

**Round Hill General Improvement District
Board of Trustees Meeting
January 21, 2014**

Tuesday

6:00pm

1. Meeting Called to Order. (Side A/c#1)

Meeting was called to order by Chairman Glen Smith.

2. Pledge of Allegiance. (Side A/c#2)

Pledge of Allegiance was led by Chairman Glen Smith.

3. Roll Call. (Side A/c#6)

Chairman Glen Smith, Vice Chairman Steve Teshara, Trustees Wes Rice, Chuck Fagen and Steve Seibel were present. The District Manager, District Counsel and Administrative Assistant were present. Matt Van Dyne of Farr West Engineering and Dan Dykes of Nevada State Bank were present.

4. Public Comment. (Side A/c#9)

None

5. Approval of Agenda. (Side A/c#14)

Motion to approve the agenda. Teshara/Rice 5-0 approved.

6. Discussion and possible action to award a contract to Resource Development Company for the construction of the new 500,000 gallon upper water storage tank at a cost not to exceed \$700,000. (Side A/c#16)

Manager Reed stated that RDC was the low bidder at an amount of \$649,100. Although he does not see a need for any change orders he requested the not to exceed \$700,000 to allow for possible unforeseen changes. Manager Reed stated that the District has a history with RDC as they were the contractors that built the existing upper steel tank 10 years ago.

Chairman Smith and Trustee Fagen had some concerns regarding the paved access road and residents that lead up to the tanks. Manager Reed assured them that he had sent letters to the residents to make sure they had no concerns with the construction. Manager Reed stated that any damage to the access road would be repaired after construction is completed as part of RDC's contract.

Motion to award a contract to Resource Development Company for the construction of the new 500,000 gallon upper water storage tank at a cost not to exceed \$700,000. Rice/Fagen 5-0 approved.

7. Discussion and possible action to award a construction engineering oversight and testing contract to Farr West Engineering at a cost not to exceed \$55,400. (Side A/c#105)

Manager Reed reported that the contract with Farr West Engineering was far less than the previous project with a different engineering firm. The contract is classified as a professional services agreement therefore; the District does not have to go out to bid for this project. His recommendation was to award the contract to Farr West Engineering. Tank coating will be inspected by a third party inspector as a sub-contractor to Farr West Engineering.

District Counsel Pat Fagan requested that item 9.01 of the contract be modified to include language to include a sub-section C denoting a "description of services". Manager Reed and Matt Van Dyne agreed to make the modification.

Motion to award a construction engineering oversight and testing contract to Farr West Engineering at a cost not to exceed \$55,400 as amended. Teshara/Fagen 5-0 approved.

8. Discussion and possible action to send a 30 day dismissal letter to Nevada State Bank.

(Side A/c#175)

Patti stated that the District began working with Nevada State Bank (NSB) in March of 2012 and after many frustrating months; staff has continued working with NSB representatives on issues relating to the on-line banking system. On October 15, 2013 one of the banks product managers visited the office and was shown all the issues staff has been dealing with. The District was promised reports that could be printed and read properly. On November 15th, Greg called to see if the issues had been resolved. He was informed that the product manager was no longer working for NSB and that none of the issues had been corrected.

As these same issues had not been resolved, on January 7, 2014 staff had another 2 ½ hour telephone conference and WebEx computer session with NSB representatives and their computer techs. The conference did not correct any of the outstanding issues. During the conference, the CD's provided couldn't be opened and we realized that someone had changed our passwords without notifying us.

The reports that are received from the banks system are manipulable. Patti was concerned that she and Manager Reed had no fraud protection, because the reports are manipulable. The CD for the lockbox account provided by the bank and the District pays for, to date does not work properly. The PureView CD reader program continues to be in-operable on Greg's computer.

Patti presented a formal written request to Manager Reed to dismiss Nevada State Bank for the District's banking services. The contract between RHGID and Nevada State Bank states that RHGID must give a written 30 day notice of dismissal.

It was Patti's opinion that the system simply does not work for the District as needed. Manager Reed's opinion was to continue working through the issues with Nevada State Bank for a reasonable period in the hopes the issues could be rectified.

Patti reported that she had been speaking with representatives of Wells Fargo Bank. They have already agreed to match Nevada State Banks Earned Credit Rate of .06% for lockbox services which offset the fees the District is charged for bank services. Wells Fargo Bank's Commercial Electronic Office (CEO) program performs simply, efficiently and perfectly for the District's needs and was used in the past.

After discussions and explanations from Dan Dykes a motion was made approving District staff to send Nevada State Bank a 30 day dismissal letter. Seibel/Fagen 5-0 approved.

9. Discussion and possible action to create a subcommittee to enter into discussions on the employment agreement between RHGID and Local 39 of the Stationary Engineers. (Side A/c#437)

Motion to authorize the creation of a subcommittee consisting of Trustee Steve Seibel and District Manager Greg Reed to enter into discussions on the employment agreement between RHGID and Local 39 of the Stationary Engineers. Teshara/Rice 5-0 approved.

10. Discussion and possible action to authorize staff to file a Claim of Lien against the property located at 251 McFaul Court. (Side A/c#475)

Motion to authorize staff to file a Claim of Lien against the property located at 251 McFaul Court supported by the checklist prepared consistent with RHGID provisions for filing liens. Teshara/Fagen 5-0 approved.

11. Discussion and possible action to authorize the District Manager to enter into a contract with NV Energy to install dark sky compliant lighting on Cheyenne Way at a cost not to exceed \$3,069. (Side A/c#525)

Manager Reed reported that he was contacted by a resident on Cheyenne Way to consider changing the light bulbs on Cheyenne Way to a lower wattage bulb. In considering the request, District staff contacted NV Energy requesting a change of the bulbs to a lower wattage bulb, and at the same time to change the lamps to dark sky compliant lamps.

In the past, NV Energy had done this for the District on Ute Ct. and McFaul Ct. However, NV Energy proceeded to develop a set of plans and a project number for the bulbs on Cheyenne Way. Therefore, they are now requesting \$3,069.00 to complete this work. He was informed that they no longer use 70 watt bulbs and only 100 watt bulbs are available.

Vice Chairman Teshara felt that District staff may want to implement a policy with regards to District street lights for future requests.

After discussions, the District Manager was directed to bring further information to a future meeting. No action was taken on this item at this meeting.

12. Discussion and possible action on the District's financial reserves as presented by the District Manager. (Side B/c#90)

Manager Reed presented detailed information on the Districts revenues, expenses and reserves over the past 5 years in preparation for the upcoming draft budget presentation. Manager Reed's presentation was very informative and appreciated. No action was taken on this item.

13. Consent Calendar. (Side B/c#314)

Motion to approve the consent calendar as presented. Rice/Fagen 5-0 approved.

14. Staff Reports. (Side B/c#350)

Manager Reed reported that the District's Worker's Compensation (W.C.) insurance rates were identified as increasing from \$704.70 per month to \$856.10 per month beginning with our December 20, 2013 renewal. Based on this information, A to Z Insurance solicited W.C. insurance quotes from other vendors. There were no other providers that were willing or able to match or beat the quotes from our current provider and therefore, our rates increased 21.48% on December 20, 2013 to \$856.10 per month. This increase was an increase for all water operators and was not due to an increase in W.C. claims by RHGID. Our W.C. experience modification fell from 0.93 in 2012 to 0.89 for 2013.

The health insurance rates from Local 39 increased 12.7% in January 1, 2014 from \$1,642.00 to \$1,850.00 per month. The health insurance rates from the Nevada League of Cities increased \$5.00 in January of 2014 to \$1,485.38. New Affordable Healthcare Act rules will not allow the Nevada League of Cities to offer insurance to its members after November 1, 2014 as it is currently offered. Therefore, the League will have to develop a new method of delivering health insurance or they will no longer be able to provide insurance to their members. The League's members are continuing to meet to discuss this issue.

Manager Reed attended the latest NDEP TMDL meeting in Carson City. The baseline load for Nevada has been established and the current load has been established. It appears that Nevada is already meeting the 10% load reduction milestone at this time. We will continue to monitor TMDL requirements to determine RHGID's eventual impacts.

Manager Reed attended the bi-monthly area Managers' meeting. Discussions centered on health insurance, road paving and maintenance and the cooperation of the County and GID's on public works projects.

Other discussions included creating a response to Douglas County's proposed Division 11 of their Design Criteria and Improvement Standards. The requested changes may disregard the GID's abilities to canvass their own projects and may not incorporate the work that has been completed to cooperate between the entities.

The new sewer meter has been installed at DCSID's main pump station. R.O. Anderson is scheduled to download meter readings during the week of January 13 – 17 and complete any adjustments to the meter recommended by the manufacturer as a result of the downloaded meter readings. RHGID will not be billed based on the sewer meter readings until the meters at Tahoe Douglas District and Trend West are also calibrated.

District staff has begun the process of developing the 2014 / 2015 budget. The first draft will be presented to the Board at their February meeting.

Arctic Electric began the installation of the auxiliary generator transfer switch for the backup portable generator at Pinewild on January 10th.

The special use permit between the District and the USFS for the property at the Water Treatment Plant expires on December 31, 2014. District staff has contacted the USFS to begin discussions for the renewal of that permit. The new operators of the Round Hill Pines Resort and the USFS have indicated that there may be significant changes to the operations of the Resort. Changes being considered may significantly increase the amount of traffic and the hours of operation of the resort. Therefore, RHGID may have to increase security at the site. District staff and the USFS are scheduled to meet on January 22nd to discuss the permit renewal.

Reminder to the Board:

Steve Teshara's term expires in 2014. Steve is not eligible to run for re-election. The Board may want to consider possible replacement candidates that may wish to file election paperwork which is due between March 3rd and March 14th.


Chuck Fagen's term expires in 2014. Chuck is eligible for re-election. The paperwork indicating he is interested in running for re-election is due to Douglas County between March 3rd and March 14th.

Steve Seibel's term expires in 2014. Steve is eligible for re-election. The paperwork indicating he is interested in running for re-election is due to Douglas County between March 3rd and March 14th.


15. Adjournment. (Side C/c#317)

Move to adjourn. Seibel/Fagen 5-0 approved.

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary