

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
April 13, 2009
6:00 P.M.

Trustees Present: Chairperson Dianne Humble, Vice Chairperson Denise Pierini, Trustee Laura Lau, Trustee Brian Patrick

Trustees Absent: One Vacant Trustee Position

Staff Present: General Manager Jim Taylor, District Analyst Human Resources & Community Sandi Eisele, Accountant Stacie Hunter, Wastewater Supervisor Andy Joyner, Administrative Assistant Karen Ziemer

Others Present: Attorney Scott Brooke, Barney Arneson, Dave Fournier, Art Baer, Ron Kruse, Steve Weaver, Chuck Swanson, Jim Murphy, Bill Moriarty, Ron Lynch, Katherine Clark-Ross, Kurt Hildebrand, Bob Minella

1. **Call to Order:** Chairperson Humble called the meeting to order at 6:00 P.M.
2. **Pledge of Allegiance:** Led by Vice Chairperson Pierini
3. **Approval of Agenda:**

Chairperson Humble motioned to approve the Agenda as it is. Trustee Patrick seconded. Motion carried 4-0.

4. **Public Interest Comment:** Steve Weaver reported to the Board that he and General Manager Taylor and the State Recreation Trails Coordinator met with the Forest Service. The Forest Service had put in a new, partially completed fence which is not intended for anyone to go through including pedestrians. The Forest Service has relented and a realigned rail fence is going up with a pedestrian gate installed. Steve commented that trail maps in kiosks need to be changed temporarily and permanently to reflect that no motorized vehicles are allowed, including motorcycles. The Forest Service plans to close off the entire wildlife management area to all motorized vehicles for the next 2 years to rehabilitate the area for deer habitat. Steve commented that a sign is needed at Valley Vista Park showing no motorized vehicles are allowed. The trail going south from the Coloma Trailhead was never realized and needs to be removed from signs. Steve stated the Forest Service will work with us to allow pedestrian traffic through this traditional trail that has been used over 40 years. The Forest Service would like IHGID to work with them to inform the public of the 2 year closure to motorized vehicles.

Commissioner Mike Olson commented that what is important now is to fill the vacant Trustee seat and keep the General Manager here. He encouraged the Board to forget what has happened in the past and to move forward with their new leadership and management. Commissioner Olson commented that we have a great opportunity to solve some of our problems, and he wants to help.

5. Discussion only regarding the eligibility requirements for the office of Trustee of Indian Hills General Improvement District, including whether a Trustee must maintain a permanent and actual residence within such District during the term of office:

Chairperson Humble reviewed portions of NRS 318 and NRS 281 regarding Board of Trustees responsibilities and qualifications, specifically under NRS 281.050 a trustee must be a resident of the District. To be a resident, a person must be legally domiciled and maintaining a permanent home within the District. Chairperson Humble reviewed Minutes of the September 22, 2005 Board of Trustee Meeting regarding a Trustee resigning due to his moving out of the District. Chairperson Humble stated she'd like to go on record so that all of the trustees understand what the requirements are for the trustee position. Trustee Lau commented regarding trustees needing to file a bond as stated in NRS. Attorney Scott Brooke commented that his understanding is the County Treasurer has determined that individual bonds are not necessary for General Improvement Districts as they are covered under the County authority. Scott offered to look into this issue as he has not dealt with bonding for some time.

Public Comment: Pat Murphy commented that three weeks ago she and her husband moved to Gardnerville and that her daughter is still living at their old address.

6. Discussion and possible action regarding the procedure to follow during Trustee Vacancy interviews:

The Board agreed to have each of four candidates address the Board regarding why they wish to be a Trustee on the Board. The Board agreed to poll Board members for a vote to possibly appoint a Trustee.

Chairperson Humble motioned to have each Trustee candidate speak to the Board in the order of their letter of intent found in the Board Packet. Vice Chairperson Pierini seconded. Motion carried unanimously.

7. Interviews of responding and qualified individuals for a Trustee Vacancy: Each candidate came up to the podium to speak with the Board of Trustees. The order of interviews was as follows: Art Baer, Ron Kruse, Charles Swanson, Bill Moriarty.

8. Discussion and possible action to appoint a new Trustee to replace former Trustee William Eisele:

Public Comment: Ron Lynch commented he hoped the Board would pick someone who will not interfere with the General Manager getting his job done. Ron would like someone who can be part of the team and improve the public image of IHGID. Pat Murphy commented other candidates would be a better choice than Art Baer.

Chairperson Humble nominated Art Baer for Trustee. Vice Chairperson Pierini seconded. Motion failed 2-2. 2 ayes by Chairperson Humble, Vice Chairperson Pierini; 2 nays by Trustee Lau, Trustee Patrick.

Trustee Lau motioned to appoint Bill Moriarty as Trustee. Trustee Patrick seconded. Motion failed 2-2, 2 ayes by Trustee Lau, Trustee Patrick; 2 nays by Chairperson Humble, Vice Chairperson Pierini.

Public Comment: Steve Weaver commented one of the problems in recent years with the Board has been confrontation. Steve gave Ron Kruse credit for being non-confrontational and supported his nomination. Chuck Swanson commented Ron is a good choice and he would support him.

Trustee Patrick motioned to nominate Ron Kruse for Trustee. Vice Chairperson Pierini seconded. Motion failed 2-2, 2 ayes by Chairperson Humble, Vice Chairperson Pierini; 2 nays by Trustee Lau, Trustee Patrick.

Public Comment: Ron Lynch commented that Chuck Swanson would be good choice as he has the ability to look at both sides and make some wise decisions. Steve Weaver commented that Chuck would be a good asset to the Board and has proven himself in the past as Chairman.

Trustee Patrick nominated Chuck Swanson for Trustee. Vice Chairperson Pierini seconded. Motion failed 1-2-1. 1 aye by Vice Chairperson Pierini; 2 nays by Chairperson Humble, Trustee Lau; 1 abstained by Trustee Patrick

9. Discussion and possible action to elect a replacement for the office of Secretary/Treasurer to the IHGID Board of Trustees for calendar year 2009:

Public Comment: (none)

Chairperson Humble nominated Brian Patrick to take over the position of Secretary/Treasurer. Vice Chairperson Pierini seconded. Motion carried 3-1. 3 ayes by Chairperson Humble, Vice Chairperson Pierini, Trustee Lau; 1 abstained by Trustee Patrick.

10. Reports to the Board:

- a. **General Manager's Report (Exhibit A):** General Manager Jim Taylor reviewed his report to the Board and distributed an additional report (**Exhibit B**). Jim assured the Board that he will not purchase any item over \$5,000.00 without Board approval. Jim explained budget line items for Street Projects in both 2008-2009 and 2009-2010 Fiscal years total \$400,000.00. He could possibly put out a contract to do about \$350,000.00 in road improvements for work to take place in the May through August, 2009 timeframe. Jim reported a quote to fence the dog park came in for \$4,579.00. Jim will check with Douglas County one more time regarding their agreement to put up \$5,000.00 for the dog park and then will proceed with the fence project. Jim reported that the Cottages at Indian Hills will start breaking ground on the east side of Vista Grande as soon as they have obtained final approval signatures. This will be Phase One of 24 buildings. Phase Two will be on the west side with another 24 units. Valley Vista Park is moving forward with bid and construction documents being prepared by Sandra Wendel and Brian Randall.
- b. **District Analyst-Community & H.R. Report (Exhibit C):** Sandi Eisele reviewed her report to the Board. Sandi commented that the Recreation Event Committee had it's first meeting tonight and will get together before each Board meeting to plan new events and perfect current annual events. Sandi updated the Board on employee training that took place for Impact of Drugs and Alcohol in the Workplace. Sandi responded to a comment made by Andy Joyner during the last meeting regarding him not receiving a merit increase in 2 years. Sandi reported he did receive a merit and a COLA increase in July 2006. Another merit increase was in January 2007 which topped his pay range out. He was not able to get a merit increase in 2007 and 2008, he received only a COLA because he was not eligible for a merit increase.

- c. **District Accountant Report:** Accountant Stacie Hunter reported she has been working on the Budget.
- d. **Engineer Report:** (none) Engineer Brian Randall absent.
- e. **Attorney Report:** Attorney Scott Brooke stated he has no new legal matters to report.

11. **Discussion and possible action regarding replacement/purchase of handheld units for water meter reading.** General Manager Jim Taylor reported that the District is still having problems with our obsolete hand-held units and employees have to spend time re-reading meters. Barney from Western Nevada Supply distributed literature about the most current technology which is radio read and the next generation of fixed base. Barney displayed a newer version of a handheld unit and explained how both the radio read and fixed base units work. Barney explained that to go to the next level of handhelds which is radio read the District would have to buy an MXU which is about \$155.00 per unit, unless there are two meters per pit, since you can hook up two meters to one MXU. If we go to radio read with this unit you are stuck with radio read. The radio read type will be phasing out and the fixed base coming in. Barney will be doing a propagation study for the Carson Valley area to put 1 or 2 antennas up that will be used for fixed base. Barney suggested there could be cost sharing for the antennas with several entities in the area who wish to go to fixed base reads. He recommended the District eventually go to a fixed base system. Barney stated the proposed upgraded handheld units can be used as touch read like the District's current handhelds, but can also be used for both radio read or fixed base reads in the future.

