

**Round Hill General Improvement District
Board of Trustees Meeting
February 19, 2008**

Tuesday

6:00pm

1. Meeting Called to Order. (Side A/c#01)

Meeting was called to order by Vice Chairman Glen Smith.

2. Pledge of Allegiance. (Side A/c#02)

Pledge of Allegiance was led by Vice Chairman Glen Smith.

3. Roll Call. (Side A/c#05)

Vice Chairman Glen Smith, Trustees Steve Teshara and Wes Rice were present.

The District Manager, Secretary and Engineer were present. Chairman Joe Francoeur, District Counsel and Trustee Chuck Fagen were absent. In attendance for District Counsel Pat Fagan was Jennifer Mahe of Allison MacKenzie.

4. Public Comment. (Side A/c#7)

Manager McKay reported that there was a rumor that he had taken the management position with KGID. He informed the Board that this was not true. Trustee Teshara reported that Terry Merceron advised the Lake Tahoe Advisory Committee that she would be converting the Categorical Exemption previously approved by the USFS as the environmental document for the Round Hill Fuels project to an Environmental Analysis so that the project could move forward.

5. Approval of Agenda. (Side A/c#27)

Motion to approve the agenda as published. Rice/Teshara 3-0 approved.

6. Discussion and possible approval to proceed with application to the State Revolving Fund to use excess funds for a new SCADA system next fiscal year. (Side A/c#29)

Manager McKay reported that our water system needs a new Supervisory Control and Data Acquisition (SCADA) system. The cost of a new system is approximately \$125,000. Rather than raising rates, he would like to utilize RHGID's current State Revolving Fund low cost loan. There is approximately \$500,000 remaining in the loan. Adele Basham of NDEP stated that this extension would be possible for the project. He felt that by including the \$125,000 from the SRF loan into the budget, this approach would keep the water fund growing and the sinking fund intact.

Our current Scada system is proprietary and has no updates available. A non-proprietary system, Wonder Ware, has already been designed by RHGID District Engineers. The life of the new system would be approximately 20 years, with continual updates and training available.

Motion to authorize staff to proceed with the application to the SRF to use the funds available to purchase a new SCADA system as recommended by staff, not to exceed \$125,000.

Teshara/Rice 3-0 approved.

7. Discussion and possible approval on procedure to impose liens as stated in RHGID Ordinance #5. J and NRS 318.197. (Side A/c#115)

Manager McKay stated that the property located at 490A/B McFaul has been foreclosed upon. The owner owes RHGID over \$800 in water and sewer fees to date. They no longer reside at the residence and cannot be contacted.

In the RHGID tariffs, it is specified that RHGID is able to put a lien on the property for monies owed. Jennifer Mahe of Allison MacKenzie stated that the District Manager could record the lien without Board approval. The foreclosure of the lien however, would require a hearing before the Board.

Trustee Teshara would like to see a policy by which the Manager would notify the Board in advance of his filing a lien on a property.

Motion to adopt, as an interim procedure, that staff secure Board concurrence with any action to impose a lien on property, consistent with approved RHGID Tariffs and related authorities (Ordinance 5.J and NRS 318.917); with the further understanding that the lien process includes a public hearing at a regularly scheduled Board meeting for the purpose of allowing any protest or other input regarding the lien process by any interested party. Teshara/Rice 3-0 approved.

8. Discussion and possible approval of selection of Auditors for fiscal years beginning July 1, 2008, 2009 and 2010. (Side A/c#185)

Manager McKay solicited three bids for an auditor for the next three year period. Kafoury Armstrong declined to put in a bid as they are busy with existing clients. Kohn Colodny and Freeman Williams were the remaining two auditors to submit proposals. The Kohn Colodny proposal was considerably less expensive than Freeman Williams. Kohn Colodny is familiar with RHGID and has provided excellent professional service in the past.

Motion to authorize staff to accept the auditor's proposal from Kohn Colodny, LLP, for the fiscal years ending 2008, 2009 and 2010. Rice/Teshara 3-0 approved.

9. Discussion on water rights report. (Side A/c#208)

Manager McKay reported that he, Brien Walters and operator Jeff Timmens have been working with Bruce Scott of RCI to consolidate all the water rights held by RHGID. There are 11 water applications and permits in the name of Round Hill GID. Three of these are certificated. The balance are either permits or have an application ready for action. There are six other permits that are attached to specific lots and specific developments. Mr. Scott feels that the water rights are in good standing and have been well maintained. He would like to determine if Proof of Beneficial Use can be filed on one or more of the open permits.

Manager McKay would like to see all RHGID water rights certificated for the future in order to avoid having them taken away from the District.

10. Discussion and workshop on 2008/2009 fiscal year budget. (Side A/c#301)

Manager McKay reported that the projected consolidated tax distribution for the general fund is now only 452,000. In order to keep up with inflation he suggested that RHGID start charging residents a snow removal fee or ad valorem tax to supplement road costs, repaving and snow removal.

Manager McKay said he spoke to Claudette Springmeyer of Douglas County regarding the process of adding an ad valorem tax in Round Hill. Trustee Teshara would like Manager McKay to provide some technical information using the Micro Paver program to determine the road repair and repaving needs of

the district. This would provide factual basis for the Board to consider a decision whether or not to impose the ad valorem tax.

Manager McKay requested the hiring of an administrative assistant and a new district vehicle for his use. Vice Chairman Smith would like a list of supporting documentation to substantiate the need for an assistant and some comparison between the cost of a new vehicle and the current allowance Manager McKay is receiving for his personal vehicle use. Trustee Teshara asked for a job description for the proposed new staff position. Manager McKay said he would provide the requested information.

With regard to the PUC sewer lateral issue, Manager McKay reported that a new docket has been opened. He and Pat Fagan are working on the next PUC hearing comments. McKay is not able to project a budget for the sewer lateral issue as the ramifications of any PUC proposal are far from known at this time.

11. Consent Calendar. (Side B/c#119)

Motion to approve the consent calendar as presented. Teshara/Rice 3-0 approved.

12. Staff Reports. (Side B/c#133)

Manager McKay reported that the crew had been working steadily to keep district streets clear and wide after the recent significant snow fall. They have done an excellent job, with few complaints.

Shortly after the new utility truck was purchased last year, rust spots appeared on the body of the truck in the weld joints. The suppliers of the body would do nothing to help with the defect. The truck was returned to Winkle Pontiac where it was purchased. They will be repainting the truck and will supply RHGID with a rental truck until our own vehicle can be returned.

The Round Hill General Improvement District parking ordinance has been passed by Douglas County Commissioners with no discussion from the public. It will go into effect once the official document is signed and recorded. The ordinance will be in place by this summer.

Manager McKay recently met with Michelle Gamble of RCI regarding the BMP's at the RHGID yard. She reported that the coverage calculations she used may not have been accurate. The calculations were from a 1996 land capability map and transferred to a map drawn for the Ubiquitel pole installation. When Michelle went to the TRPA to discuss our Master Plan, she found that there had never been a coverage calculation done at this property. The TRPA then stated that because of the hard and soft coverage issues at the yard, a survey would need to be done to come up with an accurate calculation of coverage.

Manager McKay reported that he would be attending the Pumper Cleaner Conference again this year as it is important to keep up on any new technology and methods used to keep our sewers in good operating condition.

On March 14, 2008 a meeting was held at the Kahle Community Park regarding the continuing efforts to explore the consolidation of the water systems at Lake Tahoe. Members of all water systems attended. The meeting was more of an update, with most of the interest being in how an intertie could be developed. The fire department talked about fire flow needs in the Basin and explained how fire hydrants are used for structure protection only and are not designed for use in fighting a wildland fire. Most in attendance were interested in continuing to look at the consolidation. A committee was formed with RHGID, KGID and Douglas County to look into funding sources for a feasibility study on the combining of resources and systems.

The Final Draft Report entitled “Round Hill General Improvement District Wildland Fire Fuels and Erosion Hazard Assessment,” prepared by registered forester Russell Kobayashi of PBS&J for RHGID, has been received by Manager McKay. Trustee Teshara suggested the Board should formally review and consider any final changes to the report as soon as possible. It was agreed to schedule a special meeting of the Board on March 4, 2008, starting at 5 pm at the District office, to conduct a final review and consider approval of the report for submittal to US Forest Supervisor Terri Marceron of the Lake Tahoe Basin Management Unit.

13. Correspondence. (Side B/c#410)

Trustee Teshara reported that funds available from the Southern Nevada Public Land Management Act (SNPLMA) to support the federal share of the Lake Tahoe Environmental Program (EIP) are beginning to dwindle. An organization Trustee Teshara is involved with (Lake Tahoe Transportation & Water Quality Coalition) coordinates the preparation of Lake Tahoe’s annual federal legislative agenda. They are beginning to look again at federal earmarks through the Interior Appropriations Committee as a source of these funds, as they were in the days before SNPLMA. He said the Lake Tahoe Federal Advisory Committee needs to start thinking now “beyond SNPLMA.”

14. Adjournment. (Side B/c#550)

Move to adjourn made by Trustee Rice.

Attest:

Glen Smith
Vice Chairman

Wes Rice
Secretary/Treasurer