

**Round Hill General Improvement District
Board of Trustees Meeting Minutes
September 20, 2016**

Tuesday

6:00 pm

1. Meeting Called to Order

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, Chuck Fagen & Keith Fertala were present. The District Manager and District Counselor Pat Fagan were present. Resident's Dick Hoadley and Janet Murphy were present.

4. Public Comment

None

5. Approval of Agenda

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

6. Discussion and possible action on a request by Round Hill resident Michael Murphy to review RHGID's policies on ownership of swales and driveway aprons within the District.

RHGID's Resolutions No. 161 governing excavations and 162 governing Driveways, Gutters and Encroachments were passed together on October 18, 1971. The intent of these two Resolutions is to define the ownership and responsibility for driveways, swales, retaining walls and other encroachments into the District's Rights of Way.

It is clear from these Resolutions that the intent of the District was to show that the driveway apron is owned by the District as it is in our Right of Way, but that it is the responsibility of the home owner to maintain the driveway apron, and to pay the costs of that maintenance.

After discussion, a motion was made to maintain Resolutions No. 161 and No. 162 as they are currently written, with the clear understanding that Round Hill residents are responsible for the maintenance of their driveway aprons. Seibel/Fagen 5-0 approved.

7. Discussion and possible action on RHGID's involvement with the Douglas County Sewer Improvement District with regard to their election practices.

Manager Reed continues to work with DCSID to determine if there is an alternative solution to operating DCSID. A meeting was held on September 7th for all of the Lake GIDs to meet to discuss any updates. The attached letter that was penned by Chairman Smith and has been used by the agencies to create a letter coming from DCSID, KGID, RHGID and TDD to Senator Settlemyer.

RHGID legal counsel has reviewed the proposed Inter-Local Agreement (ILA). As written, the ILA provides RHGID with the same level of input as is currently available. The ILA has been signed by RHGID and delivered to DCSID for their signature.

Manager Reed reported that on July 22nd, Glen Smith, on behalf of the District, submitted a letter to State Senator James Settlemyer. A copy of the letter was also supplied to Douglas County Commissioners Barry Penzel and Nancy McDermid. To date, the District has not received a response.

We have yet to receive a response from the Secretary of State's office regarding the letter that we sent to their office regarding the operation of DCSID.

Motion to approve the letter in concept only. Manager Reed was directed to bring the issue back at a future meeting for approval. Rice/Seibel 5-0 approved.

8. Discussion and possible action on the creation of a Storm Water Utility for Douglas County.

Manager Reed attended an informational meeting organized by Douglas County concerning the creation of a storm water utility for the County. RHGID could be in favor of, or opposed to such an organization depending on the structure of such an entity.

One mechanism being considered for funding such an entity is an additional property tax assessment. If such an assessment were created, and the entire assessment for Round Hill was given to RHGID, then we might be able to support such an entity. If however, the new storm water utility initiates an assessment, and a portion of the Round Hill assessments are then entered into a county wide fund, with Round Hill receiving only a portion of its assessments, then we are likely to oppose such an entity.

Motion to approve Manager Reed to be on the Advisory Board, and speak on behalf of the District. Fertala/Fagen 5-0 approved.

9. Consent Calendar

Motion to approve the consent calendar as presented. Rice/Fertala 5-0 approved.

10. Staff Reports

District staff reviewed draft drawings from R.O. Anderson concerning the modifications to the USFS permit at the treatment plant. The plans have been submitted to the USFS for approval and renewal of the permit.

Manager Reed met with representatives from the TRPA to discuss the clean – up of the road sealing staging area at the end of DeVaux Lane. The TRPA signed off on the clean – up and closed the file stating that there was no further work required. After that meeting, District staff returned to DeVaux and conducted additional clean – up.

District staff attended the quarterly meeting of the Tahoe Water Suppliers Association. Topics discussed at that meeting included the following:

Herbicide introduction into the Tahoe Keys:

The Tahoe Keys Property Owners' Association is conducting a mesocosm study (small pilot project) of the effects of various herbicides on aquatic invasive species within the Keys by growing weeds and applying herbicides to multiple small bucket containers.

Fire Protection Partnership:

The Lake Tahoe Fire Protection Partnership is the mechanism by which the District receives its 50 / 50 matching grants from the USFS. To date, the Fire Protection Partnership has been comprised of TWSA members and South Tahoe Public Utilities District. However, those funds should be available to all requesting utilities in the Basin. Therefore, TWSA and STPUD are developing a process to allow non – TWSA water utilities to have access to those funds.

STPUD

STPUD has expressed an interest in joining the TWSA. Currently, the TWSA membership is restricted to its current members. The Association believes that there are mutual benefits to having STPUD as a member. Therefore, TWSA is working to change its bylaws to allow other utilities to join the Association.

District staff located and purchased a 2001 Ford F-250 pick – up truck to be used as a plow truck to replace the yellow 1991 truck.

