

**Round Hill General Improvement District
Board of Trustees Meeting Minutes
March 15, 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. Residents' Dick Hoadley, Gary & Alice Jones and Darin Smith were present.

4. Public Comment

None.

5. Approval of Agenda

Motion to approve the agenda as presented. Rice/Seibel 3-0 approved.

6. Discussion and possible action to approve the 2016 / 2017 Tentative budget.

Manager Reed reported a couple of minor changes. After discussion, a motion was made to approve the 2016 / 2017 Tentative budget for submission to the Department of Taxation. Seibel/Rice 3-0 approved.

7. Discussion and possible action to select May 17, 2016 to schedule the Public Hearing for the 2016 / 2017 Tentative budget.

Manager Reed stated that a Notice of the Public Hearing must be published by May 6, 2016.

At the last legislative session, the law was changed to allow a public hearing on the budget to occur over a two week period; rather than on two specific days as was previously required. Therefore, we can approve the budget at our regularly scheduled meeting; and we do not need the special budget meeting on a non-standard meeting day. Motion to hold the public hearing at the regular board of Trustees' meeting on May 17, 2016. Seibel/Rice 3-0 approved.

8. Discussion and possible action to approve the 2016 – 2035 Capital Improvement Plan (CIP).

Manager Reed presented a draft CIP Plan soliciting input from the Board of Trustees. Resident Darin Smith asked about several line items to which Manager Reed stated that the plan was still being updated and will be brought back to the Board for approval. Once updated, the CIP Plan will be part of the District's Final Budget. No action was taken on this item.

9. Discussion and possible action to approve a water rate increase.

Manager Reed stated that RHGID last increased water rates in 2013. Sewer rates were last increased in 2007. Based on the reserves available for water and sewer and based on the potential upcoming projects for those two funds, it is prudent to look at a potential water rate increase at this time.

The following details the intended residential rate changes.

- 1) Leave the Base rate at its current level of \$57.00
- 2) Reduce the amount of water in the residential base rate by 2,000 gallons; from 12,000 gallons per month to 10,000 gallons per month. (15%)
- 3) Reduce the transition from Tier 1 to Tier 2 by 15%.
- 4) Reduce the transition above Tier 2 by 15%.
- 5) Apply the 15% change to all residential rate classes.
- 6) Increase the price for Tier 1 from \$2.00 per thousand gallons (T.G.) to \$2.50 Per T.G.
- 7) Increase the price for Tier 2 from \$2.50 per thousand gallons (T.G.) to \$3.00 Per T.G.

Resident Darin Smith asked if Manager Reed had an idea of the potential revenue the increase would generate.

He felt that justification of a water rate increase needed to be related to the CIP Plan and budget as there were ample funds above the required reserves needed in the water fund. Manager Reed stated that he did not have those figures at this time and would create an analysis to discuss at a future meeting.

No action was taken at this time.

10. Discussion and possible action to authorize a voter approved Ad Valorem Tax for 2016.

This item also ties to the budget and rate increase, if any. This item will be brought back to the Board for further discussion at a future meeting. No action was taken at this time.

11. Consent Calendar

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

12. Staff Reports

District staff coordinated the installation of a water meter at 482 McFaul Way. There is now a single meter serving 482 A, B, C McFaul. District staff sent an e-mail to the owner of the property informing her that we had installed the meter and could now shut the property off for non-payment.

District staff has solicited requests for insurance quotes to determine if there is a feasible alternative to health insurance for all District employees. The current premiums for union employees are \$1,956.00 per month per employee. District staff has had several conversations with insurance representatives, and received one formal response.

Manager Reed has been working with legal counsel to determine the legal requirements for the District with respect to health insurance for our future retirees. The question arose during discussions with one insurance representative on whether the District is required to offer health insurance to future retirees.

District staff does

not believe that we are required to offer health insurance to future retirees. However, that particular statute is cumbersome and legal counsel has been consulted. If the District is required to provide coverage to future retirees, only one insurance provider in Northern Nevada will be able to provide a quote to the District. This question needs to be definitively answered due to the District's responsibilities under G.A.S.B. 45 and the funding of the O.P.E.B. liability in our annual audit.

The District Manager has been approached to join the Nevada Water and Wastewater Forum as a representative of a small water system. This forum is responsible for overseeing the licensing and testing for Nevada water and wastewater operators.

District staff attended a kick off meeting with R.O. Anderson Engineering regarding the engineering design in support of the U.S.F.S. special use permit at the water treatment facility.

The area utility managers held their semi-monthly meeting. Items discussed included insurance for retirees, potential raises for 2016, the County Manager turnover rate and summer construction activities.

Manager Reed attended the quarterly meeting of the T.W.S.A. Agenda items included a discussion of what it would take for the Association to be "neutral" with regards to the Tahoe Keys herbicide request. Steve Teshara of Sustainable Community Advocates made a presentation requesting support from T.W.S.A. in his efforts at attempting to enact changes to the T.R.P.A. Code Chapter 15 to include municipal water supply projects for the purpose of improving firefighting capabilities to the list of projects adopted as part of the Lake Tahoe Environmental Improvement Plan (EIP). If successful, this designation could provide federal and state funds to assist water utilities and fire districts in protecting public lands from wildfires, particularly at the wildland urban interface. Without this Chapter 15 designation, there are funds for which water utilities are not eligible.

RHGID did not use its 2015 fire protection 50 / 50 grant funding. Therefore, 2015 (\$13,612) and 2016 (\$10,873) will be utilized in 2016 to do two fire hydrant replacement programs. Approximately ten problematic hydrants will be designated for replacement.

District staff continues to negotiate with T-Mobile regarding installation of a new ground enclosure and attachment to Verizon's cell tower at the office complex.

District staff has contacted two contractors to obtain budget costs for applying a pavement sealant to McFaul Way and Elks Point Rd. in 2016. There are multiple types of sealants and the budget cost will determine the extent to which the District must go in soliciting bids for the actual work.

District staff is pursuing the legal ability to transfer funds from our water and sewer funds to our general fund. District counsel has been consulted.

No Attorney's Report. No Association Reports.

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.

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.


11. Adjournment

Move to adjourn. Seibel/Fertala 3-0 approved.

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary