

**Round Hill General Improvement District
Board of Trustees Meeting
June 16, 2015**

Tuesday

6:00 pm

1. Meeting Called to Order (T-Mark 1)

Meeting was called to order by Chairman Glen Smith.

2. Pledge of Allegiance (T-Mark 2)

Pledge of Allegiance was led by Chairman Glen Smith.

3. Roll Call (T-Mark 3)

Chairman Glen Smith, Vice Chairman Steve Seibel, Trustees Wes Rice and Keith Fertala were present. Trustee Chuck Fagen was absent. The District Manager, Administrative Assistant and District Counselor Pat Fagan were present. Residents Darin Smith and Dick Hoadley were present.

4. Public Comment (T-Mark 4)

None

5. Approval of Agenda (T-Mark 5)

Motion to approve the agenda as presented. Rice/Seibel 4-0 approved.

6. Discussion and possible action to extend the audit contract for Kohn and Company, Certified public accountants. (T-Mark 6)

Manager Reed reported that Kohn & Company Certified Public Accountants has conducted the audit for the District since 2008. Their staff has worked well with District staff and they have completed their work in an efficient, expeditious manner.

The current contract expires in June 2016. They will continue to charge the District \$16,000 to conduct our audit for 2017, 2018 and 2019 fiscal years. Kohn & Company has not increased their fees in seven years. If we extend their contract, they will complete their 12th year.

Since the services of an auditor are professional services, the District is not obligated to go out to bid for a CPA to conduct our audits. Given the economics, and the efficiencies realized in working with the same auditor over time, it is prudent to maintain our relationship with Kohn & Company, and lock in our auditing costs for the next 5 years.

Motion to extend the audit contract for Kohn and Company, Certified public accountants through the 2019 audit. Chairman Glen Smith stated that staff should consider competitive quotes going forward. Seibel/Rice 4-0 approved.

7. Discussion and possible action to authorize the District Manager to enter into a contract to repair the swale in front of 270 Cheyenne Way. (T-Mark 7)

RHGD Trustee Keith Fertala received several complaints concerning the swale in front of 270 Cheyenne Way from neighboring residents. Prior to the paving job on Elks Point Rd. in 2013, this swale was old, broken alligator pavement that was being torn up by District plows. During the 2013 paving project, this broken asphalt swale was removed and the area was replaced with a gravel swale. The gravel swale is eroding as the slope through the area is too steep to be stable with a gravel swale. Therefore, Trustee Fertala asked if it would be possible to pave the area.

Manager Reed received the following quotes to pave the area:

Cruz Construction	\$ 4,900
D & L Paving	\$ 2,880

Chairman Glen Smith requested that Manager Reed be consistent in repairing swales throughout the District. Motion authorizing the District Manager to enter into a contract to repair the swale in front of 270 Cheyenne Way using D & L Paving Co at an amount not to exceed \$2,880. Fertala/Seibel 4-0 approved.

8. Discussion and possible action to authorize the District Manager to speak at future Douglas County Commissioners' meetings on behalf of DCSID's proposed gravel pit / storage basin project. (T-Mark 8)

DCSID made a presentation at our April RHGID Board meeting detailing their plans to attempt to get a mining permit for a gravel pit to support their needs to have storage basins for their effluent. DCSID has asked RHGID for its support for their project. One such request is that RHGID speak in support of the project at future Douglas County Commissioners' meetings. Manager Reed published a letter in support of the project in our 2015 Spring Newsletter. He requested that the Board determine the district's level of commitment / support for this project.

The entire board felt that our support was necessary as the project is a win, win for both the Tahoe basin and the Carson valley. Motion authorizing the District Manager to speak at future Douglas County Commissioners' meetings on behalf of DCSID's proposed gravel pit / storage basin project. Seibel/Rice 4-0 approved.

9. Discussion and possible action on vacation rental status considerations. (T-Mark 9)

Manager Reed reported that RHGID currently has five Douglas County permitted vacation rentals in the District. In accordance with RHGID tariffs, vacation rentals are charged as commercial properties. Douglas County is the vacation rental permitting agency. D.C. informs the District when a new account is added or cancelled and the District adjusts its rates accordingly. Douglas County Code Enforcement and Douglas County District Attorney both ensure that homeowners within the County are complying with the vacation rental county code, Title 5.40.

A homeowner advertising their property without a permit is considered a violation of Douglas County Vacation Rental Codes, even if the home is not being rented.

Manager Reed requested direction on how the District should deal with a home that appears to be a vacation rental but is not permitted as such by the County?

District Counsel Pat Fagan stated that any person operating at their property for other than residential is bound by the District's tariffs to come in and submit an application changing their status. The property in question is in violation of RHGID tariff's as that has not been done. It would be perfectly legal to adjust the invoices to reflect the property is a vacation rental property.

