

**Round Hill General Improvement District
Board of Trustees Public Hearing Minutes
June 20, 2017**

Tuesday

4:30 pm

1. Meeting Called to Order

Meeting was called to order by Chairman Steve Seibel.

2. Pledge of Allegiance

Pledge of Allegiance was led by Chairman Steve Seibel.

3. Roll Call

Chairman Steve Seibel, Vice Chairman Wes Rice, Trustees Chuck Fagen Keith Fertala were present. Trustee Darin Smith was absent. District Manager Greg Reed and District Counselor Justin Townsend were present. Residents Cynthia Gulick, Eileen Rice Debbie Benson and Janet Murphy were present. Jim Cavilia of Allison, MacKenzie and Rob Hopkins of Douglas County Sewer Improvement District and Matt VanDyne of R.O. Anderson Engineering were present.

4. Public Comment

None.

5. Approval of Agenda

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

6. Discussion and possible action to appoint one Round Hill GID Board member to represent the District on the Douglas County Lake Tahoe Sewer Authority.

Manager Reed reported that SB 471 had recently been signed into law abolishing DCSID and creating the Douglas County Lake Tahoe Sewer Authority. The new law requires that one member of the Board of RHGID be appointed as a member of the Authority's Board. The initial appointment is for a term of 2 years. Each term after the initial term shall be for three years. Since RHGID Board members are subjected to term limits, the member appointed to the Authority's Board will also be subject to term limits. Once a Trustee is appointed, it is not necessary to reappoint the same Trustee when their first term expires.

Rob Hopkins, the Manager at DCSID and Jim Cavilia, their attorney, were present and thanked the RHGID Board and District Manager Greg Reed for their help in getting SB 471 passed. The new Authority will commence as of October 1, 2017.

A motion was made to appoint Vice Chairman Wes Rice to represent Round Hill on the Douglas County Lake Tahoe Sewer Authority. Fertala/Fagen 4-0 approved.

7. Discussion and possible action to authorize the District Manager to enter into a contract with Farr West Engineering for the design of the Castle Rock water main replacement project.

Manager Reed reported that upon completion of all of the contracts required from Castle Rock and the Bureau of Safe Drinking Water for the Castle Rock water main replacement project, he requested proposals from three engineering firms for the design of the project. Two companies presented proposals; Farr West and Lumos. After reviewing the proposals and interviewing each firm, it was determined to attempt to negotiate a fee arrangement with Farr West Engineering in accordance with NRS 625.530.3, which states,

“3. The selection of a professional engineer, professional land surveyor or registered architect to perform services pursuant to subsection 1 must be made on the basis of the competence and qualifications of the engineer, land surveyor or architect for the type of services to be performed and not on the basis of competitive fees. If, after selection of the engineer, land surveyor or architect, an agreement upon a fair and reasonable fee cannot be reached with him or her, the public agency may terminate negotiations and select another engineer, land surveyor or architect.”

Farr West prepared a scope of work for the project. Once an Engineer is selected, design of the project can begin. Upon design completion, construction bids can be requested in anticipation of work commencing in the spring of 2018. RHGID will be involved in bidding to reduce the overall engineering costs. The design will include an analysis of the optimal construction processes to employ during the replacement of the mains.

Much of the cost of the engineering is for items other than the actual design such as material testing, geotechnical review and construction management. The engineering costs were included in the original budget for the project and will be paid for by the SRF loan.

Motion to authorize the District Manager to enter into a contract with Farr West Engineering for the design of the Castle Rock water main replacement project not to exceed \$72,758.

Fagen/Fertala 4-0 approved.

8. Discussion and possible action to consider alternative health insurance plans for 2017 / 2018 fiscal year.

As noted in Article 18 – Health and Welfare of the Collective Bargaining Agreement between the District and the IUOES Local 39, the District is required to maintain health insurance for our employees. The plan currently provided by the District will not be available upon renewal in August. Therefore, we have been offered several other plans by our health insurance representative, L/P Insurance. Of the two plans, staff had agreed to approve the United Healthcare Silver plan.

Motion to approve the employee health care through either the Aetna Silver 3000 or the United Healthcare Silver Plan.

