

**Round Hill General Improvement District
Board of Trustees Meeting Minutes
April 19, 2016**

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

Pledge of Allegiance was led by Chairman Glen Smith.

3. Roll Call

Chairman Glen Smith, Vice Chairman Steve Seibel and Trustees' Wes Rice & Keith Fertala were present. Trustee Chuck Fagen was absent. The District Manager, Administrative Assistant and District Counselor Justin Townsend were present. Resident Darin Smith was present.

4. Public Comment

None.

5. Approval of Agenda

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

6. Discussion and possible action to adopt Resolution No. 310, a Resolution concerning the levying of a special elective tax for road replacement; directing the District Manager of Round Hill General Improvement District to notify the Douglas County Debt Management Commission of the District's proposal to levy a special elective tax; determining that there is no affected governmental entity; providing certain details in connection therewith; and providing the effective date hereof.

Manager Reed stated that prior to implementing a voter approved Ad Valorem Tax, RHGID must seek permission from the Douglas County Debt Management Commission. The attached resolution is the first resolution that the Board members will have to approve in order to go forward with a voter approved ballot question. Manager Reed is scheduled to appear before the Debt Management Commission on April 27th. Attached is the material to be presented to the Debt Management Commission.

Manager Reed explained that getting approval from the Debt Management Commission was necessary to have in place whether the District implements the Ad Valorem Tax or not. This item is just part of the process going forward. Motion to approve the adoption of Resolution 310, a Resolution concerning the levying of a special elective tax for road replacement; directing the District Manager of Round Hill General Improvement District to notify the Douglas County Debt Management Commission of the District's proposal to levy a special elective tax; determining that there is no affected governmental entity; providing certain details in connection therewith; and providing the effective date hereof with discussions to continue prior to finalization. Rice/Seibel 4-0 approved.

7. Discussion and possible action to authorize the District Manager to pursue a voter approved Ad Valorem Tax for 2016.

Manager Reed stated that the creation of a \$0.05 AV Tax would raise approximately \$50,000 per year and would impact residents in accordance with the 0.05 Proposed Tax Rate spreadsheet; whereas a \$.10 AV Tax will raise approximately \$100,000 per year and impact residents in accordance with the 0.10

Proposed Tax Rate spreadsheet. The attached Proposed Tax Rate spreadsheets are a random selection of addresses and the impacts to those individual residents, and a total revenue projection for the entire District.

Prior to putting this item on the ballot, RHGID would need to create an informational packet to distribute to all residents. Public hearings will also need to be held prior to making a Board decision.

After discussions a motion was made to approve the District Manager to pursue a voter approved Ad Valorem Tax for 2016 based on the outcome of item #6 Resolution 310 and be brought back before the Board of Trustees before finalization. Seibel/Rice 4-0 approved

8. Discussion and possible action to update the 2016/2017 road paving project budget item for sealing Elks Point Rd. and McFaul Way.

Manager Reed reported that the tentative budget submitted by the District has a line item for sealing McFaul Way and Elks Point Rd. of \$60,000. Subsequent to preparing the first budget draft, the District obtained an estimate of sealing both roads at \$150,000. The tentative budget has already been submitted to the State. Prior to acceptance of the final budget, the line item for sealing Elks Point Rd. and McFaul Way would need to be modified or the scope of work for the sealing would need to be modified.

Discussions with the Washoe County Senior Engineer in charge of roads indicated that the District should install a rapid setting slurry seal in accordance with Washoe County's specifications every three to five years. The District has received those specifications and will use those specifications in developing a scope of work when we put this project out to bid.

RHGID paved McFaul Way in 2010 and Elks Point Rd. in 2013. McFaul Way was sealed with a rejuvenating seal in 2013 at a cost of approximately \$25,000 as part of the Elks Point Rd. paving project. McFaul Way is showing some normal signs of wear. Sealing McFaul Way this year to maintain the road is warranted. McFaul Way can be sealed within the \$60,000 budget line item already proposed. Elks Point has not been sealed since it was paved in 2013. Sealing Elks Point could be postponed another year or two, or it could be sealed at the same time as McFaul Way and put both roads on the same schedule for future sealing projects.

Changing the scope of work could allow the District to seal McFaul Way and Elks Point Rd. Adjusting the budget line item could be accomplished by utilizing some General Fund reserves.

Resident Darin Smith suggested that the District also request Bid Alternates. Manager Reed agreed to do so and a motion was made to authorize the District Manager to solicit bids for the 2016/2017 road paving project and to update the budget item for sealing both Elks Point Rd. and McFaul Way. Fertala/Rice 4-0 approved

9. Discussion and possible approval on dates to hold the 2nd annual B-B-Q Luncheon for Round Hill residents.

Motion to choose the date of July 8, 2016 from 11:00 a.m. to 2:00 p.m. Rice/Seibel 4-0 approved.

10. Discussion and possible action to authorize the District Manager to purchase a used 50KW auxiliary generator from the Gardnerville Water Company for \$2,250.00.

Manager Reed reported that previously, the District attempted to run one pump at the lift station using a 30 KW generator that we had in our inventory. The 30 KW generator would not run even one pump.

District staff removed the 30 KW generator from its trailer mounting and sold it at auction in Sparks for \$3,300. We have kept the trailer and will mount the 50KW generator on the trailer to accommodate transport, thus precluding the District from having to purchase a new trailer.

Manager Reed reported that the Gardnerville Water Company has a used 50 KW generator that they were willing to sell to the District for \$2,250. The District has tested the generator and it can run both pumps at the sewer lift station. The generator is enclosed and will provide a backup to the District's in-line generator at the lift station.

Motion authorizing the District Manager to purchase a used 50KW auxiliary generator from the Gardnerville Water Company for \$2,250.00. Fertala/Seibel 4-0 approved.

