



**Sun Valley General Improvement District
Board Meeting Minutes of
May 10, 2018**

Board Members Present:

Sandra Ainsworth	Chair
Susan Severt	Vice Chair
Joseph Barstow	Secretary
Carmen Ortiz	Treasurer
Garth Elliott	Trustee

Board Members Not Present:

Staff Present:

Darrin Price	SVGID, General Manager
Jon Combs	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

Other Members Present:

Brad Baeckel	Audience
Antonio Gonzalez	Audience
Jerry Hamilton	Audience
Damon Poelstra	Audience
Michael Rider	Audience
Glenda Walls	Audience
Steve Brigman	Shaw Engineering
Paul Winkelman	Shaw Engineering
Nicholas O'Connor	Shaw Engineering
Chris Abrams	Tesco Controls, Inc.

The meeting of the Sun Valley General Improvement District was called to order by Chairperson 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; Chairperson Ainsworth, Vice Chair Severt, Treasurer Ortiz, Secretary Barstow and Trustee Elliott. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Treasurer Ortiz

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

None

Item# 4. Motion to approve the agenda.

Vice Chair Severt 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. Price reported he attended the Northern Nevada Water Planning Commission and they recently approved to continue funding various regional projects such as cloud seeding and landscaping recertifications.

Trustee Elliott announced Washoe County Commission is conducting a public hearing on May 22, 2018 at 10 am regarding the Sun Valley Area Plan. He strongly encourages the public to attend and support the Sun Valley Area Plan as is. He also stated that the Sun Valley Community needs to evaluate the Sun Valley Area Plan in the future to make amendments for the betterment of the Sun Valley community.

Item# 7. Discussion and action to approve accounts payable and customer refunds for May 10, 2018.

Treasurer Ortiz gave a brief report of the accounts payable for May 10, 2018.

Treasurer Ortiz made a motion to approve the accounts payable for May 10, 2018 in the total amount of \$129,339.91. Trustee Elliott seconded the motion. After some discussion the motion carried unanimously.

Treasurer Ortiz gave a brief report of the customer refunds for May 10, 2018.

Treasurer Ortiz made a motion to approve customer refunds for May 10, 2018 in the total amount of \$1,048.41. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 8. Discussion and motion to approve Board minutes of April 26, 2018.

Treasurer Ortiz made a motion to approve the Board minutes of April 26, 2018 as submitted. Vice Chair Severt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 9. Discussion and possible motion to approve Sierra Nevada Construction bid proposal and award for the 12” Water Transmission Main and 15” Sewer Collection Main Project.

Steve Brigman with Shaw Engineering reported he is the project engineer for the District’s 12” Water Transmission Main and 15” Sewer Collection Main Project that is needed as part of the middle school project. Mr. Brigman stated the District is bidding these projects out and recently held a bid opening. The District received a total of three bids for these projects, all bids were from reputable contractors. Mr. Brigman reported Sierra Nevada Construction was recognized as the apparent low bidder. The total bid amount is \$2,188,007.00; this is under the engineer’s estimate of \$2,372,820.00. Sierra Nevada Construction has satisfactorily completed the forms associated with the bid proposal package and its Shaw Engineering’s opinion that Sierra Nevada Construction has submitted a responsive and responsible bid. Mr. Brigman recommends the award of these projects to Sierra Nevada Construction for the total amount of \$2,188,007.00. This award should be contingent upon no formal protests being filed.

Mr. Price stated he is pleased to have received three bids for these projects considering how busy the construction industry is at this time. He reminded the Board that Sierra Nevada Construction was the contractor for the Boundary tank project and they did a good job. He briefly commented on the punch list issue the District had with Sierra Nevada Construction at the end of the project. He stated the water and sewer main project is a much larger project that will affect a lot of the customers during construction. He also reported Washoe County has additional requirements for this project that increased the expense of the project. Mr. Price also reminded the Board and audience that the expense of these projects is shared between the District and Washoe County School District.

Additional discussion ensued on Sierra Nevada Construction performance with the District’s Boundary Tank project. Mr. Brigman stated if the District approves the award, Shaw Engineering will be on site every day to oversee the project to make sure it is constructed accordingly. He does not anticipate there being any issues with Sierra Nevada Construction. Sierra Nevada Construction anticipates beginning construction after Memorial Day beginning with the water project. The expected water delivery date by Sierra Nevada Construction is August; Washoe County School District is hoping for July.

After further discussion Trustee Elliott made a motion to award the 12” Water Transmission Main and 15” Sewer Collection Main Project to Sierra Nevada Construction for a total amount of \$2,188,007.00 contingent on no formal protest. Vice Chair Severt seconded the motion.

During discussion Secretary Barstow disclosed that his son-in-law works for Sierra Nevada Construction.

After discussion the motion carried unanimously.

There were no public comments.

Item# 10. Discussion and possible motion to approve TESCO contract for replacement of the District’s SCADA operating system and equipment.

Mr. Combs reported the District’s existing Motorola SCADA system was installed in 1999. The SCADA system regulates pumping, tank levels, monitors water pressure, sewer vaults and many other system functions. Motorola no longer supports the District’s existing system

and replacement parts are no longer available. Staff has researched several different companies to determine which system will best fit the District's needs and functions. Staff is requesting to replace the existing system and recommends proceeding with Tesco Controls. Tesco Controls not only offers a system that meets the needs of the District, they also offer local support; the District's current system support is located out of town posing a challenge at times when something needs repaired. Tesco Control's proposal amount is \$180,000.00; these funds have been approved in the District's 2017/2018 budget as well as the proposed 2018/2019 budget for this identified capital improvement project. Mr. Combs reported the District can approve without having to request for competitive bids per NRS 332.115, "Contract not adapted to award by competitive bidding: purchase of equipment by local law enforcement agency, response agency or other local governmental agency."

Secretary Barstow inquired what the life of the new system is before the District is not able to purchase replacement parts.

Chris Abrams with Tesco Controls responded the equipment life expectancy is approximately twenty to twenty five years. Tesco Controls has never obsoleted any of its products, they still support controllers from the 70's that are actively being used in the field.

Vice Chair Severt inquired how long will the installation take to fully replace the District's existing SCADA system and will it be performed in phases.

Mr. Abrams responded it is more efficient to mobilize Tesco staff all at one time and replace the system as soon as possible rather than trying to install in phases. He stated the initial lead time for submittals (engineering and drawings) will be approximately ten weeks followed by another sixteen weeks for installation.

Trustee Elliott inquired if Tesco Controls does business with comparable companies. He requested a brief overview of the new SCADA system and how it will work.

Mr. Abrams responded Tesco Controls has worked with the City of Reno, Douglas County Public Works, Douglas County Sewer Improvement District, Incline Village General Improvement District, and many other local agencies within the area. Tesco Controls started in 1972 beginning with the water and wastewater industry. Mr. Abrams reported the District's new SCADA system will be completely isolated from the internet, for cyber security reasons. The system will have remote access very similar to how the District's existing system is currently accessed. The system will continue to be used via a radio frequency that the District currently has a license for instead of cellular technology.

Chairperson Ainsworth inquired if there is a huge difference on operating the new SCADA system compared to the District's current system.

Mr. Price responded there is not a big difference, minimal learning will be needed to use the new SCADA system. The operations are very similar to the District's current system with much better product. The District's current SCADA operator/contractor has done a great job serving the District; he works independently and is located in Sacramento. He has been able to provide remote support at times, but it is challenging to schedule him in a timely manner for maintenance and/or repairs. Mr. Price likes the idea of having local support to assist with the needs of the District in a more timely manner.

After further discussion Trustee Elliott made a motion to approve the purchase of a new SCADA system from Tesco Controls in the amount of \$180,000.00. Vice Chair Severt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 11. Review and possible action to implement non-smoking policy for all Sun Valley General Improvement District Parks with direction to formally adopt non-smoking policy at the District's next scheduled tariff hearing.