However, in following up with L/P Insurance, there were questions as to whether or not the District could contribute to the H.S.A. for the United Healthcare Plan. The District Manager and legal counsel and L/P Insurance will determine which plan is acceptable to all select the best plan that fits our needs and contractual obligations. Fertala/Fagen 4-0 approved.

9. Discussion and possible action to authorize the District Manager to enter into negotiations with American Tower to extend the lease for the Verizon cell tower at 343 Ute Way.

Manager Reed reported that American Tower (AT) is the management company that oversees the Verizon cell tower located on our property at 343 Ute Way. We currently receive \$1,140 per month (\$13,681 per year) for that lease. The lease includes a 3% increase in rental rates per year. The current lease expires in 2036.

AT has asked us to extend the current lease out to 2066. The District would receive a one-time \$10,000 signing bonus and AT would maintain the 3% annual increase in rental rates. The District is scheduled to earn \$367,619 during the course of the current lease. Extending the lease through 2066 will earn the District an additional \$1,175,577 over the term of the lease; from a low of \$24,709 to a high of \$58,230 per year and an average of \$39,185 per year.

The District is not in immediate need of this cash flow. Therefore, he suggested rejecting the proposal and continuing the lease as currently written.

Trustee Fertala suggested doing some research on whether or not cell towers would even still be around in the next ten years or not.

After discussion a motion was made to respectfully reject the AT proposal, continue the lease as currently written and bring back to the board with more information at a later date. Rice/Fertala 4-0 approved.

10. Consent Calendar

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

11. Staff Reports

District staff attended the monthly meeting with TKPOA to discuss their herbicide application and their non-chemical method processes. TKPOA's request to their homeowners to approve a one-time \$1,600 special assessment to fund future herbicide and non-chemical methods of addressing the invasive species within the Tahoe Keys, passed by a 2 to 1 margin. TKPOA will now have the funding available to continue their process of requesting permission to use herbicides in the Keys.

District staff attended the DCSID monthly Board meeting. Discussions included the legislative session and the failure at their newly constructed overflow chamber. The chamber is collapsing and ground water is entering the chamber. DCSID sent a letter to the contractor informing them that the system has failed and that they need to repair the basin. The contractor replied that the system was installed as designed and that they are not responsible for the failure. More to follow.

District staff attended a meeting with the Tahoe Citizens' Committee to discuss the impacts of the passage of SB 462 and SB 471. SB 471 dissolved DCSID and creates the Douglas County Lake Tahoe Sewer Authority. The meeting was held to inform the public that very little is likely to change as a result of SB 471 other than how the Board of the new Authority is selected. SB 462 allows the County to convene a Committee to review the GIDs within the County for possible dissolution, merger or consolidation. Senator Settlemeyer believes that the review of the GIDs is an opportunity for each GID to showcase its value.

District staff continues to wait for a response from the USFS on the renewal of the special use permit at the water treatment facility.

Manager Reed attended legislative meetings and rural caucuses in support of SB 462 and SB 471. Both bills passed the Legislature and have been signed by Governor Sandoval. SB 462 allows the County to convene a Committee to review the GIDs within the County for possible dissolution, merger or consolidation. SB 471 dissolved DCSID and creates the Douglas County Lake Tahoe Sewer Authority. One member of the Round Hill GID Board of Trustees will serve on the Board of the Authority. SB 471 also amends NRS 318 to include a provision that requires the Board of any GID with more than one million dollars in annual revenue (RHGID) to agree to any merger, dissolution or consolidation proposed by the County.

District staff solicited quotes and implemented rodent control processes for our facilities at Ute Way to attempt to get control of the mice, squirrel and chipmunk population at the office. Rodents have been getting into vehicles and equipment and creating damage.

District staff attended the 15th anniversary luncheon for the TWSA held at the pavilion at Sand Harbor. Approximately 75 people attended. It was fairly cool but the event was very well received.

No Attorney's or Association Reports.

12. Adjournment

Move to adjourn. Fagen/Smith 3-0 approved.

Attest:



Steve Seibel
Chairman



Keith Fertala
Secretary