



## Sun Valley General Improvement District Board Meeting Minutes of April 14, 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:**

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

### **Other Members Present:**

Dawn McCarthy	Audience
Mark Neumann	Audience
Bo Ramsey	Audience
Michael Revty	Audience
Commissioner Herman	Washoe County

**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 Vice Chair Severt

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

Mr. Neumann commented he has received authorization from Hobey's Casino for the use of the banquet room to hold monthly Sun Valley Citizen Advisory Board meetings. He stated he will provide final meeting dates when available. Mr. Neumann commented he attended the Washoe County Senior Services Advisory Board; after attending the meeting he visited

the Sun Valley Senior Program at the Neighborhood Center. He noticed the computers installed several years ago are not plugged in and don't have internet access; he is investigating how to get them functional for use. Lastly, he commented on the senior lunches, he commented they are horrible.

Mr. Revty announced his candidacy for the Sun Valley General Improvement District.

**Item# 4. Motion to approve the agenda.**

*Treasurer Ortiz made a motion to approve the agenda. Secretary Barstow 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.**

Mr. Melton announced Keep Truckee Meadows Beautiful Great Community Clean Up is scheduled for April 30, 2022 from 9am until noon. The District will be volunteering at the Chimney site.

Trustee Rider announced he attended the Sun Valley Cal Ripken Open Ceremonies. The ceremonies are smaller than past ceremonies. Overall, players are happy to be playing again.

Treasurer Ortiz announced she attended the Sun Valley Easter Egg Hunt. She complimented Community Services Agency for a successful event, she was very happy with the attendance.

**Item# 7. Discussion and action to approve account payables for April 10, 2022.**

Treasurer Ortiz gave a brief report of the account payables, customer refunds and payroll for April 10, 2022.

*Treasurer Ortiz made a motion to approve the account payables April 10, 2022 in the total amount of \$128,284.47 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 March 24, 2022.**

*Vice Chair Severt made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of March 24, 2022 as submitted. Secretary Barstow seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 9. Presentation by Washoe County Commissioner regarding the role of the Sun Valley Citizen Advisory Board.**

Washoe County Commissioner, Jeanne Herman gave a brief history of her involvement with the Citizen Advisory Board and how the Boards evolved. Ms. Herman reported Citizen Advisory Board have been around for a very long time; she is not familiar when they were officially initiated. The Citizen Advisory Board were formed as a platform for communities to gather and discuss and/or receive community services. She believes Citizen Advisory Boards are a good training opportunity for future politicians how government works. Prior to becoming a Washoe County Commissioner, she was a member of the Palomino Citizen Advisory Board. During that time Citizen Advisory Boards met on a regular monthly basis and it was always posted for the public to attend. During her time as a Citizen Advisory Board member, out of state developers started to attend meetings to present their developments. Ms. Herman's opinion; the developers didn't like the opposition they were receiving from communities and elevated their discouragement and requested Citizen Advisory Boards to be canceled. The developer didn't want all of the friction they were getting; they wanted to get their developments approved and developed. She believes this is why the Citizen Advisory Board meetings were being canceled. Ms. Herman has fought for the past ten years to get the Citizen Advisory Boards back; she is happy to announce all of the Citizen Advisory Boards are meeting on a regular basis again. She is working on getting the developments back on the Citizen Advisory Board agendas to give the citizens a voice once again. Ms. Herman encouraged the public to write letters to the Washoe County Commissioners requesting the Citizen Advisory Boards to be permanent and have the full rights of the Citizen Advisory Board.

Vice Chair Severt commented she served as Chair on the Sun Valley Citizen Advisory Board for many years. The Citizen Advisory Boards are considered an advisory role to Washoe County. She can attest, the developers did not like the feedback from the Citizen Advisory Board and took it to Washoe County Planning and Commissioners. She is not surprised, that this played a part of developers not having to give their presentations to the Citizen Advisory Boards. Ms. Severt commented this is a great opportunity to engage the citizens once again and keep them informed before development construction has started.

Treasurer Ortiz commented she started serving on the Sun Valley Citizen Advisory Board in 2015 and they were meeting on a quarterly basis. This was challenging for the community because development projects were getting approved between the quarterly meetings and not giving the opportunity for the Citizen Advisory Board to perform the role as an advisor to Washoe County. She is grateful the Citizen Advisory Board have been reinstated on a regular monthly basis; this allows for the Citizen Advisory Board to implement the approved master plan for each of their communities.

The Board of Trustees thanked, Washoe County Commissioner Herman for her presentation.

There were no public comments.

**Item# 10. Request from Ulysses Development Group LLC for consideration to approve acceptance of a Utility Bond in the amount of \$891,865.00 as a promissory note for first installment of Sun Valley General Improvement District's water and wastewater facilities fees. If approved, authorize execution of provided District Facilities Fees Payment Agreement.**

Mr. Melton provided a brief overview of Ulysses Development LLC original request that was denied by the District Board of Trustees on February 24, 2022. The proposed development is a 195 multi-family apartment complex located on West 1<sup>st</sup> Ave., Sun Valley, NV., also known as The Ridge at Sun Valley. The development was approved for State's low-income state credit program; this qualified the development for allocations of Federal Tax Credits, Nevada State Tax Credits, and Private Activity Bonds. Mr. Melton reported the approved state and federal tax credits are not available to the developer until after construction commences. This presented a conflict with the developer; per the District's Tariff both Water and Wastewater Facilities Fees are required in full, or via a payment plan, prior to issuance of a Will Serve Letter. Ulysses Development LLC originally had requested to postpone the first payment of \$891,865.00 until after construction commencement and make both first and second facilities fees together. At the time, the District Board was not comfortable with the request because they felt it left the District vulnerable allowing the construction to begin without the payment of the first facilities fee; and respectfully denied Ulysses Development LLC request.

Mr. Melton reported there was some discussion and staff direction to investigate an alternative solution requiring some form of collateral by the developer. Ulysses Development LLC has come up with an alternative request for consideration of a Utility Bond in the amount of \$891,865.00 as a promissory note for the first installment of the District's water and wastewater facilities fees. This has been reviewed and accepted by District's legal.

Mr. Melton reported staff is recommending approval of Ulysses Development Group LLC request of Utility Bond in the amount of \$891,865.00 as a promissory note for the first installment of the District's Water and Wastewater Facilities Fees. Staff also recommends approval of a District Facilities Fee Payment Agreement. The agreement recognizes the Utility Bond at the time of District's approval of the plan review. At the commencement of construction of upon the parcel, including grading and utility trenching, Ulysses Development LLC will be required to pay both first and second facilities fee payment for the total amount of \$1,783,730.00. Once payment has cleared the Utility Bond can be removed. The final payment of \$891,865.00 is required at the time of request for service or first meter set.

Trustee Rider inquired if this arrangement is going to delay or alter any other facilities fees payments; would the developer still be subject to make agreed amount installments at the appropriate times as specified in the District Facilities Fee Payment Agreement.

Mr. Melton responded Ulysses Development LLC has agreed to the terms of the agreement. In efforts to keep the project going, the District can make a one-time concession and accept a Utility Bond as collateral until funding has been released by the state. He stated the only reason why he is recommending approval is because it is a bonified low-income, affordable housing project backed by the state government, federal government and Nevada Division of Housing. He also commented that if approved, he might allow them to do preliminary grading to clear the lot, but once trenching begins for utilities, the developer will be responsible for making the first and second facilities fee payment.

Chair Ainsworth commented if the Board of Trustees have a desire to accept Ulysses Development LLC request, part of the motion should include that this is a one-time exception to the District's Tariff. The District is making a concession because the project is a bonified affordable housing project approved with state and federal funding. She has some reservations because she doesn't want other developers to think the District is setting a precedents. She has no desire to amend the District's Tariff at this time.

Treasurer Ortiz agreed with Chair Ainsworth's comments. She is concerned about approving the Ulysses Development LLC requests, other housing developers might request the same. As long as the District makes it known it is a one-time concession and Ulysses Development LLC has been approved for State's low-income state credit program; this qualifies the development for allocations of Federal Tax Credits, Nevada State Tax Credits, and Private Activity Bonds. She believes this criteria sets them apart from other developers who advertise affordable housing.

Ms. Shipman commented if the request is approved, this does not give staff authority to make other exceptions to future requests. All requests for an exception of the District's Tariff must be approved by the Board of Trustees.

Secretary Barstow appreciates an alternative solution that protects the District, but also sets the parameters that helps determine approval of an exception to the District's Tariff; such as it being approved for State's low-income state credit program.

Audience member Mr. Neumann commented he spoke with an employee of Washoe County Engineering department, the developer can put up to 200 plus units on that property. He inquired if Mr. Melton received confirmation from Ulysses Development LLC that they are only developing 197 units and no more.

Mr. Melton responded, he has confirmed there will only be 195 units developed by Ulysses Development LLC has presented to the District Board of Trustees on February 24, 2022.

*Vice Chair Severt made a motion approve Ulysses Development LLC request to provide a Utility Bond in the amount of \$891,865.00 as a promissory note in lieu of the first payment of the District's Water and Wastewater Facilities Fees; first and second payment is required in full in the total amount of \$1,783,730.00 at the commencement of construction . She also approved District Facility Fee Payment Agreement as presented; with execution of the agreement once the Utility Bond has been provided to the District. This is an exception to the District Tariff as a concession since the development is backed by Nevada Division of Housing and funded by State and Federal Tax Credits. Secretary Barstow seconded the motion. The motion carried unanimously.*

**Item# 11. Report by Jennifer Merritt regarding the Sun Valley Park Facilities users and program schedules; with possible direction to staff.**

Ms. Merritt gave a brief report of the various Sun Valley Park Facilities users and schedules as requested by Secretary Barstow. She reported the District owns and operates four parks throughout the Sun Valley community. Throughout the year the parks are used for private reservations, programs and league use. The District current use of the parks include two neighborhood parks, Highland Ranch Park and Sun Mesa Park. Both of these parks have pavilions that are available for private reservations throughout the year. The Gepford Park is a neighborhood park, but is primarily used for its baseball fields and community building. Each year the Sun Valley Cal Ripken league reserves the baseball fields for league use

during spring and fall. Sun Valley Cal Ripken has exclusive use of the Gepford community building; they use the meeting room for their monthly league board meetings year-round and the concession portion during the permitted season. In addition, Food Bank of Northern Nevada will host its annual summer lunch program June 13th thru August 10th at the Gepford Park. Ms. Merritt reported the Sun Valley Community Park is a multi-use recreation complex that includes a pool, two neighborhood centers, soccer and baseball fields, BMX track, skate park and inline skate rink. This park is used by multiple agencies and leagues. The main Neighborhood Center is leased to Washoe County for the Senior Program Monday thru Friday from 9am until 1pm. New Revival Church leases the Center for regular church service Sunday from 7am until 3pm, first and third Saturday from 6pm to 8pm for a youth group, and the second and fourth Saturday 10am until 12pm for a women's group. Reno Tang Soo Do leases the Center for a Martial Arts Program for all ages; Tuesday, Thursday from 5pm until 8pm, Saturday from 8am until 1pm and the first and second Friday from 5pm to 8pm. The Sun Valley Boys Scouts use the Center Tuesday from 5pm to 8pm; and the Sun Valley Girl Scouts use the Center Thursday from 5pm to 8pm, both to conduct their troop meetings. The second community building, the Mary Hansen Center, is an exclusive lease with Community Services Agency for an Early Head Start Program Monday thru Friday 8am until 3pm. The BMX Track is an exclusive lease with USA BMX / Reno Battleborn BMX Monday and Thursday 5pm until dusk and Saturday's from 8am until 3pm. Additional BMX events are scheduled throughout the year. The Soccer Field is leased to Northern Nevada Soccer League from March thru October Sunday thru Saturday. The District has two leases for the baseball field. Sun Valley Cal Ripken leases the field Monday thru Saturday during their spring and fall seasons. New lessee, Reno National Adult Baseball Association leases the field Sunday from 8am until 8pm and some Saturday's when it is not in use by the other league.

Trustee Rider commented the adult baseball league will be a nice addition to the park. The Sun Valley Cal Ripken Babe Ruth has seen a significant decrease in participation for various reasons. He is happy to see the baseball field be used year-round and receive the attention that is needed to keep the field groomed.

Treasurer Ortiz thanked Ms. Merritt for the comprehensive report and requested a copy of the full schedule in a spreadsheet that also shows the availability.

Ms. Merritt responded, she does not have the schedule in it the form of a spreadsheet, but the full schedule presented, and other community events, can be found on the District's website calendar. If there is an opening, the District can consider a reservation of some kind. She reported private reservations of the Neighborhood Center have been challenging for multiple reasons. The main challenge is the availability, the center needs to be user ready for each of the programs that take place as presented. The District has had some bad experiences in the past of the center not being cleaned after a private reservation. This leaves New Revival Church trying to put the center back so it is presentable for their service. Another challenge, private reservations require security service. The District contracts its security service out to Alert Security; they have been struggling with employee retention and have not been able to provide service for some of the reservation inquiries. Ms. Merritt reported for those reasons, as reported, she has not felt comfortable authorizing private reservations of the Neighborhood Center.

*Vice Chair Severt made a motion to approve to accept Ms. Merritt's Sun Valley park Facilities User Report. Trustee Rider seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 12. Presentation by legal counsel regarding a Trustee's role and possible conflicts.**

Ms. Shipman gave a brief presentation of the various roles the Trustees have with the District and as top management of the agency. As a Trustee, you are not only an elected officer, you are also acting in a fiduciary capacity. As the public officer, you are subject to NRS 281A, Nevada Ethics Law. As a Trustee you have a fiduciary duty to the rate payers of the District to provide a service. Ms. Shipman reported the public policy of the Ethics Law is the belief that the public office constitutes a public trust for the sole benefit of the people. It is also the belief of public offices and employees must avoid conflicts of interest between their private interest and their public duties.

Ms. Shipman reported the role working in a fiduciary capacity includes the relationships generally involving money and trust and how its spent; where one side places confidence in the other and in turn causes a dependance in one side to the influence in control of the other side . Per NRS 162.020B defines a fiduciary to include a public officer that acts as an oversite capacity, or is responsible for handling of money on the behalf of others. She reported how being a Trustee includes the role of a fiduciary. The District's rate payers in virtue, by electing the Trustees into office, vest in you their confidence, good faith, reliance, and trust of handling their money. In such a relationship, good conscience requires a Trustee as fiduciary to always acts to the sole benefit of the rate payer.

Ms. Shipman reported the District's Trustees also have public interest in the community and sometimes there is a need of separation in roles as District Trustee and a person acting out a role of community public interest. The District is a Quasi-Municipality with limited powers; the District's powers are water, sewer, recreation and garbage. She stated because the recreation and garbage powers were added to the District after 1999, the Department of Taxation categorizes the District as an Enterprise District and not a local government. Thus, each power has its own enterprise fund and funds can only be spent towards its particular power in which the funds were received.

Mr. Shipman had stated it has been recently questioned and/or recognized that District Trustees have other commitments and how those other commitments are in relation with the District. One example would be a District Trustee being appointed to a board/committee to represent the District, such as Western Regional Water Commission, Debt Management Commission or Pool/Pact Board. These appointments are specifically to represent the District; in that case the Trustee's community interest is not an issue, whether it regards funding or regards other actions needed, the Trustee is representing the District. Another community type commitment is when a Trustee is a member of, or participates in a group or an activity related to Sun Valley community, out of interest or in support of, that groups issue. Such commitment can be long or short term, with regular meeting schedules or not. Such a group may have some issues associated with some of the District services provided, such as non-profit groups that is a user the District's park facilities or other community groups like Keep Truckee Meadows Beautiful for community cleanups. Any Trustee participating in those groups is not representing on behalf of the District, the Trustees involvement is as a citizen of the community. A third community type of commitment is a Trustee either elected or appointed for a government sponsored group such at the Citizen Advisory Board or even a Home Owners Association Board. Again, in these types of commitments are not District Trustee commitments; the Trustees involvement is as a citizen of the community. She reported if a Trustee is participating in one of these groups, the Trustee needs to remember they can't direct staff or do things through the District if it doesn't relate back to one of the four powers the District provides, that would require District Board approval and/or action. As part of the Ethics statute the use of governmental time,

property or equipment outside of any 'limited use' or 'de minimus' policy adopted by an entity represented or employed. Use of District staff time could also be considered a type of de minimus use.

Ms. Shipman stated she gave this report as a reminder; now that everyone is becoming involved in their communities again post COVID.

Treasurer Ortiz inquired if it is considered a type of de minimus use her asking for the District to post the Sun Valley Citizen Advisory Board meeting dates in the newsletter.

Ms. Shipman stated no, but in that particular role, Ms. Ortiz is requesting as a citizen of Sun Valley.

Trustee Rider stated when he was elected as a District Trustee, he took it upon himself to remove himself from the Sun Valley Cal Ripken Board, because of potential conflict of interest. He felt there was a potential conflict of interest from a fiduciary point of view since Cal Ripken could be a requestee of District services and the District would be the grantor of services.

The Board thanked Ms. Shipman for her presentation.

There were no public comments.

**STANDING ITEM:**

**Item# 13. Review of the Sun Valley General Improvement District tentative budget for fiscal year 2022/2023 with possible direction to staff.**

Mr. Melton reported there are no changes to the approved tentative budget at this time. He stated he still waiting to get final proposals for the District's health and liability insurance premiums. He reported there may be a need to increase the water purchased. Truckee Meadows Water Authority replaced the District's older meters at the main pump station; the newer meters are going to read more accurately. He is working with Truckee Meadows Water Authority to see if they can come up with a good estimate what the true reads will be. Lastly, he is working with staff regarding the District's credit card fees. The District is expensing approximately \$35,000.00 in credit fees for customer convenience to pay by card, he would like to shore up this loss, if possible.

*Trustee Rider made a motion to approve to accept Mr. Melton's budget report. Treasurer Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 14. Legal report by Maddy Shipman.**

None

**Item# 15. Field report by Brad Baeckel.**

Mr. Baeckel reported on the following:

- He announced the District has hired three new service technicians. The new employees have good qualifications as well as some utility experience.
- He is pleased to announce the District promoted Damon Poelstra as the new Field Supervisor; his official start date is April 25, 2022.
- Utility Services has completed its leak detection of the District's water system. There is one potential leak finding; the District staff will schedule an investigation and repair if needed.



- Job Corp has completed the residing and painting of the old restroom building at Gepford Park; they did a good job and encouraged the Board to visit the park.

**Item# 16. Manager report by Chris Melton.**

Mr. Melton reported on the following:

- He is pleased to announce the District promoted Brad Baeckel as the new Public Works Director.
- He reported the District partnered with Community Services Agency to host an Easter Egg Hunt at the Sun Valley Community Park on April 9, 2022. The District provided the easter bunny costume, 50 free swim tokens, and easter baskets to be given as prizes. District staff reached out to Community Services Agency to see if they needed volunteers and they had indicated they had more than enough for the event; and this is why there was no staff representation at the event. He thanked Treasurer Ortiz for attending the event.
- The District approved board room recording equipment is scheduled to be installed next week.
- District Trustees have been added to invite list for the Hug High School Ribbon Cutting Ceremony scheduled for August 2, 2022.

**Item# 17. Public Comments.**

Mr. Neumann announced his candidacy for the Sun Valley General Improvement District. He suggested having 5 Ridges Development providing improvements at Highland Ranch Park since they might be regular park users. Lastly, he commented that the individual who operates the Sun Valley Senior Program is not at the Neighborhood Center from 9am until 1pm. He typically arrives around 10am when the meals are delivered and leaves immediately after the last senior guest leaves the center.

Pastor Barstow commented HOPE Church of Nazarene held a community spaghetti feed. He reported he gave out more food for take home for family members who couldn't attend. He thanked everyone who attended, it was a nice community gathering and was very successful.

Mr. Ramsey announced his candidacy for the Sun Valley General Improvement District. He excited to offer his business knowledge and love for the community, like so many other citizens.

Ms. Ortiz commented the Sun Valley Citizen Advisory Board voted on their 2022 meeting schedule. They will be meeting monthly at Hobeys Casino in the banquet room. Ms. Ortiz requested once all of the official meeting dates have been approved, if the District could include them in the District's quarterly newsletter. She also requested the District General Manager consider attending the Sun Valley Citizen Advisory Board meetings, or every other meeting, to help answer questions.

**Item# 18. Board Comments.**

Chair Ainsworth commented she was approached to see if the District allows individuals to announce their candidacy for various elected office positions. She stated she is not opposed of individuals attending a District meeting and announcing their candidacy under public comments.

Trustee Rider commented he agrees with Chair Ainsworth's comments, he is not opposed of individuals announcing their candidacy and putting their name on record. He congratulated both Mr. Melton and Mr. Baeckel for their first board meetings in their new positions.

Vice Chair Severt commented Sun Valley has its first free little library on Valley High Drive. A Sun Valley resident has installed a little library box for citizens to take or donate a books. For more information on the free residential library box to visit [www.freelittlelibrary.com](http://www.freelittlelibrary.com).

Secretary Barstow congratulated both Mr. Melton and Mr. Baeckel for their first board meetings in their new positions.

Treasurer Ortiz thanked and welcomed both Mr. Melton and Mr. Baeckel for their first board meetings in their new positions.

**Item# 19. Future Agenda Items.**

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

- Pool Season Update
- Presentation by Erlach regarding Cyber Security
- Public Hearing for transferring customer delinquent account balances
- Possible staff report regarding District's credit card convenience fee expenses
- Possible paint exterior Neighborhood Center
- Possible recoating of Basketball Courts
- Standing Item: Fiscal Year 2023 budget updates.

**Item# 20. Adjournment.**

*Secretary Barstow made a motion to adjourn at 7:16 pm. Trustee Rider seconded the motion. The motion carried unanimously.*

Approved by the SVGID Board of Trustees on April 28, 2022  
Minutes Prepared by: Jennifer Merritt, Administrative Assistant