

**Round Hill General Improvement District  
Board of Trustees Meeting  
October 20, 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, Chuck Fagen and Keith Fertala were present. The District Manager, Administrative Assistant and District Counselor Justin Townsend were present. Beth Farley of Kohn & Co. was present. Residents Darin Smith, Dick Hoadley, Michael Carney, Cindy Gulick and Pat Custodio were present.

**4. Public Comment (T-Mark 4)**

Trustee Rice asked if the Round Hill Sign was going to be repaired. Manager Reed reported that it was scheduled to be repaired on Wednesday, October 21, 2015.

**5. Approval of Agenda (T-Mark 5)**

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

**6. Presentation of the 2014 / 2015 Audit Report by Kohn & Company and acceptance and adoption of the current year recommendations. (T-Mark 6)**

Manager Reed reported that GASB 68 and amended by GASB 71 require that the District (and all governmental agencies) record our portion of the unfunded liability of PERS as a District liability. The audit reflects this liability. District staff disagrees with carrying this liability as our own. RHGID has no say in how PERS sets its collection rates; RHGID has no say in how PERS invests its funds to obtain earnings on those funds; the District has no responsibility to provide retirement benefits to current or future employees if PERS were to become insolvent. Therefore, RHGID should not have to carry this item as a liability for which we have no control nor obligation.

Beth stated that she agrees that GASB 68 is very confusing, however the percentage allocated to the District must be recorded on the audit. The District's financials are in good standing and without GASB 68, the financials are not much different from the previous year.

Beth recommended that District staff follow procedures for approving invoices as there were a few that either were not approved or coded properly.

Motion to approve as amended, the 2014 / 2015 Audit Report by Kohn & Company and acceptance and adoption of the current year recommendations. Seibel/Rice 5-0 approved.

**7. Discussion and possible action to authorize the District Manager to replace the 1989 Chevrolet plow truck. (T-Mark 7)**

Manager Reed reported that RHGID has two plow trucks, one dump truck, one snow blower and one front end loader with a gated plow. One of the plow trucks is in serious need of repairs. It is a 1989 Chevy and it has holes in the floor boards, burns about a quart of oil per storm and will soon need a new

clutch, and possibly a new motor. District staff would like to replace the plow truck with a used pickup that is perhaps ten years old. He felt this could be the best price point if he can get a truck with low mileage. He stated that he may need to bring the issue back if he can't find a used truck at a reasonable price.

Chairman Smith asked what Manager Reed felt comfortable with as far as pricing so he could move forward rather than bring the issue back to the board for approval. The board decided on a not to exceed \$20,000 for a used truck.

Motion to authorize the District Manager to replace the 1989 Chevrolet plow truck not to exceed the price of \$20,000. Fagen/Fertala 5-0 approved.

#### **8. Consent Calendar (T-Mark 8)**

Motion to approve the consent calendar as amended. Rice/Seibel 5-0 approved.

#### **9. Staff Reports (T-Mark 9)**

District staff met with Richard Hoadley of Pinewild to discuss the layout of Pinewild's water and Sewer infrastructure and to review maps of their system. Pinewild has undertaken the process of exercising the water valves within their property. District staff is providing information to Pinewild to assist in their efforts. Pinewild began construction on the new roof for the old sewer pump station. Work included tearing off the old roof and installing a new roof and bringing the floor of the facility up to ground level. They are working with District staff as the electricity for the two facilities is shared. The new building has been framed.

The eleven month inspection of the coating of the new upper tank was conducted by Bay Area Consulting. There were a few minor touch areas that need to be touched up, but overall, the coating is in excellent shape. Once the areas are re-coated, the tank will be disinfected and re-filled. The cathodic protection system will be energized in the spring of 2016. The report is available for review.

District staff attended the quarterly TWSA Board meeting. The focus of the meeting was the use of herbicides by Tahoe Keys. The Tahoe Keys Property Owners Association (TKPOA) made a presentation to the Board regarding their Integrated Weeds Management Plan (IWMP). As currently written, TWSA cannot support the IWMP. The TKPOA will make adjustments to their plan based on feedback from the TWSA and other stake holders. The TWSA will meet again in a few weeks to discuss an approach going forward. The TWSA may seek assistance in drafting a response to the Lahontan Regional Water Quality Board (LRWQB) in response to the submission of the IWMP to Lahontan.

