

Andy Joyner, Wastewater Supervisor commented that he did not have a yea or nay vote regarding Dennis. Andy stated that he and Dennis had not seen eye to eye on everything, but he believes Dennis has done a good job. Andy has always tried to not let his own or Dennis' personalities get in the way of their professional business. Andy commented that Dennis is very intelligent and that the District would not have dewatering if it wasn't for him, as Andy has never been around dewatering. Andy commented there are positives and negatives and the Board has a difficult decision to make.

Diane Humble of Sunridge commented that management skills require a manager be able to constructively take criticism and have a working environment with all members of the Board as well as residents. Diane does not see the current manager doing this. Diane stated she has seen Board members against Board members and the General Manager against Board members. Diane mentioned that taxpayers paid \$16,000 for a consultant that gave the Board recommendations to reinstate paper work that had been in the District years ago when she was a Trustee. Diane stated that all she has seen the paperwork do is change and be updated, which is very good. Diane commented at that point in time, the consultants advised the Board that they have no cooperation with General Manager Dennis Longhofer. Diane commented that Dennis is probably one of the nicest people she has every talked to, and she likes him. Diane stated that she does not think Dennis' managerial skills are up to the task for the District whether part time or full time. Diane commented on Dennis' list of accomplishments, some being his and some not, some being done prior, some not. Diane agreed with Trustee Patrick's comment that the General Manager should have bookwork in front of him to answer questions, but he has none. Diane stated there are no congruities here in management skills that are being operative so that everybody in the district knows their job and can answer questions when the public and board ask. This makes it impossible for the board to do their job correctly. Diane stated once again that if members of the board do not feel qualified to make this vote, please step down. We voted for you to be qualified and you are only a vote away.

Michelle LaFontaine commented that the District has a General Manager who has experience, is learning, and willing to work to improve the District. She encouraged the Board to renew Dennis' contract. Michelle stated she would hate to see the district without a General Manager and months go by without finding another one. Michelle commented you have someone here who knows what's going on.

Secretary/Treasurer Bill Eisele made a motion to not renew the General Manager Longhofer's contract and terminate his employment at Indian Hills General Improvement District as of March 21, 2008. Trustee Clark-Ross seconded. A vote by ballot was taken with results read by Chairman Lau. Motion carried 4-1, 4 ayes by Vice Chairwoman Pierini, Secretary/Treasurer Bill Eisele, Trustee Kathryn Clark-Ross, Trustee Patrick, 1 Nay by Chairman Lau

Trustee Clark-Ross asked that the next meeting agenda include follow up on a Veteran's memorial in front of the office. She asked for another agenda item regarding a plaque and planting of a tree for resident Dennis Kelley's memorial.

Vice Chairwoman Pierini asked for an agenda item at the March 26, 2008 Board of Trustees' meeting regarding discussion of the possibility of hiring a Manager of Field Operations.

Chairman Lau asked for an agenda item to discuss filling the General Manager vacancy on an interim basis, and who will be appointed to be in charge in IHGID while there is no General Manager.

7. **Adjournment** *Secretary/Treasurer Bill Eisele motioned to adjourn the meeting. Vice Chairwoman Pierini seconded. Motion carried unanimously. Meeting adjourned at 7:20 P.M.*

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
William Eisele**