



**Sun Valley General Improvement District  
Board Meeting Minutes of  
May 25, 2023**

**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
Erin Dowling	SVGID, Customer Service Supervisor
Elizabeth Thrall	SVGID, Senior Accountant
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

**Other Members Present:**

Mike Revity	Public
Glenda Walls	Public
Ken Krater	Krater Consulting Group
Jared Rossi	LP Insurance
Stephen Romero	POOL/PACT

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

**Item# 2. Pledge of Allegiance.**

Led by Trustee Ortiz

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

None

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

*Vice Chair Rider made a motion to approve the agenda. Treasurer Neumann 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.**

Mr. Melton announced the District office will be closed Monday, May 29, 2023 in observance of Memorial Day. The Sun Valley Citizen Advisory Board meeting is scheduled for Saturday, June 3, 2023 10 am at Hobey's Casino. Lastly, he announced the District's Dive Into Summer Event is Friday, June 16, 2023 from 5 pm to 7 pm at the Sun Valley Community Park.

Treasurer Neumann announced he will be absent from the June 8, 2023 District Board Meeting, he will be on vacation.

**Item# 7. Discussion and action to approve account payables for May 25, 2023.**

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for May 25, 2023.

*Treasurer Neumann made a motion to approve the account payables for May 25, 2023 in the total amount of \$202,797.34. Trustee Ortiz 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 May 11, 2023.**

*Trustee Ortiz made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of May 11, 2023 as submitted. Vice Chair Rider seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 9. Consideration of Petition of Annexation for water and wastewater services - and possible adoption of resolution regarding same- for the annexation of certain properties into the Sun Valley General Improvement District Service territory filed by LC Highland 2, LLC. The property is known as APN: 508-020-04, 508-020-42 and 508-020-44; the general area of the 18.41-acre parcel(s) to be annexed is located south of Highland Ranch Parkway and north of E. 9th Ave; near the intersection of E. 9th Ave. and Klondike Dr. The application proposes development of a 68 single family homes.**

Chairperson Severt read into the record the Order of Procedures for the District's Public Hearing at 6:09 pm.

Secretary Barstow provided proof of publication for public hearing.

Kenneth Krater with Krater Consulting Group gave a brief presentation regarding Highland Village 2 proposed development. Mr. Krater reported the proposed development is located on 9<sup>th</sup> Ave. adjacent to Virginia Palmer Elementary School across from Highland Village 1. A Neighborhood Public Meeting was held on October 25, 2021 at the Sun Valley Neighborhood Center. He stated majority of the public was accepting of the new development and requested for pedestrian safety and traffic to be looked at for any possible improvements. The project was reviewed and approved by Washoe County Planning Commission in November 2022. He reported the project is made up of three parcels totaling 18 acres with the proposal to develop 68 single family homes. The proposed development will be served by Sun Valley General Improvement District for both water and sewer services. The developer will be keeping the rocky knoll near Highland Ranch Pkwy. and surrounding area north west as open space for trail heads, this will help reduce and/or eliminate abandon vehicles in this area. The development also will include a small park with play equipment for toddlers; the park will be maintained by the designated home owner association. The developer and the Washoe County School District came to an agreement; the developer will replace the existing dirt walking pathway along 9<sup>th</sup> Ave. northside of Virginia Palmer Elementary School going east towards Midnight Dr. with a paved cul-de-sac to provide a safe drop-off and pick-up location for students. The cul-de-sac will be dedicated to Washoe County and maintained by Washoe County. He reported Highland Village 2 will have one point of access; a T-Intersection at Highland Ranch Pkwy with an emergency access only along Klondike Dr. and 9<sup>th</sup> Ave. Both Highland Village 1 and 2 T-Intersections and full intersections will also have overhead lighting shining downward to avoid interfering with the night sky and interfering or shining on other residential homes. Additional traffic calming features will be added through the existing Lifestyle Homes beginning from Highland Ranch Pkwy., Midnight Dr., Lightning Dr., Magenta Dr., 7<sup>th</sup> Ave. to Klondike Dr. by adding additional intersection medians and striping. There is consideration by Washoe County to install a school zone for Highland Ranch Parkway for additional pedestrian safety. He shared various maps for review; slope map, existing land use and zoning map and a new proposed land use and zoning map.

Trustee Rider thank Mr. Krater for his presentation and working with the public by adding necessary pedestrian and traffic safety elements in and around the development.

Treasurer Neumann commented he thinks the development will provide a great improvement to the area and reduce unwanted illegal dumping adjacent to the school.

Chairperson Severt commented she was originally not in favor of the project, however, after the seeing the progress of the design and implementing public input, this development will be a nice addition to the Sun Valley community.

There were no public comments and no public written correspondence for the record; Chairperson Severt closed the public hearing at 6:22 pm.

*Vice Chair Rider made a motion to approve annexation request by LC Highland 2, LLC into the Sun Valley General Improvement District Service Territory for parcel(s) APN: 508-020-04, 508-020-42 and 508-020-44; the general area is 18.41-acre located south of Highland Ranch Parkway and north of E. 9th Ave. for the purpose of a 68 single family home development. Treasurer Neumann seconded the motion. The motion carried unanimously.*

**Item# 10. Presentation by Nevada Public Agency Insurance and LP Insurance with acceptance of liability insurance renewal proposal for District facilities.**

Mr. Rossi with LP Insurance briefly presented the deductibles and summary of coverages for District facilities for 2023/2024. The District's policy has a \$500 deductible for each and every loss that is reported. He reported the property limit is a blanket limit with a maximum limit of \$300M per loss for all members. The District's Property Coverage includes \$5M per loss for accounts receivable, 10% up to \$25K per loss for arson reward, \$100K for mold/asbestos removal, \$150M aggregate for earthquake and flood, \$100M per loss for equipment breakdown, \$5M per loss for unintentional errors and omissions. He reported there was a change this year with loss for unintentional errors and omissions; the deductible changed to include 10% of the value of the loss. He reported the District's Liability Coverage limit is \$10M; liability included: auto, general, personal injury, employment practices, law enforcement and wrongful acts liability. He reported the cyber liability aggregate is \$1M aggregate per event up to \$15M aggregate for all POOL Members combined. The District's Environmental Liability Coverage, also known as pollution, is \$2M for each incident with a \$10M aggregate Coverage A – third party claims for bodily injury, property damage or remediation expense, Coverage B – first party remediation expense, Coverage C – emergency response expense and Coverage D – \$2M business interruption (365 day limit with a 3 day deductible). The District's total program cost including all services for 2023/2024 is \$87,000.00. He reported the District's renewal premiums are based on District exposures; the District's payroll increased 8.75% and a total insured value increase of 9.83%.

Mr. Romero with Nevada Public Agency Insurance reported the 2023/2024 renewal premium is a 12% increase. However, based on the District's actual exposure, the increase came in at 27%, the overall savings to the District is 15%. He understands a 12% increase is a significant increase, but from what the market conditions and what the markets are seeing; premiums are not being driven by claims it is being driven by capacity (capacity meaning having money available to insure things, currently there is not enough money available based on overall POOL/PACT prior claims). He reported on POOL/PACT risk management grant; grants are awarded to members who perform improvements that reduce risk; the District has utilized this program multiple times. The District has been awarded various grants to assist with installation of new security cameras and for continuing human resource education opportunities. He gave a brief presentation regarding member benefits and resources that are available to the District. He reported POOL/PACT Risk Management offers a wide range of trainings and programs either in person or online to help reduce liability exposures to help mitigate/eliminate risk to employees and liability exposure. It also provides Loss Control grants to its members. He briefly reported on POOL/PACT Human Resources that the District is currently taking advantage of. These services include a variety of trainings in person or online. POOL/PACT will assist with making sure the District's Personnel Manual is in compliance based on newly adopted and/or updated laws.

*After further discussion Vice Chair Rider made a motion to renew Nevada Public Agency and LP Insurance renewal proposal in the amount of \$87,000.00 for the District's liability insurance for 2023/2024. Trustee Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 11. Adoption of Resolution amending Sun Valley General Improvement District Tariff, said amendments as approved by the Board of Trustees following the public hearing held on May 11, 2023 and to be effective as of July 1, 2023.**

Mr. Melton provided a copy of the District Tariff Resolution that adopts the Tariff amendments approved by the District Board of Trustees following the public hearing held on May 11, 2023. He reported all amendments will become effective July 1, 2023.

*Treasurer Neumann made a motion to adopt Sun Valley General Improvement District Resolution 2023-02, implementing various Tariff amendments approved by the Board of Trustees on May 11, 2023 and to become effective July 1, 2023. Vice Chair Rider seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 12. Discussion and action to adopt Sun Valley General Improvement District Final Budget for Fiscal Year 2023/2024.**

Chairperson Severt read into the record the Order of Procedures for the District's Public Hearing at 6:46 pm.

Secretary Barstow provided proof of publication for public hearing.

