

**Round Hill General Improvement District  
Board of Trustees Meeting  
November 15, 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 and District Counsel were present. Brian McRae of Lumos & Associates was present.

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

None.

**5. Approval of Agenda. (Side A/c#9)**

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

**6. Presentation by Brian McRae of Lumos & Associates on the status of the tank project. (Side A/c#13)**

Brian gave a presentation on the status of the tank project including change orders, billing history, the most recent schedule of values and the new project schedule. Brian explained some of the reasons the project fell behind schedule and won't be completed until August 2012 including: permitting not completed on time, equipment was too small for digging, Paso Robles did not appreciate that there were only three months of summer here in Tahoe, crew changes and Paso Robles had to incorporate a height adjustment to the retaining wall.

Additional testing, permitting and costs will be reflected in the final payment made to Paso Robles and no liquidated damages will be charged to Paso Robles Tank.

**7. Discussion and possible action to eliminate the practice of removing snow berms from Round Hill residents' driveways. (Side A/c#500)**

After much discussion a motion was made directing the District Manager to beef up the requirements of the berm removal hold harmless agreement, staff to enforce the written requirements and add a clause that the berm will be removed only at the District's discretion. Rice/Fagen 5-0 approved.

**8. Discussion and possible action to authorize the second SRF Loan Draw. (Side B/c#300)**

Manager Reed brought this issue before the Board again just to remind everyone that the Upper Concrete Tank will need to be dealt with in the near future. He felt that the Board might maximize the SRF Loan at this time for the current tank project such that the District will have some reserve funds left over for the Upper Tank rehabilitation.

No motion was made at this time and discussions will continue in the future.

**9. Discussion and possible approval to change the current payroll practices for RHGID Board members to provide compensation only for meetings actually attended. (Side B/c#344)**

Manager Reed reported that with the development of the RHGID 2011 / 2012 budget, the Board approved a change compensating Board members. Prior to that budget, board members were compensated only for the meetings actually attended. Since then, Trustees have been compensated for every meeting, even if they were absent based on the fact that there are many other activities the Board undertakes as well as attending meetings.

By making this change, PERS notified the District that Board members MUST be enrolled in the Nevada Public Employees' Retirement System (PERS).

Motion to abandon the current payroll practices for RHGID Board members and provide compensation only for regular and special meetings actually attended with the exception of the annual Special Meeting to accept the Budget. Rice/Teshara 5-0 approved.

**10. Consent Calendar. (Side B/c#440)**

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

**11. Staff Reports. (Side B/c#558)**

Manager Reed reported that work continued on the new 500,000 gallon water storage tank at the District's offices until November 1st. The tank itself is fully constructed but the project is now on hold until next spring. It was apparent that the project could not be completed this year. As it was, the weather held out long enough for the project to progress as far as it did. Work remaining includes painting the interior and exterior of the tank, installing the pumps and motors and completing the remaining BMP installations.

Manager Reed met with representatives from Farr West Engineering to discuss the development of proposals for future improvement projects which include replacement of the District's pressure regulating valves, construction of a restroom facility at the treatment plant and repair / replacement of specifically identified sewer sections. Farr West will develop proposals for potential projects that will be incorporated into upcoming budget processes.

The Castle Rock Homeowners' Association was sent a letter detailing that the District desires to modify its billing procedures to send one bill to the Association rather than flat rate bills to each Castle Rock resident. This change in billing procedures is in keeping with the practices for other similar District customers. Since that letter was delivered to the Association, the District has received a call from a representative of Round Ridge asking if a similar billing practice was likely there as well. They were informed that they are likely to see a similar request from the District within the next two months.

Representatives from S.T.P.U.D. and the U.S.F.S. visited the District to observe activities at the tank construction site. They were pleased with the progress of the project and were supportive of the grant process in which they were involved.

District staff attended the California / Nevada section of the American Water Work's Association's annual fall conference in Reno during the week of October 17 – 20. The conference was an opportunity to attend continuing education sessions to maintain Water Operators' Licenses.

One item that was discussed at the last meeting was what other entities are doing concerning their PEBS unfunded liabilities. None of the entities in attendance are funding this liability and this trend is common across the USA. However, discussions with our auditors, Kohn-Colodny indicate that the District might want to consider developing a funded trust to assist in funding this potential liability.

This GASB required calculation is extremely speculative and it is not recommended that the entire liability be funded. If a trust is developed, the money in that trust can only be used to fund this potential liability and if that liability is overstated, and fully funded, the District cannot use that reserved money for any other purpose. Beth Kohn-Cole is willing to attend a future Board meeting to discuss the implications of this liability with the Board.

District staff and Trustees met with NTCDD to discuss the implementation of the pending TMDL requirements and the formation of a storm water cooperative. Discussions will continue.

District crews investigated a high meter reading at 268 Cheyenne Way and turned the service off to the home at the meter. The service is still off and District staff has been in communications with the homeowner regarding the high reading and possible leak. We have not received a response from the homeowner.

A vehicle crossed the center line on McFaul Way and collided with the back end of a District vehicle travelling in the opposite direction. District personnel were not injured. District staff will follow up for repairs to the damage to our vehicle.

**12. Adjournment. (Side C/c#337)**

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

Attest:



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Glen Smith  
Chairman



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Steve Teshara  
Vice Chairman