

**Round Hill General Improvement District
Board of Trustees Meeting Minutes
March 20, 2018**

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 and Trustee's Chuck Fagen, Darin Smith and Keith Fertala were present. District Manager John Fassmann and District Counsel Pat Fagan were present. Resident's Chuck Schoendienst, Cindy Gulick, Hunter Harris, Bruce Steger and Eileen Rice were present. Matt Brecke of Farr West Engineering was also present.

4. Public Comment

Chairman Steve Seibel reported that he was retiring from the Board as of March 21, 2018. Therefore, RHGID would have three open seats as Trustees Chuck Fagen and Keith Fertala's 4 year terms are due to expire in December 2018.

5. Approval of Agenda

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

6. Presentation and update on the Castle Rock Water Line Project by Matt Brecke of Farr West Engineering.

Matt Brecke reported that sealed bids for the Castle Rock Water Main Project were received and opened on March 6th at the Districts office. Two Contractors submitted bids with Rapid Construction as the apparent low bid. Farr West evaluated the bids and performed a due-diligence check on Rapid Construction, concluding that Rapid Construction as being a responsible bidder and recommend awarding them the construction contract. This recommendation is in line with a confirmation from Cindy Gulick, a representative of the Castle Rock Association, stating that the Castle Rock Homeowners Association Board formally approved the water replacement project using Rapid Construction and approved bid alternate A for the road reconstruction.

During his evaluation, an error was noticed in the quantity listed for paving material. The quantity should have been 690 tons of paving rather than 620 tons. With the correction to the quantity, the price of the bid alternate A increased from \$103,950. This brings the project total amount to \$560,604. Castle Rock representative Cindy Gulick, approved the water replacement project using Rapid Construction and approved bid alternate A for the road reconstruction.

The tentative construction start date is set for May 7th.

7. Discussion and possible action to award a contract for the Castle Rock water main replacement project to the lowest responsible bidder as recommended by Farr West Engineering.

Staff in conjunction with Farr West Engineering submitted the NDEP approved plans along with Tahoe Douglas Fire approval letter to Douglas County in request for a SIP permit. Douglas County responded

with a 51 item list of plan adjustments, at which point Manager John Fassmann disagreed with any County adjustments to the project based upon the opinion that Douglas County has no oversight authority over this project, which is located on private property within District Boundaries. Douglas County responded that the project in their opinion is an expansion of an existing water system and not just a replacement of an existing water system giving them the authority to request the adjustments based upon their review of the project. John contacted District Counsel and made a request that the District Counsel support RHGID in taking the position that the Castle Rock Project is entirely within the District's right to enter into, construct, and maintain under the authority granted to the District under the NRS statute 318.

After discussion, District Counsel Pat Fagan stated that he would prepare a letter to the District Attorney's office and make a call to request a meeting in order to come to a conclusion and move forward with the project. This, of course may delay the start date of the project however, the project is estimated to take only 6 weeks leaving enough time to finish construction during the summer.

Motion to table the item directing District Counsel to write a response and direct staff to set up a special meeting with the District Attorney. Fertala/Fagen 5-0 approved.

8. Discussion and possible action to approve the Draft Tentative Budget.

Manager Fassmann reported that he met with Rob Anderson of R.O. Anderson Engineering to discuss sewer meter inflows throughout the District. DCLTSA has estimated a large increase in RHGID portion of sewer inflows, from 37.168 MG in 2016 to 79.598 MG in 2017. This represents a 114.16% or \$200,000 increase on a yearly basis.

John informed Rob that size of an increase needs to be validated by confirming that TDD and KGID have both calibrated their sewer meters. To initiate this kind of increase upon RHGID would create a sewer fund that would be underfunded to meet future obligations. John and Patti have gone to great lengths internally to show that Rob's findings are inaccurate.

In anticipation of this proposed increase this line item was increased by \$100,000.

Motion to approve the draft tentative budget. Fagen/Rice 4-0 approved. Trustee Fertala had a prior commitment so he left the meeting.

9. Discussion and possible action to move the May 15, 2018 Board meeting to May 22, 2018.

Patti explained that due to the Department of Taxations reporting requirements and to prevent having two separate meetings in May to obtain approval for the Public Hearing of the Tentative and Final Budget's, there was a need to move the May 15th board meeting to May 22, 2018 to meet those requirements.

Motion to move the May 15, 2018 Board meeting to May 22, 2018. Rice/Fagen 4-0 approved.

10. Consent Calendar

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

11. Staff Reports

Staff has been in contact with Brian Hansen of the USFS in regards to the permit renewal for the Districts Water Treatment Plant Facility. Due to the proposed CIP project for a second Contact Tank located within the permit area, the USFS has requested a more detailed description and total area encompassed for the security fencing proposed to be constructed. District has provided the necessary information requested by the USFS and will be attending a meeting with Brian Hansen on March 16th for the final review of Terms and Conditions for 30 year permit renewal.

Staff conducted a six month evaluation of Water Operator I Andrew Hickman in accordance with the hiring agreement between A. Hickman and RHGID. Successfully completing the probation period,

Andrew Hickman has been promoted to Operator II with his corresponding incentive increases in accordance with IOE Local 39 collective bargaining agreement with RHGID.

Staff met with Zach Darrah of Cashman Equipment Power Solutions to review recent generator service reports. Cashman Equipment and Power Solutions began their service agreement with RHGID. They performed a complete inspection and testing of District backup generators located at the District Office, Water Treatment Plant, and Pinewild Sewer Lift Station. Completed service report is on file at the office. All generators appear in good working order except for front and rear seals scheduled for replacement this Spring for the Water Treatment Plant generator.

Staff reviewed two of District's Wells Fargo Money Market Securities which will mature on April 4th in the amount of \$193,000, and a second that will mature on April 12th in the amount of \$100,000. Staff recommendation would be to re-invest these funds back into a Money Market Security at current market interest rate for terms of 3 years each.

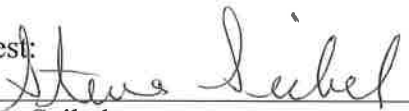
Acting District Manager along with Field Crew attended to recent items:

1. District Manager attended DCLTSA monthly Board Meeting.
2. Conducting monthly NDEP- LT/2, and coli-lert compliance monitoring,
3. Daily building/vehicle/district operation maintenance and safety.
4. Staff met with High Sierra Controls regarding recent SCADA issues.
5. Staff worked overtime plowing and sanding District roads during our first major snow storm of the season.
6. Andy Hickman OP II is attending NVRWA annual conference March 13-16th.

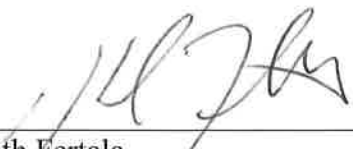
12. Adjournment

Move to adjourn. Fagen/Smith 4-0 approved.

Attest:



Steve Seibel
Chairman



Keith Fertala
Secretary

Prior to leaving the meeting, Manager Fassmann presented retiring Board Chairman Steve Seibel with a 3-D Lake Tahoe Wooden Map in consideration of his 9 years of service to the RHGID.

Steve will be sorely missed by all when he leaves the hill.