The fire hydrants to be replaced this year and next year as part of the District's 50 / 50 matching grant with STPUD have arrived and will begin to be installed.

District staff has cleaned up the two open area "triangles", one at the intersection of McFaul Way and DeVaux and the other at the intersection of Elks Point Rd. and McFaul Way.

RHGID's auditors requested that the District contact the State Department of Taxation prior to transferring funds from our water and sewer funds to our general fund. Upon contacting the Dept. of Taxation, RHGID was told that we could not transfer the money as there was nothing in the minutes regarding the original transfer that indicated that the transfer was a loan. I noted that there was nothing in the original minutes that indicated that the transfer was not a loan. After discussion, Manager Reed indicated that he was not satisfied with the response and that we wished to appeal the decision. The Dept. of Taxation suggested that we could appeal the decision to the Douglas County District Attorney's office.

One of the District's CD's matured on 9-15-2016. District staff has deposited that money into our Nevada State Bank Money Market Checking Account. We are exploring other investment opportunities for those funds. We will likely leave it in that account until we receive a final resolution from the District Attorney regarding the transfer of funds from the water and sewer funds to the general fund.

The TRPA issued the District a final permit for the old Pinewild sewer lift station project, which is now complete.

No attorneys Report.
No association Reports.

11. Adjournment

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

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary

Date: September 8, 2016

To: Honorable Members, Nevada Legislative Committee for the Review and Oversight of the
of the Tahoe Regional Planning Agency and the Marlette Lake Water System
(NRS 218E.555)
Senator Ben Kieckhefer, Chair
Assemblyman Jim Wheeler, Vice Chair
Senator James Settlemeyer
Assemblyman Michael Sprinkle
Senator David Parks
Assemblywoman Robin Titus

Fr: Douglas County Sewer Improvement District #1 (DCSID)
Kingsbury General Improvement District (KGID)
Round Hill General Improvement (RHGID)
Tahoe Douglas District (TDD)

Re: Request for Legislative Amendments to Improve Ratepayer Governance of the
Douglas County Sewer Improvement District #1 (DCSID)

The four special districts identified above are each involved in the collection and conveyance of wastewater within the Tahoe Township of Douglas County. DCSID operates the wastewater treatment plant that serves the entire Township.

The boards of directors of these districts have reached consensus on the purpose and guiding principles we offer for your consideration as you examine revisions to NRS 309, Local Improvement Districts, to expand and improve the ratepayer governance of DCSID. Our shared goal, with your support and guidance, is to accomplish the following:

- Revise the boundaries of DCSID to include the entire wastewater collection area within Tahoe Township.
- Revise the process for electing DCSID directors to specify two directors to represent property owners in the Stateline casino area and three directors from the balance of DCSID's service area.
- Casino directors to be representatives of the landowners of record in the casino district or designees of those landowners.
- The other three DCSID directors shall be elected from among registered voters in the newly expanded DCSID service territory (all of Tahoe Township).
- Establish these changes to take effect with the election of 2018.
- Remove those portions of NRS 309 determined to conflict with the Nevada Election Code.

We suggest one option for establishing the voting districts within the expanded DCSID service area would be as follows:

1. Maintain the existing boundaries (and board seats) of DCSID Divisions 1 and 2.

2. Merge existing DCSID Division 3 (residential areas) into the boundary of the Kingsbury General Improvement District.
3. Use the boundaries of KGID (as adjusted per 2, above), RHGID, and TDD as the boundaries for the election of DCSID directors from those districts.

These changes would bring the number of elected DCSID directors to five and provide for ratepayer governance from throughout DCSID's service area.

Background

Douglas County Sewer Improvement District #1 was established in 1953 pursuant to NRS 309, Local Improvement Districts, to have district directors who were landowners within the service territory. The district's service territory included the Stateline casino district. Casino owners paid for the development of DCSID and its facilities.

Subsequent to the original construction, DCSID was expanded to include several residential neighborhoods and the service area was expanded to include the entire Douglas County portion of the Lake Tahoe Basin (Tahoe Township).

Each neighborhood, GID or homeowners association (HOA) that has tied into DCSID for wastewater treatment has a customer relationship with their local wastewater collection utility and, ultimately, with DCSID.

Property owners in the DCSID service area have no choice for wastewater treatment services and should have a voice in the operation of DCSID. Over the years, property owners in the service area have contributed to the capitalization of DCSID through the rates they have paid. The casino district generates 38 percent of the wastewater flows treated by DCSID (2016 flow rates).

DCSID has done a competent job of managing, making capital improvements, keeping up with evolving federal and state regulations, and keeping rates at or below those charged by other wastewater treatment districts.

The boards of directors of DCSID, KGID, RHGID and TDD agree it is timely to make changes in the governance structure of DCSID to reflect ratepayer input from throughout the Tahoe Township.