Public Comment: (none)

Vice Chairperson Pierini motioned for the District to purchase 2 handheld water meter reading units not to exceed \$7,000.00. Trustee Patrick seconded. Motion carried 3-1. 3 ayes by Chairperson Humble, Vice Chairperson Pierini, Trustee Patrick; 1 nay by Trustee Lau.

12. **Discussion and possible action regarding the Arsenic Treatment Project:** General Manager Jim Taylor reviewed his Memo to the Board regarding Arsenic in the water supply and who controls the destiny of the District's water system. Jim commented that he is not sure what the cost of water would be coming from a pipeline that could be installed to the District. Chairperson Dianne Humble stated that Engineer Brian Randall will be contacting Carl Rushmeyer from Douglas County to get some cost figures. Dianne suggested the District contact an entity in Fallon that is using micro-filtration to see what their costs are. Trustee Lau commented that IHGID employees toured a plant of an entity in Reno that is using micro-filtration. They could be contacted again for a tour. Chairperson Pierini suggested that the District keep in mind what Attorney Scott Brooke had commented on at the last Board meeting; that buying water from Minden should include the use of IHGID water rights to be used in a different location. General Manager Jim Taylor stated that the District does have to give Minden some of our water rights to tie into the pipeline. Jim stated his job is to satisfy NDEP and at this time they are satisfied. NDEP wants IHGID to go forward, but knows we need figures from Douglas County and Minden. Jim talks to NDEP representatives each week to keep them updated.

Public Comment: Art Baer corrected the Town of Minden arsenic level as 7.9 parts per billion. Ron Lynch commented regarding how much arsenic he and others can take in their drinking water and that this project needs to get going. Bill Moriarty suggested the Board pay a competent project engineer to

do an economic analysis and answer questions. Bob Manilla from Layne Christensen Company agreed with Mr. Moriarty that an engineer should be hired that knows how to do an evaluation. Bob commented that 80% of technology is either too expensive or not worthy. Bob stated that flocculent technology has changed in the last 5 years. He suggested the District do a pilot study and cautioned doing a pilot study with a non experienced company who may not evaluate technologies correctly. Bob stated you will get bonified numbers evaluated from that pilot study that will tell you what you need to know about your cost, operation, sizing of equipment and what it is going to take from both an operations and waste management standpoint. Layne Christensen Company does pilot studies or could recommend local firms that can do a pilot study.

8:10 Recess

8:18 Reconvened

13. **Discussion and possible action regarding an increase to the Sewer Rate Flat Fee by \$5.15 per month, taking the flat rate per month from \$23.54 up to \$28.69 per month and to give notice of a public hearing:** Secretary/Treasurer Patrick explained that the rate study committee looked at numbers from water and sewer. The committee looked for where the debt lies in the sewage treatment budget which sits in the negative. Brian explained that the water portion will hit the District next year as we go forward and look at arsenic treatment or the pipeline. Jim Taylor commented that only the sewer rate increase is being addressed since we are waiting for costs from Douglas County for the pipeline water, then water rates will be addressed for increase. Trustee Lau explained that the committee discussed the need to justify raising rates and the amount we are raising rates. Trustee Lau stated that Brent Farr of Farr West Engineering has been working closely with General Manager Taylor to get the best figures we can be able to justify the figures coming out of our study. She noted that another item that came out of the committee is the District needs to evaluate rates yearly. The committee recommended possibly in the September – October timeframe to have an agenda item to evaluate water and sewer rates. Trustee Lau stated the Rate Study Committee consisted of County Commissioner Mike Olson, General Manager Taylor, Secretary/Treasurer Patrick and herself.

Public Comment: Ron Lynch commented that the committee was competent and did a good job. He recommended the Board go ahead with the \$5.15 increase.

Chairperson Humble motioned to approve Item #13 to discuss an increase to the Sewer Rate Flat Fee by \$5.15 per month taking it up to \$28.69 and to give notice for a Public Hearing. Trustee Patrick seconded. Motion carried unanimously.

The Board agreed to hold a Public Rate Hearing, Public Budget Hearing and their regular monthly meeting on May 21, 2009.

14. **Discussion and possible action to approve payment to State of Nevada, O.S.H.A. in the amount of \$6,250.00 for penalties imposed:** General Manager Taylor stated that payment has been made already. Trustee Lau explained that there was an OSHA violation and the Board policy is that expenditures over \$5,000.00 must come to the Board for approval. Vice Chairperson Pierini commented regarding the history of these OSHA violations and having a protocol for employees to come to the General Manager before going to the authorities. General Manager Taylor stated he has asked employees to tell him first of any safety violations before going to OSHA, although these violations happened before he was General Manager.

Public Comment: Ron Lynch questioned why the original penalty amount was \$3,000.00 or less and why \$6,250.00 was paid. Attorney Scott Brooke replied that the penalty amounts were negotiated.

Chairperson Humble motioned to ratify the action taken by General Manager Taylor for payment to State of Nevada, O.S.H.A. in the amount of \$6,250.00 for penalties imposed. Trustee Patrick seconded. Motion carried unanimously.

- 15. Discussion and possible action to review current Park Use Fee Schedule, Meeting Room Rental Fees and to approve new rates:** Sandi Eisele reviewed a proposed new meeting room rental rate and Park Use Fee Schedule. Sandi commented that there is no history of use by site. North and South Sunridge Parks are very rarely rented. James Lee Park is used the most. Sandi stated that food and alcohol are not allowed in the meeting room and that there are no kitchen facilities.

Public Comment: (none)

Chairperson Humble motioned to approve changes and new rates to the Park Use Fee Schedule and Meeting Room Rental Fees. Vice Chairperson Pierini seconded. Motion carried 3-1. 3 ayes by Chairperson Humble, Vice Chairperson Pierini, Trustee Lau; 1 nay by Trustee Patrick.

- 16. Discussion and possible action to approve the Tentative Budget for Fiscal Year 2009-2010:** General Manager Jim Taylor explained the Budget flow for 2009-2010. Jim stated that as of July 1, 2009 all amounts will be coded and reported to the Board quarterly to show a detailed use of fund percentage. Jim added 1 line item to the Budget for building maintenance. Jim reported that the Final Budget needs to be approved on May 21, 2009 to be submitted to the State and Douglas County.

Trustee Patrick motioned to approve the Tentative Budget for Fiscal Year 2009-2010. Chairperson Humble seconded. Motion carried unanimously.

- 17. Discussion and possible action on approval of Draft Minutes for the March 18, 2009 Board Meeting:**

Chairperson Humble motioned to approve the minutes as they stand. Vice Chairperson Pierini seconded. Motion carried unanimously.

- 18. Discussion and possible action to change the May 20, 2009 Board of Trustees' Meeting to Thursday, May 21, 2009 due to the Department of Taxation date requirement for the 2009-2010 Tentative Budget Public Hearing:**

The Board agreed to change the meeting date to Thursday, May 21, 2009 in Item #13.

- 19. Chairman and Trustees Reports, correspondence:** Vice Chairperson Pierini commented that a resident who is a retired Deputy from Douglas County suggested to her that the District work with the Douglas County Sheriffs office to clean up graffiti. General Manager Jim Taylor agreed to look into it. Vice Chairperson Pierini asked Jim to also talk to the Sheriff's Department about cleanup of old vehicles on streets in the District. Trustee Lau stated that if it is on private property the planning department would need to be contacted; if on the street the Sheriff's office would need to be contacted. Chairperson Humble commented that in the past

the Parks staff cleaned up graffiti. Trustee Lau asked General Manager Taylor to put a current organizational chart in her mailbox. Trustee Lau asked Attorney Scott Brooke what the next part of the process is for Douglas County Commissioners to appoint a trustee at their meeting and who would handle that. Scott Brooke suggested that General Manager Taylor could advise the Douglas County Manager that IHGID Board of Trustees failed to take action to seat someone and by default the Douglas County Commissioners would need to appoint a trustee. General Manager Taylor agreed to contact Douglas County and will advise all IHGID Board members when a Douglas County Agenda Item will be heard regarding appointment of an IHGID Trustee.

20. Adjournment:

Secretary/Treasurer Patrick motioned to adjourn the meeting. Chairperson Humble seconded. Motion carried 4-0. Meeting adjourned at 9:35 P.M.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Brian Patrick**