



**Sun Valley General Improvement District
Board Meeting Minutes of
January 27, 2022**

Board Members Present:

Sandra Ainsworth	Chair
Susan Severt	Vice Chair
Joseph Barstow	Secretary
Carmen Ortiz	Treasurer
Michael Rider	Trustee

Board Members Not Present:

Staff Present:

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

Other Members Present:

Mark Neumann	Audience
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The meeting of the Sun Valley General Improvement District was called to order by Chair Ainsworth at 6:00 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; Chair Ainsworth, Vice Chair Severt, Secretary Barstow, Treasurer Ortiz and Trustee Rider. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Trustee Rider

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

None

Item# 4. Motion to approve the agenda.

Trustee Rider made a motion to approve the agenda. Treasurer Ortiz seconded the motion. The motion carried unanimously.

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.

Chair Ainsworth announced she will be representing the District February 5, 2022 at the Governor's Office. Both she and Mr. Ainsworth will be attending the Freedom Award Ceremony.

Item# 7. Discussion and action to approve account payables for January 27, 2022.

Treasurer Ortiz gave a brief report of the account payables, customer refunds and payroll for January 27, 2022.

Treasurer Ortiz made a motion to approve the account payables January 27, 2022 in the total amount of \$243,191.75. Trustee Rider seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 8. Discussion and action to approve board meeting minutes of January 13, 2022.

Vice Chair Severt made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of January 13, 2022 as submitted. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 9. Presentation by CliftonLarsonAllen, LLP of the Sun Valley General Improvement District fiscal year 2020/2021 audit with action to approve.

Jeffery Peek with CliftonLarsonAllen, LLP gave a brief presentation of the District's fiscal year 2020/2021 audit. Mr. Peek reported the auditor's responsibility involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. Mr. Peek reported the District was able to provide District financial statements and other audit supporting documents in a timely and organized manner. CliftonLarsonAllen, LLP opinion, the financial statements were presented fairly, in all material respects, the respective financial position of the District as of June 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States.

Mr. Peek reported on the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters. In planning and performing the audit of the financial statements, they considered the District's internal control over financial reporting as a basis for designing audit procedures that are appropriate. He reported there were no deficiency to report regarding the District's internal control.

Mr. Peek reported the State of Nevada requires an Independent Auditor's Report on Compliance with Revenue Bond Resolutions and Pension Liabilities. While performing the audit, nothing came to their attention that caused them to believe that the District failed to comply with the terms, covenants, and provisions of the bond resolutions on the Bonds outstanding as of June 30, 2021. He reported for the purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension

expense, information about the fiduciary net position of the District's NVPERS plan. The net position have been determined on the same basis as they are reported by NVPERS. The District continues to be in compliance in both reporting requirements.

Mr. Peek reported there were two items brought to the District's General Manager's attention regarding reporting of new capital improvement projects and year-end water and sewer revenues. Both these items were considered insignificant and did not have a negative impact on the District's financials. Mr. Peek thanked the Board for the continued partnership with the District.

Vice Chair Severt made a motion to accept the Sun Valley General Improvement District fiscal year 2020/2021 audit performed by CliftonLarsonAllen, LLP. Trustee Rider seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 10. Discussion and action to approve Termination of Restrictive Sewer Covenant for APN 502-250-09; for the purpose of supplying sewer services to future Chocolate Dr. development.

Mr. Melton reported the District has been in communication with Kimley-Horn Engineering, project manager for proposed Chocolate Dr. development project. It was recently discovered through a title search of land use restriction to subject property, better known as APN 502-250-09 located on Chocolate Dr. He reported APN 502-250-09 was part of a larger parcel owned by the United States of America, through the management of Bureau of Land Management. Sometime in the late 1990's the original parcel transferred ownership to Washoe County. A portion of the property was parceled for the construction of Lois Allen Elementary School. September 1997 a Notice Regarding Sewer Capacity was created and approved by the District. The Notice stated the District would provide sewer capacity to school or schools, but will not provide any sewer capacity for remainder of undeveloped land due to limited sewer capacity owned by the District. In June of 2004 the District purchased additional capacity at the Sparks Treatment plant to help serve additional development in the District's Sun Valley Service Area. In February of 2001 a portion of the undeveloped land was parceled by property creating APN 502-250-09 as it is known today. April 2005 the District considered and approved the annexation of APN 502-250-09 requested by Landmark Homes for a single-family housing development project. This project never came to fruition and since has transferred ownership to Chocolate Group LLC in August 2010.

Mr. Melton reported as indicated through a title search for APN 502-250-09 the Notice Regarding Sewer Capacity needs to be cleared since the District now has adequate sewer capacity to serve this future development and it provides a clean title search. This parcel has been recognized in the District's Wastewater Master Plan for future services. The termination of the sewer capacity restriction does not release in any way subject property, upon development, from full compliance with the District's Tariff regarding provisions of sewer to property.

Mr. Melton reported staff is respectfully requesting approval of the Partial Termination of Restrictive Covenant for APN 502-250-09 that is an abandonment of sewer capacity restrictions.