Mr. Combs reported at the last meeting the Board approved to adopt a portion of the Washoe County guidelines of a non-smoking policy for all the Sun Valley General Improvement District Parks. The District's policy is a Smoke-Free/Vape-Free Policy; prohibited in all parks and facilities. A person in violation of the provision would receive notice and warning and may be subject to ejection of park or facility. He stated staff is requesting clarification if the Board wants to identify a designated smoking area within the parks for special events as indicated in the policy or prohibit smoking/vaping entirely in the park.

Trustee Elliott stated he is concerned with designating a smoking area because of the potential mess that smokers leave behind and it could be problematic.

Mr. Combs reminded the Board that the District has no authority to issue citations within the parks. The District enforces its rules through signage. He spoke with Washoe County Health Department regarding the donation of no smoking signage for the District's parks. Washoe County Health Department is researching if they can donate signs to the District and/or share their signage template for the District to have their own signs made so all signs are uniform throughout Washoe County. Mr. Combs stated his own opinion the District shouldn't have a designated area for smoking, if someone wants to smoke they can smoke off park grounds.

Treasurer Ortiz inquired if the District has had problems in the past with smokers leaving cigarette butts behind during special events. She recommended the District provide a place for patrons to dispose of their cigarettes and hopefully it will make it easier for District staff to cleanup.

Mr. Combs responded the main area where individuals leave behind cigarette butts is in the parking lots. Staff is seeking direction if the Board wants to implement a designated smoking area and where or remove a smoking designated area from the policy.

Vice Chair Severt stated if the District implements a designated smoking area, there needs to be a designated area at all four parks. She personally wants to remove smoking all together because majority of the park use is by kids. She believes eventually peer pressure will help enforce the no smoking policy.

Audience member Mr. Rider reported Sun Valley Cal Ripken supports the District's adopting a Smoke-Free/Vape-Free Policy. As part of the Sun Valley Cal Ripken rules, they prohibit smoking at both the Gepford and Community Park 50' away from the ball fields. Patrons smoke in the parking lots.

After further discussion Trustee Elliott made a motion to adopt the provided Smoke-Free/Vape-Free Policy with removing the item that provides a designated area and making all the parks Smoke/Vape Free. Secretary Barstow seconded the motion.

During discussion Treasurer Ortiz would like to revisit the policy if it creates an issue.

The motion carried unanimously.

Item# 12. Discussion and possible action regarding the process of replacing the District General Manager including, but not limited to, advertising and consideration of forming a selection committee.

Mr. Price stated he is thankful for being promoted as the District's General Manager eleven years ago. He was happy the Board believed in him and his staff and had the support of the staff with his promotion. Management consistently trains and educates staff for promotional opportunities. As the General Manager he wanted to make sure the Board has options with his replacement either internally or externally.

Chairperson Ainsworth stated she believes in promoting within, if the employee is qualified for the position. She thanked everyone who has sent her correspondence of what they would like to see for the District. She is concerned about hiring a head hunter to find a replacement for the General Manager position based on prior experience. The District has great employees and she would like to give them the opportunity to move up if they wish to move up.

Trustee Elliott stated he agrees with Chairperson Ainsworth comments. He personally had been hired for a position because there was not talent within the organization and it was very problematic. Once the District was notified of Mr. Price's resignation, he is appreciative of the correspondence he has received regarding the District's training of employees within to move up when a vacancy occurs. He has no problem with promoting within as long as they meet the requirements of the position.

Vice Chair Severt stated at her place of employment she hires thousands of people a year and also trains a lot of the employees to be promoted for other positions. She stated if you can identify talent, you want to train it up. She stated it is important to have succession planning and that is the best thing the District has done and continues to demonstrate. She recognizes that bringing in a new individual potentially can bring in new ideas and revitalize the group. After thinking about what is important for the District moving forward she came up with two important items; consistency and the importance of institutional knowledge.

Secretary Barstow stated he believes with promoting within. He appreciates it when he is recognized for his hard work and receives promotions. The District has dedicated employees and would like to recognize them.

Treasurer Ortiz stated she wants to do what's best for the employees as well as the community. She agrees with everyone else, she would like to promote within.

District employee Damon Poelstra stated when he started with the District in 2006 as a Service Technician, Mr. Combs was a Service Technician, Mr. Ariztia was Field Supervisor, Mr. Price was Public Works Director and Ms. Langs was General Manager. As a new employee and new to the water and wastewater industry, Mr. Combs took him under his wing and mentored him. He believes that Mr. Combs would be perfect for the General

Manager's position. It would be difficult to train a new person without the knowledge of the District's operating system. The District is small and the employees get along great, it is a family.

Audience Member Mr. Rider stated during the recent Sun Valley Cal Ripken Baseball board meeting they had a discussion regarding the news of Mr. Price resignation. Sun Valley Cal Ripken has a close relationship with the District pertaining to the parks; the Sun Valley Cal Ripken is in favor of the Board promoting within. He stated Sun Valley Cal Ripken has multiple relationships with each of the District employees and doesn't want to re-establish a new relationship when things are currently working smoothly.

District employee Mr. Baeckel stated he is a Service Technician for the District. He wanted to express his support for hiring Mr. Combs as the new General Manager. Mr. Combs has the knowledge and experience necessary to manage the District; he is knowledgeable with the operations and familiar with existing procedures and policies. He believes it will make for a smooth transition. Mr. Combs has been a great Public Works Director for the District employees and he is confident he will do well as the General Manager. Mr. Baeckel also stated he believes Mr. Melton would be a great Public Works Director; he has been working directly with Mr. Price and Mr. Combs and has learned how to be an effective supervisor. He adapted to the position quickly and he is ready for the next step in his career. He admires and respects both Mr. Combs and Mr. Melton and they deserve to be promoted.

District employee Mr. Hamilton stated he is a Service Technician for the District. He supports Mr. Combs as the General Manager. He stated he has a new appreciation for all the new development and new responsibilities that both Mr. Combs and Mr. Melton have had to face and they have done a great job with handling the added work load due to development.

Mr. Price reported any employees that advance to a position immediately enter into the six month introductory period. Should there be the recommendation to promote within; all employees will be subject to the introductory period. If they don't meet the needs of the new position they can be released.

Trustee Elliott inquired what direction and/or action can the Board take based on how the agenda is written while taking into consideration the comments the Board has received.

Chairperson Ainsworth the agenda item tonight is to decide to hire outside the company or to consider employees within.

Mr. Price stated he requested for Board direction, because he wants to make sure that the Board that oversees the General Manager's position is comfortable with any recommendations. He stated if the Board directs him to make recommendations regarding internal promotions, he will prepare a staff report regarding promotions, salaries and other organizational changes for consideration at the District's next board meeting.

Chairperson Ainsworth stated if the Board decides to promote within, the District will save on time and money from having to advertise for the position. There will also not be the need to form a committee, because there are employees within that are qualified.

Mr. Price stated he was just reminded that the District will not have legal representation at the District's next board meeting, both Ms. Shipman and Ms. Leeder are unavailable. Mr.

Price inquired if the Board would like to delay reviewing Mr. Price's recommendations at the first meeting in June or consider holding a special meeting.

After additional discussion regarding everyone's schedule it was requested to have a special meeting to discuss Mr. Price's promotion recommendations as well as other recommended changes.

Secretary Barstow made a motion to schedule a special meeting June 7, 2018 at 6pm. Chairperson Ainsworth seconded the motion. The motion carried unanimously.

Vice Chair Severt made a motion to use the District's internal process to replace the District's General Manager on June 7, 2018. Chairperson Ainsworth seconded the motion.

During discussion Mr. Combs inquired if the special meeting will also cover the discussion of the Public Works Director and the Field Supervisor.

Chairperson Ainsworth responded no.

Treasurer Ortiz commented she thought that the Board was giving Mr. Price the direction to give recommendations.

Chairperson Ainsworth inquired if the special meeting should include all recommendations as discussed.

Vice Chair Severt amended her motion to include using the internal process to also replace the Public Works Director and Field Supervisor. Chairperson Ainsworth amended her second. The motion carried unanimously.

Item# 13. Discussion and possible direction to staff to provide additional information, modify, or edit the District's FY 2018-2019 tentative budget.

Mr. Price thanked those board members who have met with him to go over the budget and allow him the opportunity to answer questions. He stated he received the District's health insurance renewal premiums proposal. The District's insurance broker was not available to attend tonight's meeting to review the proposal with the Board. There will be a presentation at the next meeting to review the District's health insurance plan, similar presentation as last year. Mr. Price stated as for the remainder of the budget, nothing has changed. The budget that has been provided the past several meetings is the same tentative budget the Board approved on April 12, 2018. He is happy to answer any questions or take any recommendations.

Trustee Elliott inquired what the proposed insurance premium is.

Mr. Price responded he was pleased that the renewal amount came under staff's estimate that was built into the tentative budget. He stated during his conversation with the insurance broker, the District's renewal premium came under considerably more compared to other governmental agencies that received a much higher premium increase. LP Insurance will be at the District's next board meeting to give a full presentation regarding all the percentages.

Trustee Elliott finds that staggering when considering the District's health insurance rates increased by \$38,000.00 last year.

Mr. Price stated based on how things were going politically and some of the insurance changes, he was very pleased that the increase is not as large as last year. He assured Trustee Elliott there will be options for discussion at the next board meeting to assist with making any decisions.

Trustee Elliott stated he has problems with the current budget packet. It appears that in some categories the District didn't use all that was budgeted last year, but the proposed budget provides an increase for those same line items. He would like some form of justification. Trustee Elliott also inquired why there is an increase in water sold for the District.

Mr. Price explained that the budget information that the Board has does not have current figures in the actual spent column; the actual spent figures are only through December 2017. He will make sure that the final budget packet information has updated actual spent figures for review and consideration purposes. He also stated that each year is unique as to what the District needs to budget for. As an example, development has increased therefore some of the District's revenue and expenses have increased compared to prior years.

Mr. Combs also responded stating that the increase in water revenue is also a reflection of new services and the rate increase approved last year.

Ms. Erin stated that if any of the board members have questions on any of the line items, they are welcome to call and speak with Mr. Price, Mr. Combs or herself prior to the budget hearing. She assured Trustee Elliott that staff tries to make sure all figures presented in the budget are as true and accurate as much as possible.

After additional discussion the Board of Trustees had no additional concerns and/or edits to the proposed 2018/2019 tentative budget.

There were no public comments.

Item# 14. Legal report by Maddy Shipman.

Ms. Shipman commented on Incline Village General Improvement District (IVGID). IVGID staff has decided neither the public nor the board should get copies of any of the correspondence that is sent in for a board meeting. Normally any correspondence would be made part of the record of the board meeting. Typically people would provide correspondence because they can't make the meeting or what they might want to say surpasses the three minutes that is allotted for public comments. Staff felt that some of the correspondence was defamatory. Most likely a formal complaint is going to be filed against IVGID. There is also a concern that two of the IVGID Board of Trustees is coincidentally not receiving email correspondence.

Ms. Shipman stated she will not be present at the next board meeting and the District's backup legal counsel is not available either. She wanted to remind the board what constitutes as a discussion. According to Google it means, "The action or process of talking about something, typically in order to reach a decision or to exchange ideas." Ms. Shipman modified the definition to include, "The exchange of ideas or thoughts between two or more trustees on a non agendized item." The board can have a discussion on an agendized item anytime the Board wants. The rule of thumb is if there becomes a lot of discussion and questions, check the agenda for what can be formally discussed. If the discussion is non-related to the agenda item, put it on the next agenda for formal discussion.

Item# 15. Field report by Jon Combs.

Mr. Combs reported on the following items;

- Field staff continues to prepare the Sun Valley Pool for the upcoming pool season; the big pool has been drained and staff is cleaning the pool in preparation for inspections. The baby pool repairs will be finished after Memorial Day weekend.
- Ladera Ranch began with the installation of water mains. Staff will be testing all the mains. The District received several building permit for the construction of their first homes, most likely model homes.
- He thanked the Board for the consideration of promoting within. He agrees employees should be rewarded for the dedication, knowledge and showing interest in filling positions.
- The Summit Church is hosting a Community Cleanup Day at the Sun Valley Community Park Saturday, May 12th. The cleanup is from 9am until 12pm followed by a barbecue.
- Staff will be attending a pre-construction meeting for the middle school with Core Engineering.
- He will present the Sun Valley Recycling results at the first meeting in June.

Item# 16. Office report by Erin Dowling.

Ms. Dowling reported on the following items;

- The District began accepting Swim Lesson Registration on May 1, as of today the District has 17 swim registrations.
- Staff continues to plan and organize for the upcoming Dive Into Summer Event. The provided flyer was created by Ms. Merritt and will be distributed with the District monthly bills. The flyers will also be distributed at the local elementary schools as well as posted on the District's website, Facebook page, and front lobby. The back side of the flyer also includes the 2018 recreation schedule.
- She wished all the moms a happy Mother's Day.

Item# 17. Manager's report by Darrin Price.

Mr. Price reported on the following items;

- Mr. Price attended the Keep Truckee Meadows Beautiful Great Community Clean Up. The event was a huge success; there were four full dumpsters, a lot of tires that appear to have been illegally dumped by a tire shop. He also removed a boat from the desert, this was his second boat. He gave a big thanks to District employees Jerry Hamilton, Chris Melton, Brad Baeckel, Karen Pickens and Paty Garcia for all their hard work.
- He followed up with Washoe County Health Director, Chad Weston regarding the District's waiver. He stated it is looking more positive and hopes it is approved in conjunction with Truckee Meadows Water Authority's waiver request.
- During the draining of the pool staff had to relocate a giant frog and the pool had a lot of pollywogs that were removed during the draining of the pool.
- He announced his retirement at the recent Joint Coordinating Committee for Truckee Meadows Water Reclamation Facility (JCC). Susan Ball-Roth who represents the JCC stated the District Board must appoint a District representative and alternate for the JCC. The representative can be an elected member or staff member. He stated that Mr. Melton has been attending the meetings with him over the past several months.
- He thanked the Board for all the years and good times.

Item# 18. Public Comments.

None

Item# 19. Board Comments.

Vice Chair Severt commented she volunteered with the Keep Truckee Meadows Beautiful Great Community Clean Up. She managed the tool shed with her nephew. She was proud to report that Keep Truckee Meadows Beautiful removed 90,000 pounds of trash, 30,000 pounds of green waste, 10,000 thistles were removed near the river and the event had a total of 813 volunteers. She also stated she is hoping for good weather for the June 8th Dive Into Summer Event.

Secretary Barstow commented the Hope Church will be participating with the Sun Valley Community Clean Up on May 12th.

Chairperson Ainsworth commented she volunteered with the Keep Truckee Meadows Beautiful Great Community Clean Up. She noticed that the open space is being used for the burial of pets. She thought the event was very successful.

Item# 20. Future Agenda Items.

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

- Presentation by Michael Drinkwater with Truckee Meadows Water Reclamation Facility
- Presentation by LP Insurance regarding the District's health insurance
- Budgeting Hearing to adopt the District's FY 2018/2019 budget
- Recommendation to appoint a District representative for the Joint Coordinating Committee for Truckee Meadows Water Reclamation Facility

Trustee Elliott would like for the consideration future use of the community garden by the community of older Americans.

Item# 21. Adjournment.

Trustee Elliott made a motion to adjourn at 7:49 pm. Chairperson Ainsworth seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on May 24, 2018.

Minutes Prepared by: Jennifer Merritt, Administrative Assistant