Mr. Melton reported there were various changes to the approved tentative budget. The District's Water Fund Net Income has decreased by \$38,740 due to the following: Water revenue increase of \$2,000 based on an analysis of current credit card transaction fees received. Water expenses has increased by \$25,340 for interest expenses; as reported last meeting the District is not able to pay of its Water Bond 2. Increase of \$10,000 for potential pump repair and maintenance. The District's licenses and fees increased by \$5,300 to include new investments fees implemented in the first quarter of 2023 and credit card expenses, and a \$100 increase to utilities. The increase in expenses is offset by a small decrease to other Bank Fees of \$200. The District's Sewer Fund Net Income has decreased by \$8,133 due to the following: Sewer expenses has increased by \$5,500 for the District's licenses and fees to include new investments fees implemented in the first quarter of 2023 and credit card expenses, and a \$100 increase to utilities. Interest expense increased by \$2,533 to match loan payment schedule. Lastly, the District's Acquisition Fund Net Income has decreased by \$50,000 due to the following: Water capital improvement projects increased by \$50,000 for pump and motor replacement at the District's main pump station. Mr. Melton elaborated in the District's increase regarding investments fees. Currently US Bank is the custodian of the District's investments (CD's). US Bank has only assessed a \$3,500 custodial fee to the District because there was not a lot of interest being earned on the District's prior CD investments. However, with the new interest rates for CD's US Bank has increased their custodial fee to \$10,000; he assured the District is still receiving a return on its investment. He also reported the District has been given notice that in the near future US Bank will no longer be able to be the custodian of the District's investments.

Ms. Thrall reported the accounting department analyzed each of the accounts after the tentative budget was approved to make sure the District is still on track meeting estimated end of year revenues and expenses. Based on the analysis, the accounting department made various recommendations to management for the amendments that were presented. She believes the District's final budget is a true representation of expenses and revenues.

There were no public comments and no public written correspondence for the record; Chairperson Severt closed the public hearing at 6:52 pm.

*Vice Chair Rider made a motion to adopt the Sun Valley General Improvement District Final Budget for fiscal year 2023/2024 with the amendments presented by management and staff. Trustee Ortiz seconded the motion. The motion carried unanimously.*

**Item# 13. 2023 Legislative update provided by Holland & Hart and review of BDR'S and/or Bills; with possible direction to staff.**

Mr. Melton reported the Session is tentatively scheduled to end on June 5<sup>th</sup> unless there is action for a Special Session. Staff will provide a full closing Legislative report either at the June 8<sup>th</sup> or July 13<sup>th</sup> meeting, pending submittal from Holland & Hart. There are no significant bills at this time to report on.

There were no public comments.

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

Ms. Shipman reported as a reminder to Trustees that are also members of the Sun Valley Citizen Advisory Board, when the District has a development annexation request; discussion is strictly limited to District water and sewer services. She does not encourage discussion or making requests or recommendations regarding other development amenities such as roads, sidewalks, traffic concerns, all of those amenities are determined by the appropriate entities and review committees. She states this is a reminder to show how easy it is to overlap District business with other community/public business regarding development. She also reported the POOL/PACT holds an annual litigation meeting for the attorneys of the various member of the POOL/PACT. The annual meeting provides and changes to Nevada Law during legislative sessions and any updates in regards to any case law that came up during the prior year. She attends these meetings and find them extremely valuable.

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

None

**Item# 16. Office report by Erin Dowling.**

None

**Item# 17. Manager report by Chris Melton.**

Mr. Melton reported on the following:

- The District has received three (3) recreation donations; Fink Family donated a Free Swim Day scheduled for July 4<sup>th</sup>, both Commissioner Garcia and Hobeys' Casino generously donated towards the Dive Into Summer Event scheduled for June 16<sup>th</sup>.
- He received confirmation from Truckee Meadows Water Authority, they will increase the District's Tier 1 wholesale starting August 2023 from 34 million gallons to 37 million gallons (monthly).

- The District tentatively has 12 lifeguards hired. The District has obtained an independent instructor to provide the lifeguard training course; training is scheduled for June 9<sup>th</sup> thru June 11<sup>th</sup>.
- On behalf of the District, he wished Trustee Mark Neumann a Happy Birthday.

**Item# 18. Public Comments.**

None

**Item# 19. Board Comments.**

Secretary Barstow announced he will be absent for the June 8, 2023 due to work obligations.

Chairperson Severt commented there has been an increase in car accidents on Sun Valley Boulevard, she encouraged everyone to be mindful while driving.

**Item# 20. Future Agenda Items.**

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

- Review and approval of District summer newsletter
- Renewal of Nancyann Leeder Legal Service Agreement
- Presentation by UNR Extension; Living with Wildfire Program
- Presentation by LP Insurance regarding District health insurance renewal options
- Review of District's Customer Deposit Policy
- Annexation Hearing for Washoe County School District property (Virginia Palmer) to formally be recognized within the District's Service Territory
- Review and action regarding demolition proposal for Prosser Properties
- Consideration of employee performance increase
- General Manager evaluation and consideration of performance increase.
- 2023 Legislative update

**Item# 21. Adjournment.**

*Secretary Barstow made a motion to adjourn at 7:05 pm. Trustee Ortiz seconded the motion. The motion carried unanimously.*

Approved by the SVGID Board of Trustees on June 8, 2023  
Minutes Prepared by: Jennifer Merritt, Administrative Assistant