

**Round Hill General Improvement District
Board of Trustees Meeting
July 16, 2013**

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#6)

Chairman Glen Smith, Vice Chairman Steve Teshara, Trustees Wesley Rice, Chuck Fagen and Steve Seibel were present. The District Manager and Administrative Assistant were present. Jen Mahe of Allison MacKenzie was present as District Counsel.

4. Public Comment. (Side A/c#9)

Trustee Rice reported that a resident questioned whether Round Hill had ever considered becoming a gated community. Discussions noted that roads in the District are owned by Douglas County and therefore cannot be blocked.

Chairman Smith stated that gates would be cost prohibitive to staff. He suggested that a general memo to District homeowners regarding legalities be prepared by Jen Mahe of Allison MacKenzie to address the question.

Chairman Smith was approached by Frank Forvilly of the Round Hill Pines Resort. His 30 year recreational permit with the forest service expires at the end of the year. He has submitted a bid to renew his permit. Mr. Forvilly requested that the District support his bid to continue to run the resort. His plan includes moving water and sewer lines at his expense. As the District has always had a good working relationship with Mr. Forvilly, the Board was in favor of supporting his efforts by sending letters to the Lake Tahoe Basin Management Unit. Mr. Forvilly may request the opportunity to provide a presentation at a future Board meeting.

5. Approval of Agenda. (Side A/c#210)

Motion to approve the agenda. Rice/Seibel 5-0 approved.

6. Discussion and possible action on options for the District Manager's health insurance. (Side A/c#218)

Manager Reed reported that as of July 1, 2013, the premiums for the District Manager's PEBP provided health insurance increased from \$1,229.01 per month to \$1,770.03 per month, a 44% increase. Disturbed by the increase, he solicited insurance information from other sources, including our current District insurance agent. Changing insurance carriers is considered a life qualifying event that allows the District to withdraw from the PEBP coverage without penalty.

Currently, the District Manager is enrolled in a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA). Since the District and the PEBP have contributed funding into the HSA, according to IRS policy, the Manager must stay in the HSA at least for the remainder of this calendar year. The Nevada League of Cities has a plan (health, dental, vision, life) similar to the current plan with

a monthly premium of \$1,195.37, less than the PEBP rate prior to July 1, a decrease of \$574.66 per month, saving the District \$6,895.92 over the next year.

Motion to authorize the District Manager to switch his insurance to The Nevada League of Cities as outlined as an interim solution. Teshara/Fagen 5-0 approved.

7. Discussion and possible action to waive the late fees that have accumulated over fifteen months for 482A, B and C McFaul Way. (Side A/c#313)

Manager Reed reported that due to the configuration of the meters at this property, the water cannot be shut off without affecting other paying homeowners. Currently, the District has a small claims court action and lien against the property. Delaying the decision at the first small claims appearance, a second small claims court date is scheduled for August 20, 2013.

As there has been no attempt by the homeowner to make payments or sign a payment agreement with the District, a motion was made to deny waiving the late fees that have accumulated over fifteen months for 482A, B and C McFaul Way. Teshara/Rice 5-0 approved.

8. Discussion and possible action to approve a draft newsletter to be delivered to RHGID homeowners regarding the possible implementation of an ad valorem tax within the District for the 2014 / 2015 budget year. (Side A/c#429)

Motion to approve the newsletter to be delivered to RHGID homeowners in August 2013 regarding the possible implementation of an ad valorem tax within the District for the 2014 / 2015 budget year as amended. Rice/Fagen 5-0 approved.

9. Discussion and possible action to authorize the District Manager to replace the 2007 Chevrolet pickup and plow with a new pickup. (Side A/c#553)

The 2007 pickup now has 90,000 miles on it and given the amount of repair dollars the District has spent on it to date; it is prudent to trade it in at this time. Staff requested quotes from three vendors through the state's purchasing pool.

Motion authorizing the District Manager to replace the 2007 Chevrolet pickup and plow with a new pickup not to exceed \$12,789.45. Rice/Seibel 5-0 approved.

10. Consent Calendar. (Side B/c#141)

Motion to approve the consent calendar as amended. Seibel/Fagen 5-0 approved.

11. Staff Reports. (Side B/c#228)

District staff coordinated pre-construction activities for the upcoming paving project. Staff has walked the project with the contractor and Engineer to develop on-site activities throughout construction. Paving commenced on July 8th and is currently scheduled to be completed by August 30th. The contract has been signed and notices were sent to District residents from the contractor.

District Counsel drafted and delivered a letter to the attorney of Paso Robles Tank to attempt to settle the question of liquidated damages on the office tank project. While awaiting a response, the 30 day extension was due to expire and PRT's attorney contacted District counsel to request a further extension. Negotiations continue with PRT.

The Pinewild Board of Directors met on June 7th to discuss authorizing the District's easements within Pinewild, authorizing the abandonment and transfer of the old sewer lift station from the District to Pinewild and authorizing submission of the plan revisions to the TRPA. The plan revision has been submitted to the TRPA for approval.

District staff oversaw a sewer tap on the new home being constructed between the Chaiken and Schmitt homes. An additional sewer tap and a water tap will be forthcoming. Required connection fees have been received.

District staff replaced the Windows XP operating system on the finance computer with the Windows 7 operating system. Additional work remains to verify the operation of the Nevada State Bank system software. The two SCADA computers will have to have their Windows XP systems upgraded.

District staff coordinated the cleaning of the District's erosion control facilities including catch basins, drain inlets and treatment vaults.

District staff attended a TMDL committee meeting to receive an update on the Nevada TMDL baseline report. The treatment vaults constructed in the basin (including Round Hill) have been proven to be ineffective in removing fine sediment particles.

- There will be no more of these vaults designed or built in the Tahoe basin.
- No additional grant money will be spent on these vaults.
- There will be no TMDL credits for these vaults. The vaults have been excluded from TMDL modeling calculations.

Enhanced road operations are more cost effective at reducing fine sediment particles than construction of new vault facilities.

The total modeled 2004 FSP baseline load was 2,182 pounds per year in Round Hill. The total 2012 FSP load was 1,256 pounds per year, a reduction of 926 pounds, or 57%, well in excess of the 10% reduction required by 2016.

12. Discussion and possible action on a motion to move to a closed meeting pursuant to NRS 241.015(2)(b)(2) to receive information from District Counsel regarding potential or existing litigation and to deliberate toward a decision on the matter, or both. (Side B/c#456)

Motion to move to closed session. Seibel/Teshara 5-0 approved.

13. Discussion and possible action to authorize the District Manager to proceed toward a resolution of potential litigation with Paso Robles Tank. (Side B/c#460)

Motion to authorize the District Manager to proceed toward a resolution of potential litigation with Paso Robles Tank. Seibel/Rice 5-0 approved.

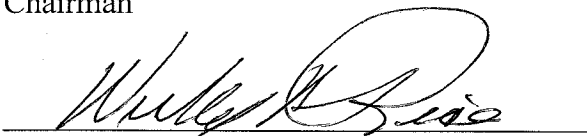
14. Adjournment. (Side B/c#485)

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

Attest:



Glen Smith
Chairman



Wesley Rice
Secretary