Trustee Wes Rice stated that since the resident was found guilty of violating the Douglas County Vacation Rental Ordinance, we should from that day forward consider the property a vacation rental.

The board also suggested that Manager Reed send a letter to the resident stating that he was found guilty of a violation by Douglas County Code Enforcement; the District will consider the property a vacation rental as of the date of Douglas County's findings. RHGID will charge the account as a commercial property or the water will be shut off to the property.

After much discussion and consideration a motion stating that since they have been found by the County of Douglas of being in violation of the vacation rental ordinance, the District should from that date forward consider them a vacation rental and charge them the appropriate fees. Rice/Seibel 4-0 approved

10. Discussion and possible action to move forward with the 2015 Intergovernmental Grant Agreement offered by the US Department of Agriculture through the South Tahoe Public Utility District. (T-Mark 10)

STPUD, through the US Department of Agriculture is issuing the 2015 version of the Lake Tahoe Fire Partnership 50/50 matching grant. To date, RHGID has received \$175,187.53.

This 2015 grant is in the amount of \$13,612.00 to be matched by \$13,612.00 by RHGID. Currently, the District is planning on using this money to offset the costs of the soft starts at the Ute Way office booster pumps.

In order for the District to take advantage of these funds, the district needs to execute the agreement with STPUD for administration of the funds. Motion to move forward with the 2015 Intergovernmental Grant Agreement offered by the US Department of Agriculture through the South Tahoe Public Utility District. Rice/Fertala 4-0 approved.

11. Consent Calendar (T-Mark 11)

Motion to approve the consent calendar as presented. Seibel/Rice 4-0 approved.

12. Staff Reports (T-Mark 12)

Manager Reed met with area GID managers. Discussions included road tax revenues, DCSID's gravel pit request and contract negotiations.

Manager Reed has continued to monitor the activities of the Nevada legislature. Most of the bills that passed had no negative effect on the District. SB 185 requires that any labor contract voted on by the Board after July 1, 2015 shall be posted on our website three days before the Board meeting at which the vote will be taken.

District staff continues to work with the U.S. Forest Service on the renewal of our special use permit for the water treatment plant site. RHGID and the USFS will work with the new owners of Round Hill Pines Resort to create a special use permit that will accommodate everyone's needs. RHGID is requesting additional land for the installation of fencing, a second chlorine contact tank and a restroom facility.

District staff is pursuing options for a trailer mounted auxiliary generator to bring to the Board for discussion and possible decision in July.

The District's Open House is schedule for August 14th. The Board should discuss options they would like to see at this June Board meeting. District staff would like to purchase a grill for the event and would like to create a few posters to display at the event.

RHGID and TWSA continue to voice their opposition to the use of herbicides in Lake Tahoe. Through limited research, alternatives to herbicides have been identified by TWSA that must be considered prior to any application of herbicides in the Lake. Floating islands, weed rototillers are but two alternatives that need to be explored.

Manager Reed continues to be involved in drought management discussions. District staff attended Governor Sandoval's drought management taskforce to ensure that the District's concerns are voiced in any pending regulations.

District employee John Fassmann continues to recover from his surgically repaired left arm. He has been cleared to lift up to twenty pounds. Once he is given clearance to lift above 20 pounds, he will be available to return to work.

RHGID continues to assist Pinewild in procuring a building permit for the changes to the old sewer lift station. Pinewild is paying all costs associated with the process.

Manager Reed is in the process of developing a CIP reserve process in conjunction with the State Treasurer's office regarding the AB 198 grant money received by the District for three projects; the construction of the filter plant, the meter installation project, and the 2002 upper water storage tank project.

Manager Reed attended a discussion on cyber security. Although brief, the discussion is a reminder of all of the security issues we face on line every day.

Chief Operator Pat McKay attended the American Water Works Association's Annual Conference in Anaheim. This conference brings together 15,000 water works professionals from across the planet to discuss utility management, treatment and distribution issues. This conference allows operators to obtain needed training contact hours to maintain their water operator licenses.

There were no attorney or association reports presented.

13. Discussion and possible action on a motion to move to a closed meeting pursuant to NRS 288.220 (1) and NRS 241.020 (1) to discuss International Union of Operating Engineers (I.U.O.E.) Local 39 labor negotiations. (T-Mark 13)

Motion to move to a closed meeting pursuant to NRS 288.220 (1) and NRS 241.020 (1) to discuss International Union of Operating Engineers (I.U.O.E.) Local 39 labor negotiations.
Rice/Fagen 4-0 approved.

14. Discussion and possible action on the International Union of Operating Engineers (I.U.O.E.) Local 39 labor contract. (T-Mark 13)

Closed session minutes and taped recording is held at the Attorney's office of Allison & MacKenzie.


15. Adjournment (T-Mark 15)

Move to adjourn. Rice/Fertala 4-0 approved.

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary