



Sun Valley General Improvement District Board Meeting Minutes of January 11, 2024

Board Members Present:

Susan Severt	Chairperson
Michael Rider	Vice Chair
Joseph Barstow	Secretary
Mark Neumann	Treasurer
Carmen Ortiz	Trustee

Board Members Not Present:

Staff Present:

Chris Melton	SVGID, General Manager
Brad Baeckel	SVGID, Public Works Director
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

Other Members Present:

Kelly Glenn Roo Co.

The meeting of the Sun Valley General Improvement District was called to order by Chairperson Severt at 5:30 pm in the Sun Valley District Administrative Building, 5000 Sun Valley Blvd., Sun Valley, NV.

Item# 1. Roll call and determination of a quorum.

Board members present; Chairperson Severt, Vice Chair Rider, Secretary Barstow, and Treasurer Neumann. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Chair Severt

Item# 3. Public comments for items not on the agenda.

Mr. Neumann a member of the Washoe County Senior Advisory Board provided copies of the latest Senior Magazines that provides detail events, programs, and resources available for seniors. He also requested permission of the District to display Washoe County Senior brochures in the District lobby. He shared with the Washoe County Senior Advisory Board the Sun Valley Pool will be offering free senior swim on Tuesdays and Thursdays from 11 am until noon. He is hoping other public pools will adopt free senior swim, to make free swim accessible for all seniors within Washoe County.

Mr. Neumann also a member of the Washoe County Open Space and Regional Parks Commission reported Washoe County is looking for volunteer groups to assist with maintaining the BMX course and Disc Golf at the Sun Valley Regional Park.

Item# 4. Motion to approve the agenda.

Vice Chair Rider made a motion to approve the agenda. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 5. Certify posting of the agenda.

Ms. Merritt certified posting of the agenda.

Item# 6. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda. (No discussion among Trustees will take place on this item)

Mr. Melton announced the District office will be closed January 15, 2024 in observance of Martin Luther King Jr Day. The Sun Valley Citizen Advisory Board meeting is scheduled for February 03, 2024 starting at 10 am at Hobey's Casino.

Treasurer Neumann commented he has attended various city/county board meetings and has witnessed the disconnected among other boards. He is thankful for the District Board of Trustees and staff working together.

Trustee Ortiz arrived at 5:35 pm

Item# 7. Discussion and action to approve payables for December 27, 2023.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for December 27, 2023.

Treasurer Neumann made a motion to approve the account payables for December 27, 2023 in the total amount of \$762,399.24. Vice Chair Rider seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 8. Discussion and action to approve payables for January 11, 2024.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for January 11, 2024.

Treasurer Neumann made a motion to approve the account payables for January 11, 2024 in the total amount of \$153,608.88. Trustee Ortiz seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

- Item# 9. Discussion and action to approve board meeting minutes for December 14, 2023.**
Trustee Ortiz made a motion to approve the board meeting minutes for December 14, 2023 as submitted. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments.

- Item# 10. Discussion and action to approve District's final 2024 winter newsletter.**
Ms. Glenn with Roo Co. provided a final draft newsletter for review. The 2024 District winter newsletter includes a recap of the District \$250K American Rescue Plan Act Grant and detailed project list that was funded by the grant, announcement of 2023 photo contest winners, information on the District's Sewer Winter Averaging Period, 2024 District Board of Trustees Officers, recap of the 2023 Veterans Celebration, promotion of Radon Detection Month, list of agencies that provide resources for commonly requested services, and important dates.

Vice Chair Rider made a motion to approved the District's 2024 winter newsletter as submitted. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

- Item# 11. Update by staff regarding District's water right status with possible direction to staff.**
Ms. Merritt gave a brief report of the District's water right history and permit current status. Prior to the formation of Truckee Meadows Water Authority (TMWA), the District had a water wholesale agreement with Sierra Pacific Power Company (SPPC). Both the District and SPPC agreed upon a water right allocation to serve the District's service boundary at that point in time; the allocation included in-fill of residential parcels. Approximately in 1997/1998 the District required all new development that was not a part of the original service boundary to dedicate water rights for all new development projects to satisfy the agreement for delivery of water. She reported overtime the District acquired its own additional water rights to be held as reserves for future use; either for District projects and/or to be dedicated to TMWA to satisfy the agreement for delivery of water. The District currently has 16 different water right permits in various amounts totaling 254.07 AF. Of this total, 1 permit in the amount of 31.50 AF is reserved for development project known as Sun Mesa Phase 4, providing the District a total of 222.57 AF of uncommitted water rights as District's reserves. Ms. Merritt reported the District is in good standing with Nevada Division of Water Resources with all of its permits. The District performs various filings to request an extension of time for the permits. An extension of time request is a report of the water right permit status; giving a detail projection time-line as to when the water right will be put to beneficial use. These filings are currently \$120.00 per permit, per year. Staff typically requests for the maximum amount of 5 years for each extension of time. In 2021 a new water regulation was approved during the Legislative Session. Regulation R169-20 relating water, defining certain terms relating to a permit to appropriate water; setting forth the requirements for applying for an extension of time within which construction must be completed or water must be applied to a beneficial use. The State Engineer is trying to get a true calculation of how much water right is put to beneficial use and how much water rights are pending to help determine how much water resource the State of Nevada has. With this new regulation, filing for extensions has become more challenging to get approved.

Ms. Merritt reported staff has analyzed the District's water consumption for the past five

years and compared it to the District's current agreement with TMWA for delivery of water. It has been determined the District has an excess amount of uncommitted water rights. Staff would like to keep some water rights in reserve, it is good practice to keep at least 3% of water rights in reserves in case it is needed later to satisfy the TMWA agreement. The District has several options for consideration what the District can do with its excess water rights. The District can remain status quo and continue to file request for extensions with the assistance of a water right consultant which will create an additional expense. Request for a Temporary Instream Flow Permit to make use of the water right until it is assigned to a future project. The temporary use would help Truckee Meadows Water Reclamation Facility with the return flow requirements for current effluent use. The District can bank the water rights with TMWA for future District projects. Deed water rights to TMWA for future growth within the District's service territory and receive a portion of the proceeds. Option to sell a bulk amount of water rights to TMWA as a one-time purchase from the District, or the District could sell them direct to the developers over a period of time. Lastly, an alternative option is to strip the current status of the water right permit, converting it from a permitted status back to a claim status. The District would still be the owner of the claim, but would have to bring the claim back to a permit status if the District decided to put the water right to beneficial use. This last option is not recommended because it can be costly and potentially open the claim up for protest.

Vice Chair Rider inquired about the 3% reserve recommendation; is it based on water consumption or based on water right dedication. He also inquired about the Sun Mesa Phase 4 committed water rights, how big is the development.

Ms. Merritt responded she calculated the District would need to hold approximately 80 AF for reserve based on 3% of the total AF of water rights currently dedicated to the District's service territory. She would confirm with management and TMWA what the actual number of reserves should be prior to the District doing anything with its excess of water rights. She reported Sun Mesa Phase 4 is tentatively designed for approximately 50 lot single home subdivision.

Mr. Melton reported the District has been holding the Sun Mesa Phase 4 water rights until they are ready to develop. After conversation with TMWA, the District can deed these water rights to TMWA to add to our service territory specifically for this development. This would eliminate the District from having to perform future filings. Currently all new development has been dedicating and/or purchasing the required water rights from TMWA and paying all of the associated fees. TMWA then provides a Wholesale Will Serve Letter to the District showing water rights have been reserved for such project along with a copy of the receipt of payment. This was a process that was established between the District and TMWA five years ago and it has streamlined the process for all parties involved.

Treasurer Neumann inquired if the District had enough water rights to serve potential new development should the Lands Bill Act get passed and open up more land to be developed in the north part of Sun Valley.

Mr. Melton responded, any new development, residential, commercial, or irrigation, would be required to dedicate water rights for each new project. With the District requiring all new development to dedicate water rights for development projects, there is not a need for the District to have as many water rights for its reserves. Staff's recommendation is to sell a bulk

of the water rights and the remaining balance be applied to a temporary use until such time

they are needed for beneficial use.

Vice Chair Rider inquired if the District was to expand its parks and fields, how much water rights would be required.

Mr. Melton responded it would depend on the overall expansion design, looking at water fixtures and landscaping to determine what additional water rights would be required.

Chair Severt commented she agrees with staff's recommendation to sell a bulk of its excess water rights if there is not a need to hold on to them. This would be beneficial to the District but it could help out TMWA and satisfy the State's requirement putting all water rights to beneficial use.

After additional discussion staff was directed to bring back water right discussion to the February meeting. Staff was also directed to bring examples of water right calculations for additional demand for potential park expansions.

There were no public comments.

Item# 12. Report by Public Works Director regarding Nevada Water/Wastewater Agency Response Network training exercise.

Mr. Baeckel gave a report on a functional training exercise organized by Nevada Water/Wastewater Agency Response Network (NWARN). The exercise was a collaboration with other NWARN members to test each member how they would handle an emergency response. The exercise provided emergency scenarios to test skills on how the District and other agencies would coordinate providing and/or request for additional resources. He thought it was a great experience and a great opportunity to work through potential emergency scenarios with other agencies. This exercise has given him ideas to be better prepared should there ever be an actual emergency. The exercise has also given him a great sense of pride for what the District does and for other water/wastewater communities. He is proud to call the District field staff water and wastewater professionals, but they are much more than that, they are public servants. The District is here to serve the community and the District is here to help other agencies as needed. Lastly, he reported he appreciates the working relationships with Northern Nevada Public Health, as well as, TMWA and other general improvement districts. It is comforting knowing the District has outside help if there was ever an emergency.

The board thanked Mr. Baeckel for recapping the training exercise. Treasurer Neumann inquired if another agency had an emergency situation, but that emergency didn't impact the District, would the District help respond to the other emergency.

Mr. Baeckel responded NWARN is a network designed for Nevada agencies to call upon in emergency situations.

There were no public comments.

Item# 13. Report by Public Works Director regarding new development status and potential new development.

Mr. Baeckel gave a brief recap of the various development projects that are currently in review by District engineer for water and/or sewer capacity study, planning and/or design phase, pending construction or has started construction. The projects are as follow;

5 Ridges – This project is located within the City of Sparks off Highland Ranch Parkway made up of various villages. The District is only the water purveyor for this project all other utilities and parks will be provided by City of Sparks and other regional agencies. The backbone water line has been installed and is online.

Village 1A – 83 townhome subdivision at the base of 5 Ridges has been approved by Northern Nevada Public Health. All District fees have been paid and water rights have been dedicated. A preconstruction meeting will be required prior to starting construction.

Village 1B – 46 duplex subdivision at the base of 5 Ridges, plans have been reviewed and approved by the District September 2022. Per the District's Tariff Rule 23, plans will need to be resubmitted and reviewed; plans are only good for one year.

Village 2 & 4 – 102 lot, single family home development is in phase 2 of underground construction. Phase 1 is complete and online. All District fees have been paid and water rights have been dedicated. Construction has begun on foundations for model homes, no meters set at this time.

Village 6 – 146 lot, single family home development has completed phase 1 of waterline construction and is online. All District fees have been paid and water rights have been dedicated. Construction has begun on foundations and building of model homes, no meters set at this time.

Valle Vista – 75 lot, single family home development located on E 4th Ave. and Lupin Dr. is in phase 2 of construction. All District fees have been paid and water rights have been dedicated.

Sun Mesa Phase 3 – 45 lot, single family home development located at the top of E. 5th Ave.; the Water Project has expired. Per District's Tariff Rule 23 plans will need to be resubmitted and reviewed; plans are only good for one year. All District fees have been paid and water rights have been dedicated.

Highland Village 1– 215 lot, single family home development located north of Highland Ranch Pkwy. and Midnight Dr., were previously approved. The developer is making additional changes to the plans, a new submittal will be required.

Highland Village 2 – 68 lot, single family home development located E. 9th Ave. and Klondike Dr., were previously approved. The developer is making additional changes to the plans, a new submittal will be required.

Harmony Mesa – 18 lot, single family home development located near Harmony Lane has expired. A new set of plans have been reviewed; review of corrected plans pending for final review. All District fees have been paid and water rights have been dedicated.

Ladera Ranch Phase 2 & 3 – 121 lot, single family home development has been approved by the District; water project has not been submitted for approval. A secondary emergency tie in is currently being designed by Shaw Engineering.

The Ridge at Sun Valley – The 195 unit apartment complex, located at 5100 W 1st Ave is in progress. The offsite improvements have been completed other than paving and a final walkthrough. Onsite sewer is completed and onsite water is expected to begin soon.

Caleb Court – The 11 lot, single family home development located on the 5800 block of Lupin Dr. has been approved. All District fees have been paid and water rights have been dedicated. A preconstruction meeting will be required prior to construction.

Salmon Point – A Water and Sewer Capacity Study was completed by Shaw Engineering for a proposed 49 lot, single family home development west of Lois Allen Elementary. The preliminary study indicated that the District has the capacity to serve the development. There has been no additional interest in this project; unused deposit has been refunded to the developer.

Chocolate Dr. – A Water and Sewer Capacity Study is being completed by Shaw Engineering for a proposed 240 unit apartment complex located west of Chocolate Dr. between Brownlee and West 5th Ave. The District has capacity to serve the project with offsite improvements. The project has slowed down due to cost constraints.

Vice Chair Rider inquired what are the cost constraints for the Chocolate Dr. Apartment project.

Mr. Baeckel responded, he doesn't know of all the constraints, but there are offsite sewer improvements that will be required.

Mr. Melton responded, the District has identified water and wastewater improvements for the Chocolate Dr. Apartment project. There are also other requirements by other agencies that are also contributing with the cost constraints.

There were no public comments.

Item# 14. Legal report by Maddy Shipman.

Ms. Shipman provided her annual filing of District Summary of Claims for calendar year 2023 prepared by the Nevada Public Agency Insurance Pool. The summary report showed no admissions made for any liability claims nor any amount requested for any claims. The summary of claims did not include a pending Equal Rights Commission claim which is pending and being handled by the Nevada Public Agency Insurance Pool; this was not on the summary report as there was no separate classification for it.

Item# 15. Field report by Brad Baeckel.

Mr. Baeckel reported on the following:

- District's Pump E motor was reconditioned and installed. Reed Electric will perform a balance test next week.

- The District will try a new approach regarding illegal RV hookups. In place of hanging tags to comply or be disconnected and having field staff go back for inspections; the District will start assessing a multi-unit fee as staff comes across each illegal RV hookup followed by reporting the illegal hookup to Washoe County Code Enforcement. District staff will still hang tags notifying the customer, but it will be up to the customer to contact the District once they have removed the illegal connection. This approach is in effort to save on staff time with fewer site visits and less monitoring. He reported Washoe County Code Enforcement has the true authority in regards to compliance with the illegal RV living. District's current practice of temporarily disconnecting customers water service has always been a temporary solution. This new procedure will be addressed with the District's next tariff hearing.

Item# 16. Manager report by Chris Melton.

Mr. Melton reported on the following:

- The Truckee Meadows Water Authority (TMWA) Standing Advisory Committee discussed the proposed 5-year increase. TMWA will be holding their first reading of the proposed 5-year increase in their upcoming board meeting. The proposed 5-year increase consist of 4.5% with implementation May 2024, 4% May 2025, 3.5% May 2026, and 2027 and 2028 based on CPI with a ceiling not to exceed 4.5%. Each year the TMWA Board will review current financials to determine if they could defer the rate increase as they did in year's past.

Item# 17. Public Comments.

Mr. Neumann acknowledged Hobey's Casino; they gave away 80 hams to the Sun Valley seniors for Christmas.

Item# 18. Board Comments.

Treasurer Neumann commented Washoe County Recreation and Open Space Commission had a meeting with Bureau of Land Management (BLM) regarding the Lands Bill Act. He commented the District should watch the Lands Bill Act; various BLM parcels within Sun Valley are scheduled to be relinquished for development. He would like to make sure they are not annexed into the city of Sparks or Reno.

Chairperson Severt commented she is looking forward to the upcoming year, the parks and the pool will soon be open.

Vice Chair Rider thanked District staff for all their hard for last year and looks forward to this year.

Trustee Ortiz commented based on Mr. Baeckel's development presentation, the District is proposed to have 1,492 new service connections.

Item# 19. Future Agenda Items.

Mr. Melton reported the following items will be on the next agenda;

- Presentation by Keep Truckee Meadows Beautiful
- 2023 Recreation recap and review of the 2024 tentative recreation schedule
- Discussion and approval of District's Pump Station Engineering design amendment
- Review of 2024 spring newsletter articles

- Approval to send a board member to the 2024 Nevada Recreation and Parks Society Conference
- Continued discussion regarding District water rights

Treasurer Neumann would like to discuss permission to display Washoe County Senior Resource magazines in the District lobby.

Secretary Barstow requested an update from Washoe County Library kiosk.

Item# 20. Adjournment.

Secretary Barstow made a motion to adjourn at 6:36 pm. Trustee Ortiz seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on February 07, 2024.

Minutes Prepared by: Jennifer Merritt, Administrative Assistant