

**Round Hill General Improvement District  
Board of Trustees Meeting Minutes  
February 21, 2017**

**Tuesday**

**6:00 pm**

**1. Meeting Called to Order**

Meeting was called to order by Vice Chairman Steve Seibel.

**2. Pledge of Allegiance**

Pledge of Allegiance was led by Vice Chairman Steve Seibel.

**3. Roll Call**

Vice Chairman Steve Seibel and Trustees Wes Rice, Keith Fertala and Darin Smith were present. Trustee Chuck Fagen was present via telephone conference. The District Manager and District Counselor Pat Fagan were present. Residents Cynthia Gulick, Pat and Dan Mohrman and Dick Hoadley were present.

**4. Public Comment**

None

**5. Approval of Agenda**

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

**6. Discussion and possible action to elect RHGID Board of Trustees' officer positions for 2017.**

Trustee Rice nominated Steve Seibel as Chairman. Motion to elect Steve Seibel as Chairman.

Rice/Fertala 5-0 approved.

Trustee Fertala nominated Wes Rice as Vice Chairman. Motion to elect Wes Rice as Vice Chairman.

Fertala/Fagen 5-0 approved.

Trustee Rice nominated Keith Fertala as Secretary/Treasurer. Motion to elect Keith Fertala as Secretary/Treasurer. Rice/Fagen 5-0 approved.

**7. Discussion and possible action to modify the meeting times for future Trustees' meetings.**

Manager Reed explained that currently, the Board meets at 6:00 p.m. The hours of operation of the District are 7:30 a.m. until 4:00 p.m. In order to make the meetings, District staff has to wait around for two hours. Meetings that last a couple of hours put the end of the meetings at 8:00 p.m.

To better accommodate District staff, he requested that the meeting times be changed from 6:00 p.m. to 4:00 p.m. on the third Tuesday of each month with the exception of the April meeting which will be held on the 4<sup>th</sup> Tuesday of the month. The meeting will be April 25, 2017 at 4:00 p.m.

A motion was made to explore the opportunity to modify the meeting times for future Trustees' meetings with the understanding that Manager Reed would obtain verification prior to the March 21, 2017 meeting. Manager Reed will send the information to each board member if the change is accepted.

Fertala/Fagen 5-0 approved.

**8. Discussion and possible action to authorize the District Manager to enter into an Agreement with Castle Rock Homeowners' Association to Install and Take Ownership of Improvements to their water distribution system.**

Manager Reed reported that the attached contract had been approved and signed by the Association. If it is approved by the Board, he could proceed with the project of replacing the water system within Castle Rock. The first step is to hire an Engineering firm to design the system, with anticipated construction during the 2018 construction season.

Motion to authorize the District Manager to enter into an Agreement with Castle Rock Homeowners' Association to Install and Take Ownership of Improvements to their water distribution system. Fertala/Rice 5-0 approved.

**9. Discussion and possible action to authorize the District Manager to enter into an Agreement with Castle Rock Homeowners' Association to Pay for Improvements to their water distribution system.**

The attached is the Agreement with Castle Rock Homeowners' Association to Pay for Improvements to their water distribution system. This contract has been approved and signed by the Association. If it is approved by the Board, he can proceed with the project of replacing the water system within Castle Rock. The first step is to hire an Engineering firm to design the system, with anticipated construction during the 2018 construction season.

Motion to authorize the District Manager to enter into an Agreement with Castle Rock Homeowners' Association to Pay for Improvements to their water distribution system. Rice/Smith 5-0 approved.

**10. Discussion and possible action to authorize the District Manager to enter into a Contract with the State of Nevada for a Revolving Fund loan in the amount of \$568,000 with \$500,000 of the principal being forgiven.**

The State Revolving Loan Fund (SRF) was approved for a \$568,000 loan to the District to reimburse the District for replacement of the Castle Rock water system. \$500,000 of the principal for that loan does not have to be repaid.

Because the Board approved the Castle Rock Agreement to Install and Take Ownership and the Agreement to Pay, the next step is to approve the attached Contract for the SRF loan.

Motion to authorize the District Manager to enter into a Contract with the State of Nevada for a Revolving Fund loan in the amount of \$568,000 with \$500,000 of the principal being forgiven. Fertala/Rice 5-0 approved.

**11. Discussion and possible action to authorize the District Manager to respond to a letter from Round Hill resident Leslie Shaw regarding payment of fees for his property at 251 McFaul Court.**

Manager Reed again reported that this account has been in arrears since October, 2013. RHGID filed a lien against the property on January 23, 2014.

In November, 2016, the Trustees voted to deny Mr. Shaw's request to waive late fees for this property and responded to Mr. Shaw in writing to that effect. Mr. Shaw responded to the District with the attached letter. RHGID staff requested that District Counsel draft a letter in response to Mr. Shaw. That draft is attached.

Motion to authorize the District Manager to respond to a letter from Round Hill resident Leslie Shaw regarding payment of fees for his property at 251 McFaul Court. Fertala/Rice 5-0 approved.

## **12. Discussion and possible action to approve the draft 2017 / 2018 budget.**

A couple of discrepancies were brought to attention by District Trustees. After discussions, a motion was made to approve the draft 2017 / 2018 budget as amended. Rice/Fertala 5-0 approved.

## **13. Consent Calendar**

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

## **14. Staff Reports**

District staff and Rob Anderson met with the State Water Engineer's office to discuss filing for beneficial use for two of our water rights permits. After the meeting, the State agreed to allow the District to use historical data to show beneficial use for the permits in question.

District staff met with a uniform rental company to discuss the possibility of renting uniforms for employees rather than purchasing uniforms. No decision to change to rentals has been made at this time.

District staff attended the February Indian Hills G.I.D. Board of Trustees' meeting. County Commissioner Barry Penzel was at the meeting, speaking about the County and about his white paper on the creation of a single utility for all of Douglas County. Mr. Penzel said that he was at the meeting speaking on his own, not as a Commissioner. Mr. Penzel noted that his white paper was a point for discussion, that it was not an "end all" answer, and that he would gladly discuss any alternatives that people were considering. He did say that the County needs to determine how it is going to survive in the future as the size of the County is diminishing, and therefore, as costs go up, there will be fewer people to pay for County services and infrastructure needs. Mr. Penzel said he did not have any specific agenda about dissolving any specific G.I.D.

District staff has done a fantastic job of keeping the District's roads clear and safe during a very wet and snowy January and February. While there have been a few complaints, most of the comments from Round Hill residents have been positive. The Operators have put in significant amounts of overtime to keep the roads opened and plowed, even as storm after storm buffeted the Lake over multiple periods of time.

The Tahoe Keys Homeowners' Association has submitted an application to the Lahontan Water Quality Board for an exemption to the herbicide prohibition. The Tahoe Water Suppliers Association and RHGID are preparing responses to the application submission and will provide both written and oral testimony when the process is open for public comment.

The U.S. Forest Service has a few more questions on the plans that the District submitted for renewal of our special use permit at the District's water treatment facility at Round Hill Pines. The questions are being answered by District staff. Once answered, the Forest Service has stated that they can issue the permit renewal before the summer of 2017.

District staff is working with our auditors, the State of Nevada Department of Taxation and legal counsel to determine if the District can transfer the Burton – Santini money in the amount of \$400,000 from the sewer fund and \$300,000 from the water fund into the General Fund. Verification that the funds that were deposited have been maintained in those funds is currently underway. If it can be shown that those funds are still there, they may be able to be moved back as we desire. See attached spreadsheet.

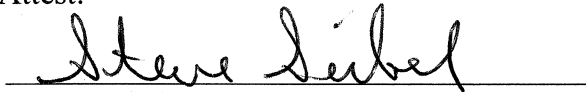
District staff has submitted a pre-application for a State Revolving Fund loan for \$400,000 to construct a redundant 150,000 gallon contact chamber at the water treatment facility. The existing contact chamber is a 20 year old bolted steel tank. It has leaked in the past and we have made repairs to it. The existing tank is a single point failure; without it, we cannot produce water. In order to take the existing tank off line for repairs, we need a second tank. We have included a request for a second tank with our U.S. Forest Service permit renewal application. The Forest Service is in the process of approving that request. In order to be eligible for an SRF loan, the District must have the project on the priority list. The pre-application gets us on the priority list. Whether we decide to apply for a loan in the future is yet to be determined. In order to be eligible, we must be on the list.

No Attorney's Reports.

**15. Adjournment**

Move to adjourn. Fertala/Rice 5-0 approved.

Attest:



Steve Seibel  
Chairman



Keith Fertala  
Secretary