Vice Chair Severt made a motion to approve the Termination of Restrictive Sewer Covenant Agreement for APN 502-250-09 for the purpose of supplying sewer services to future Chocolate Dr. development. Chair Ainsworth seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 11. Discussion and possible action to approve Utility Services Associates proposal of \$7,471 for preventative leak detection throughout the District's water distribution system.

Mr. Melton reported staff is requesting approval of Utility Services Associates proposal of \$7,471 to perform leak detection throughout designated areas of the District's water distribution system. The focus of leak detection will be on older areas that have had history of leak repairs and areas where the soils are porous that inhibit leaks from surfacing. He reported American Water Works Association recommends that all water distribution systems perform leak detection every five years; the District's last inspection was performed in 2017. The inspection detected one leak of a fire hydrant.

Mr. Melton reported he tried to get multiple proposals for consideration; due to the current times it has been challenging to get multiple proposals either lack of professional agencies and/or high demand and long wait times. He reported Utility Services Associates performed the District's last leak detection. The project would be funded by the Board approved 2021/2022 capital improvement project Water Budget.

Secretary Barstow inquired how many areas will be focused on.

Mr. Melton responded Utility Services Associates proposal is valid for five days. This will provide adequate time to perform leak detection in the older areas such as Quartz, Amargosa, Middle Fork, Leon, 4th Ave and other porous areas.

Audience member Mr. Neumann inquired if the new development 5 Ridges will be a part of the leak detection area.

Mr. Melton responded 5 Ridges is still under construction and mains are being tested and inspected at time of installation. No leak detection is required at this time.

Mr. Combs reported leak detection reports are required to be submitted to the State of Nevada Department of Water Resources by law; this was passed by legislation.

Treasurer Ortiz made a motion to approve Utility Services Associates proposal in the amount of \$7,471 as presented by staff. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 12. Discussion and possible action to approve sending up to 8 employees and Board of Trustees to the 2022 Nevada Rural Water Association Conference March 22nd thru March 24th at the Nugget Casino Resort.

Mr. Melton requested permission to send seven field members, one office member and any board members to the upcoming Nevada Rural Water Association Conference. The conference is scheduled for March 22, 2022 thru March 24, 2022 at the Nugget Casino Resort. He gave a brief break down of the cost of the conference registrations. He stated he is requesting for one-day and two-day registrations for staff members, pending review of the conference schedule that has not been posted yet. Staff will be applying for the Nevada Rural Water Association Scholarship to attend the conference at no charge; scholarship application submittal deadline is February 18, 2022. The scholarship is funded by a grant from the State of Nevada. If awarded the scholarship, a minimum of four hours must be logged on each day of attendance.

Additional discussion ensued regarding who would like to attend in person vs. attending virtually if Nevada Rural Water Association Conference has to change the conference venue due to COVID restrictions.

Trustee Rider made a motion to approve up to 8 employees and 4 board members to attend the Nevada Rural Water Association Conference March 2022 as presented by staff. Treasurer seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 13. Legal report by Maddy Shipman.

Ms. Shipman reported she has provided her annual claims report for Sun Valley General Improvement District. She reported there are two active property damage claims pending to report for the 2021 calendar year. Claims submitted were related to 4th Ave. water main break and damaged scoreboard at Gepford Park.

Item# 14. Field report by Chris Melton.

Mr. Melton reported on the following:

- The District has an open Service Technician position; staff has performed multiple interviews last week. He is hoping to have the position filled next week pending acceptance of job offer.

Item# 15. Office report by Erin Dowling.

None

Item# 16. Manager report by Jon Combs.

Mr. Combs reported on the following:

- He elaborated on the two items brought to the District's attention by CliftonLarsonAllen regarding reporting of new capital improvements and year end revenue reporting. The first item was related to the first 5 Ridges capital improvement project; this project was completed prior to June 30, 2021 but was not officially reported until after the fiscal year end. This occurrence happened because the District had a vacancy in the accounting

department. The other item was properly reporting of June's water and sewer revenues. The District bills for services in the rears, therefore revenues for June are paid over July/August periods. These revenues are not a significant impact to the District's year end financials; the District will need to consider how to properly capture revenues appropriately in the future. Both these items were considered insignificant and did not have a negative impact on the District's financials.

- He is reviewing the District's current financials; he will provide a copy of the year-to-date financials at one of the upcoming meetings

Item# 17. Public Comments.

None

Item# 18. Board Comments.

Treasurer Ortiz reported Washoe County Envision Committee will be meeting on February 4, 2022. The Sun Valley Citizen Advisory Board will be holding a special meeting February 26, 2022, location to be determined.

Trustee Rider congratulated Mr. Neumann for his recent appointment to the Sun Valley Citizen Advisory Board.

Vice Chair Severt reported Mike Moreno with RTC recently passed away. Mr. Moreno was an advocate for Sun Valley pedestrian improvements and was instrumental with getting the RTC Bus route extended to the middle school.

Item# 19. Future Agenda Items.

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

- Marketing update by Kelly Glenn
- Review and approval of spring newsletter article ideas
- Discussion regarding 2022 recreational event schedule

Item# 20. Adjournment.

Secretary Barstow made a motion to adjourn at 6:42 pm. Chair Ainsworth seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on January 27, 2022
Minutes Prepared by: Jennifer Merritt, Administrative Assistant

(Due to technical difficulties, there is no audio recording of meeting)