RHGID filed a second small claims case against a District resident for non-payment of their water and sewer bills. The resident did not show up at court, and the District was awarded a judgment against the resident. The first time the District received a judgment against this resident, the resident took six months to honor the judgment. Therefore, RHGID is pursuing other alternatives to secure payment in a more timely manner. We could return to court and seek a writ of execution against the property, and sell the property to receive our payments due. We are owed approximately \$2,500. We could attempt to sweep the resident's bank account, but we are unsure how much money might be in that account and we may not receive all that we are due. The reason that this particular individual is problematic is due to the configuration of their service line. RHGID does not have a meter or a shut off in the right of way for this property. Therefore, the District cannot shut off this property for non-payment. To solve this problem, RHGID has researched its tariffs and consulted with legal counsel to ensure that we can install a meter at the property and charge the costs of the meter installation to the customer. District staff will send a letter to the homeowner informing them of the District's intent to install a meter, then require full payment or the water to the premises will be shut off. Follow up with legal counsel determined that the

District can install a meter in the District's easement and charge the costs of installation back to the homeowner.

District staff met with A to Z Insurance to receive this year's insurance binder and to discuss the renewal of our Workers' Compensation Insurance. RHGID has been with Liberty Mutual Insurance for Workers' Comp. for one year. Liberty Mutual is no longer writing W.C. insurance for Nevada for 2016. RHGID is in the process of requesting W.C. insurance from another carrier. Additionally, RHGID will be seeking quotes from an additional agent other than A to Z.

District staff noted during a search for RHGID.org that a note at the top of the search page stated that this site may have been hacked. Follow up discussions with our website programmer verified that our site had indeed been hacked in April. Our website developer is now in the process of clearing up our site verifying that it is clean to GoDaddy, our website host.

RHGID received two proposals for engineering services for renewing our USFS special use permit at the water treatment facility. One proposal was \$118,558 and the other one was \$42,380 to create a preliminary engineering report for the need for the new contact tank, design drawings for the new tank, design drawings for a bathroom facility and design drawings to enclose the standby generator. Given these costs, District staff has discussed the possibility of removing some of the scope of work from the proposal to lessen the cost impact, providing we can still meet the forest service requirements. We are awaiting a response from the forest service.

Manager Reed met with Darin Smith of Alpine Smith to discuss the possibility of outsourcing snow plowing activities. Contract specifications, costs, pros and cons were discussed. Additional discussions are being considered for the spring of 2016. Any such decision would come before the Board for consideration.

RHGID has typically employed three water treatment plant operators. In addition to their duties of operating and maintaining the water and sewer systems, they have also had the added responsibility of maintaining the District's roads and storm drain systems. Care of the roads includes plowing and sanding activities. Recently, we have been utilizing the services of only two operators; as we had one operator on Workers' Compensation leave for six months earlier this year, and we had one operator leave the District in August. Rather than trying to find a third operator with a diverse skill set that includes snow plowing, it might be advantageous to the District to hire one individual that is dedicated to the roads and maintain two water operators. Therefore, RHGID would like to try this as a "test run" or "pilot project" to see how it works.

Two individuals have picked up applications for the temporary Road Maintenance position.

The District's website was hacked. Our website programmer is in the process of fixing the breach.

The District Manager passed out information on DCSID's proposed gravel pit; requesting that the Board submit emails to the County Commissioners in support of the project.

Manager Reed reported that Summit Plumbing was currently in the District performing the following:

- A. Camera, cleaning sewers
- B. Cleaning storm drains

Lake Tahoe lake level graphs are available for review.

Manager Reed provided an overview of the cash available in each of the three funds; General, Water and Sewer. Copies are attached.

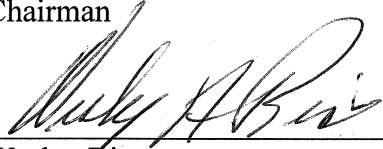
**10. Adjournment (T-Mark 10)**

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

Attest:

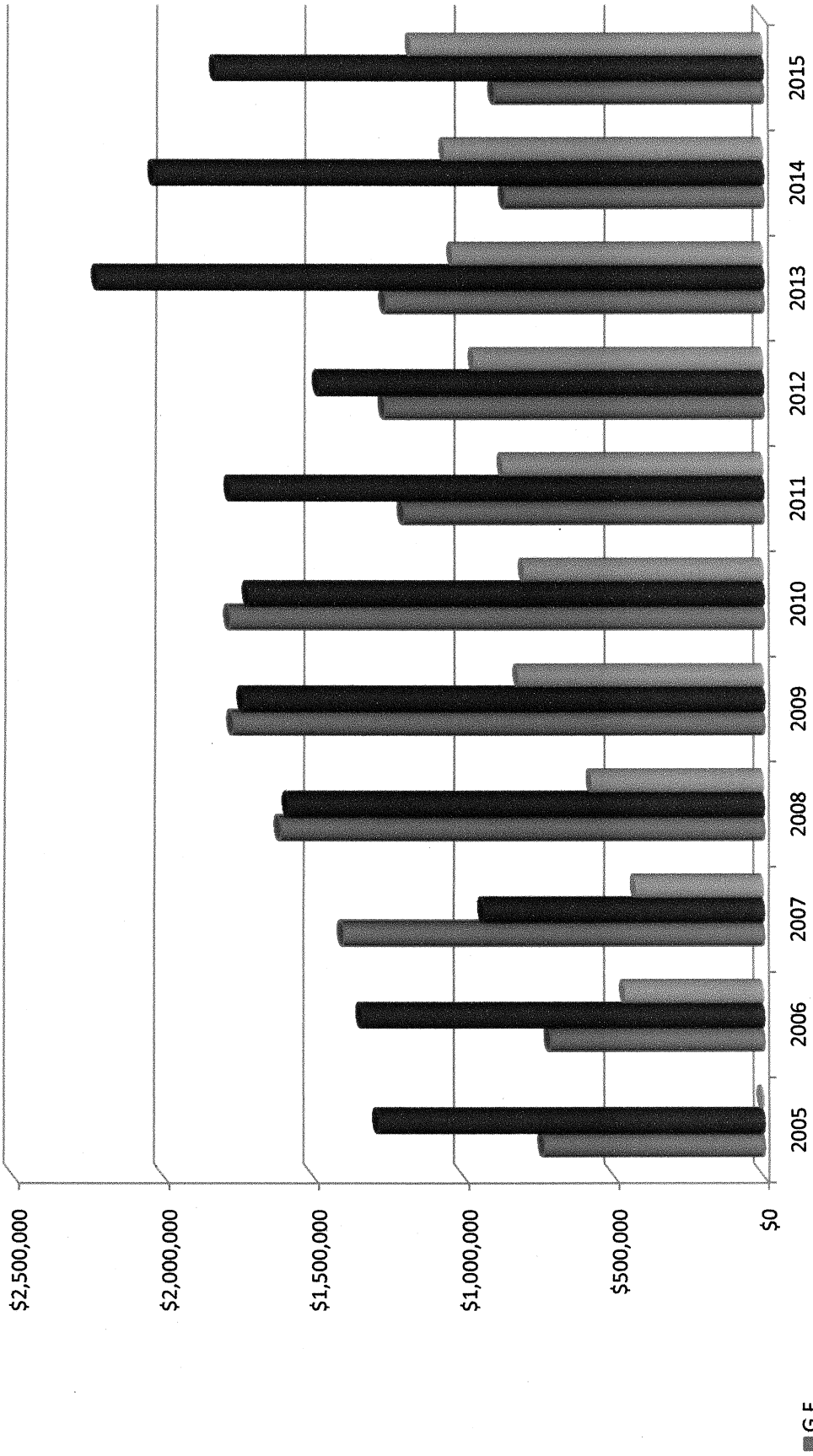


\_\_\_\_\_  
Glen Smith  
Chairman



\_\_\_\_\_  
Wesley Rice  
Secretary

# CASH and CASH EQUIVALENTS



G.F.  
 H2O  
 Sew.

Cash and Cash Equivalents\*

	GF	H2o	Sewer	Total
2005	\$733,810	\$1,283,354	\$6,773	\$2,023,937
2006	\$713,015	\$1,338,811	\$465,467	\$2,517,293
2007	\$1,400,062	\$933,567	\$429,620	\$2,763,249
2008	\$1,612,714	\$1,585,901	\$578,257	\$3,776,872
2009	\$1,773,912	\$1,739,774	\$822,408	\$4,336,094
2010	\$1,784,283	\$1,722,179	\$804,323	\$4,310,785
2011	\$1,202,485	\$1,783,677	\$875,071	\$3,861,233
2012	\$1,265,993	\$1,487,256	\$971,198	\$3,724,447
2013	\$1,265,176	\$2,231,583	\$1,043,584	\$4,540,343
2014	\$868,324	\$2,044,404	\$1,071,418	\$3,984,146
2015	\$902,855	\$1,838,072	\$1,183,592	\$3,924,519
Required reserves	\$817,000	\$1,067,000	\$897,000	

\*Audit Results

2013 / 2014 Budget

Revenues	\$459,500	\$752,362	\$573,750
----------	-----------	-----------	-----------

Required Reserves	G.F.	Water	Sewer
Operating (90 days)	\$100,000	\$150,000	\$145,000
Emergency (90 days)	\$100,000	\$150,000	\$145,000
C.I.P.	\$250,000	\$250,000	\$250,000
Bonds		\$202,500	
Burton - Santini	\$367,000	\$367,000	\$367,000
<b>TOTAL</b>	<b>\$817,000</b>	<b>\$1,119,500</b>	<b>\$907,000</b>

2015 Audit Cash	\$902,855	\$1,838,072	\$1,183,592
Available for 2016 / 2017	\$85,855	\$718,572	\$276,592