11. Discussion and possible action to accept the draft 2015 Water Quality Report and 2016 Newsletter.

Manager Reed stated that the District would have the report created as a Newsletter and have it printed as in past years and the total costs for the entire report are expected to be less than \$2,000.

He requested any thoughts from the Board on additional articles to include in the Report. Distribution of the Newsletter will occur prior to the District sponsored pine needle pick up so the dates can be included in the Newsletter. All water quality parameters were updated for 2015. Seibel/Rice 4-0 approved.

12. Consent Calendar

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

13. Staff Reports

Manager Reed met with the homeowner at 482 A, B, C McFaul Way to discuss the installation of the meter serving those three properties at Round Hill Manner. The owner is behind on their bills and the District installed a meter to the property, at the homeowner's expense. The homeowner paid \$2,000 of their outstanding \$8,000 in the past month. The homeowner requested that the meter be removed. She was informed that the District does not intend to remove the meter. She was given the opportunity to make her case to the Board and refused to do so.

District staff requested a legal opinion on transferring money from the District's Enterprise Funds to the District's General Fund. Legal counsel provided the attached response. Manager Reed met with a former District employee to discuss the transfer of funds out of the General Fund and into the Water and Sewer funds. Although the Board minutes mention that the transfers were made, they do not specify why the transfers were made, nor if there were any restrictions on those transfers.

Representatives of InterMountain Slurry Seal met with Manager Reed to discuss the options for sealing McFaul Way and Elks Point Rd. Follow up discussions with Washoe County provided the District with slurry specifications to use for future sealing projects.

Manager Reed received three quotes to install soft starters on the District's office booster pumps. Quotes ranged from \$10,000 to \$11,000 to \$16,000. All three electricians have worked for RHGID or other area GIDs and were highly recommended. We selected the \$10,000 contractor and he has installed the soft starters.

Manager Reed issued a letter to Leslie Shaw regarding the delinquency of his water and sewer bills. At the request of Mr. Shaw, RHGID placed a lien against the property in January 2014. He discussed the letter with Mr. Shaw and was informed that there is a court date set and we should be hearing something in approximately one month. If the District does not receive a satisfactory answer soon, we will proceed with additional collection measures.

District staff coordinated a visit by Hi and Dry roofing. They are the contractor that installed the roof on the District offices approximately ten years ago. Hi and Dry believes that the roof is not leaking. They believe that the water is coming in through the duct work of the roof mounted heating / air conditioning

unit's duct work. The duct work was taped 1 ½ years ago. However, the roof is leaking again. The contractor that taped the duct work will return and seal the duct work at no additional cost to the District.

Josh Bisset has been offered and accepted the position of permanent maintenance mechanic. Josh continues to do an excellent job for the District. Josh passed his Water Distribution Operator I license exam on his first attempt.

District staff coordinated to have the 30 KW generator, one old plow truck, a sander spreader, and the last pump and motor from the office booster replacement project auctioned off in Sparks by TNT auctions. We received \$3,300 for the generator and \$2,300 for the plow truck. With the income from the other assorted items and the expenses for transportation and commissions, the District will net over \$5,000 from the sale.

Manager Reed is following up with Q & D construction on receiving a cost estimate for the replacement of the water main within Castle Rock. Once he receives an estimate, he expects Castle Rock to make a presentation to the Board.

Manager Reed continues to work with T-Mobile about the possibility of adding new cellular tower equipment to the existing Verizon tower.

District staff has been approached about the possibility of selling our cell tower lease to a third party. This may be an option for generating cash for the general fund to use toward future paving projects. If the Board is interested in listening to a presentation, District staff can arrange for an invitation to a representative at a future meeting.

District staff met with the USFS concerning the special use permit at the Water treatment facility. Based on those discussions, RHGID has asked R.O. Anderson to submit a proposal on designing a fence for the property.

Steve Teshara of Sustainable Community Advocates met with Manager Reed to discuss the creation of a political action committee to advocate for supporting the creation of a voter approved Ad Valorem Tax. If needed, this is an option for the future.

District staff met with Nate Kerr to receive a presentation on the proposed insurance plans. The presentation was very well done and well received. All questions were answered by Nate.

There is inflow / infiltration entering the sewer line just before the manhole at the Pinewild sewer lift station. The District has requested assistance to create a video of the lien to determine where it is leaking so that the leak can be repaired.

District Counsel Justin Townsend reported that after reviewing the Board Meeting Minutes from May 1996, it was apparent that the transfer from the General Fund to the Water and Sewer Funds were made in anticipation of legislation being passed that would require the Water and Sewer Funds to be self-supporting. In order to meet that requirement, monies were moved from the General Fund to the Water and Sewer Funds.

It did not appear that those provisions were actually enacted and the transfers may have been unnecessary. He did not find anything in the statutes, regulations, or RHGID Board Minutes that suggested that these transfers would not be characterized as a loan from the General Fund. Therefore, it was his position that the Board could, if it so desired, characterize the funds as such and authorize a repayment to the General Fund from the Water and Sewer Funds pursuant to NRS 354-613(5)(a).

No Association Reports.

14. 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.

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.
Fertala/Rice 4-0 approved.

15. Discussion and possible action to approve the 2016 Collective Bargaining Agreement between RHGID and the International Union of Operating Engineers (I.U.O.E.) Local 39.

Minutes for this item are kept at the Attorney's office.

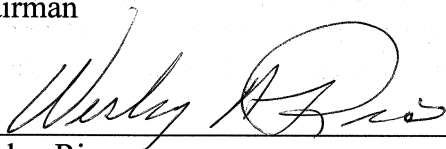
16. Adjournment

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

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary