

**Round Hill General Improvement District  
Board of Trustees Meeting  
June 21, 2011**

Tuesday

6:00pm

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

Meeting was called to order by Chairman Glen Smith.

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

Pledge of Allegiance was led by Chairman Glen Smith.

**3. Roll Call. (Side A/c#5)**

Chairman Glen Smith, Vice Chairman Steve Teshara, Trustees Wesley Rice, Chuck Fagen and Steve Seibel were present. The District Manager, Administrative Assistant and District Counsel were present. Craig Wesner of Lumos & Associates was present.

**4. Public Comment. (Side A/c#8)**

None.

**5. Approval of Agenda. (Side A/c#11)**

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

**6. Discussion and possible action to approve the award of a contract for construction of the new 500,000 gallon storage tank at 343 Ute Way. Side A/c#16)**

Manager Reed reported that RHGID received four bids. Lumos & Associates Engineers evaluated each of them.

Mr. Craig Wesner of Lumos & Associates explained the process in evaluating bids. Herback General Engineering and K.G. Walters' bids were deemed unresponsive as both companies listed a subcontractor to build the tank and their total subcontractor costs were in excess of 50% of their bid in violation of section SC 6.06 of the supplemental conditions of the instructions to bidders.

In addition to section SC 6.06 of the supplemental conditions, page 00100-1 of the Notice to Contractors states: The right is reserved to reject any and all bids or accept the bid that is deemed by the RHGID to be in the best interest of the RHGID. The RHGID reserves the right to accept or reject any or all Alternatives or Options or any combination thereof. The RHGID also reserves the right to waive any irregularities and / or informalities in the submitted Bid forms.

Based on the reasoning presented by Lumos and Associates, Manager Reed recommended that the District award the contract to Paso Robles Tank as the lowest responsive bidder.

Motion to approve the District Manager to enter into a contract and award the contract for construction of the new 500,000 gallon storage tank at 343 Ute Way to Paso Robles Tank, the most responsive and responsible bidder pursuant to NRS 338.1389 not to exceed \$718,314. Rice/Fagen 5-0 approved.

**7. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION OF THE BOARD OF TRUSTEES OF THE ROUND HILL GENERAL IMPROVEMENT DISTRICT, NEVADA, DESIGNATED BY THE SHORT TITLE "2011 WATER BOND RESOLUTION"; PROVIDING FOR THE ISSUANCE OF ITS REGISTERED, NEGOTIABLE, GENERAL OBLIGATION**

**(LIMITED TAX) WATER BOND (ADDITIONALLY SECURED BY PLEDGED REVENUES), SERIES 2011, IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$1,200,000; PROVIDING THE FORM, TERMS AND CONDITIONS THEREOF; PROVIDING FOR THE LEVY AND COLLECTION OF ANNUAL GENERAL (AD VALOREM) TAXES FOR THE PAYMENT OF THE BOND; ADDITIONALLY SECURING ITS PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE WATER SYSTEM OF WHICH THE FINANCED PROJECT IS A PART; AND PROVIDING OTHER MATTERS RELATING THERETO. Side A/c#323)**

Manager Reed reported that this was the third and final bond resolution #307 required of the board to secure the State Revolving Fund Loan for the construction of the new tank.

Manager Reed explained that the District does not currently have an ad valorem tax in place for its residents. The District, by entering into this Bond agrees that SRF loan payments, if need be, may be made from ad valorem tax revenues.

Motion to approve a Resolution of the Board of Trustees of the Round Hill General Improvement District, Nevada, designated by the short title "2011 Water Bond Resolution"; providing for the issuance of its registered, negotiable, general obligation (limited tax) water bond (additionally secured by pledged revenues), series 2011, in the maximum aggregate principal amount of \$1,200,000; providing the form, terms and conditions thereof; providing for the levy and collection of annual general (ad valorem) taxes for the payment of the bond; additionally securing its payment by a pledge of revenues derived from the water system of which the financed project is a part; and providing other matters relating thereto. Fagen/Seibel 5-0 approved.

**8. Discussion and possible approval of "Round Hill GID to propose a budget augmentation of its general fund opening balance to increase it by \$173,927 for fiscal year ending 2011 based upon the final audited figures." (Side A/c#396)**

The District is required to augment its budget to accurately reflect the general fund beginning fund balance as determined by the audited figures as of July 1, 2011. Although we are not required to do a formal augmentation, the auditor has recommended that we adopt the following language.

Motion to approve a budget augmentation of the general fund opening balance to increase it by \$173,927 for fiscal year ending 2011 based upon the audited figures. Teshara/Fagen 5-0 approved.

**9. Consent Calendar. (Side A /c#422)**

Patti reported that Mr. & Mrs. Leeper, the former owners of The Coyote Grill, are now and will continue to make payments on the past due invoice until the balance is paid in full.

Motion to approve the minutes of May 17th and May 19th, 2011. Teshara/Rice 4-0 approved.

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

**10. Staff Reports. (Side A/c#508)**

Manager Reed reported that a new solar panel was installed at the upper tank to power the level indicators. He also met with representatives of George T. Hall to discuss the radio frequency and communications problems with the SCADA system related to the South Lake Tahoe Fire Department radio frequencies.

District staff continues to meet with the Asian Clam Working Group. At a meeting on June 3, the research team from UC Davis gave a presentation on a laboratory project to simulate the winter kill effectiveness of the bottom barriers. They will soon be working on a summer simulation that will include an algal bloom scenario.

Manager Reed reported that he had met with Farr West Engineering to discuss the preparation of a presentation for a rate hearing scheduled for the July Board meeting. All comments received by the Board will be incorporated into any rate increase recommendations.

The Public Employees Benefit Program is significantly changing its approach to providing its members with health insurance coverage. They are changing to a high deductible health plan with a health savings account, effective July 1, 2011. In anticipation of the changes, District staff is determining the effects of the changes and considering health insurance alternatives. Manager Reed attended a phone conference with the health insurance providers to better understand the implications of the proposed changes.

Staff submitted an invoice to Verizon Wireless for coverage transfer to the site in keeping with the contractual agreement between the District and Verizon Wireless. A representative from Verizon contacted Manager Reed to inform him that the invoice had been received and was in the process of being paid in the amount of \$23,125.00.

District staff met with members of other Tahoe basin public utilities to discuss the development of a standardized basin-wide Memorandum of Understanding (M.O.U.) with the TRPA. Currently, each entity has an individual M.O.U. with the TRPA. A standardized M.O.U. would increase efficiencies and eliminate inconsistencies. This process is a result of the consideration of providing funding to the TRPA for a dedicated planner for local public utility entities.

District staff conducted a public hearing on the approval of the final 2011 / 2012 annual budget. No members of the public attended the budget hearing and the proposed budget was approved as presented.

District staff attended the quarterly TWSA Board meeting. In addition to a discussion regarding the progress on developing a standardized M.O.U. with the TRPA, the UC Davis Asian clam researchers made a presentation. A discussion took place regarding the Tahoe Prosperity Plan and the appointment of a TWSA representative to the Board of the Tahoe Prosperity Center. Updates were presented on the Tap It Network and the availability of future grants through STPUD.

District Counsel and the Board have been discussing for months, the State of Nevada's attempt to pilfer funds from the Clean Water Coalition. Pat Fagan reported that the Supreme Court reversed a lower court order, finding that the law passed by the Legislature securing the funds from the Coalition was unconstitutional, thereby returning 62 million dollars to the Clean Water Coalition.

**11. Correspondence. (Side B/c#264)**

No discussion.

**12. Adjournment. (Side B/c#275)**

Motion to adjourn. Teshara/Seibel 5-0 approved.

Attest:



Glen Smith  
Chairman



Steve Teshara  
Vice-Chairman