



**Sun Valley General Improvement District
Board Meeting Minutes of
June 08, 2023**

Board Members Present:

Susan Severt	Chairperson
Michael Rider	Vice Chair
Carmen Ortiz	Trustee

Board Members Not Present:

Joseph Barstow	Secretary
Mark Neumann	Treasurer

Staff Present:

Chris Melton	SVGID, General Manager
Brad Baeckel	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

Other Members Present:

Glenda Walls	Public
Cherie Reisinger	American Red Cross
Jessica Adams	Washoe County Emergency Management
Tim Holland	LP Insurance
Kelly Glenn	Roo Co.
Nancyann Leeder	SVGID, Backup Legal Counsel
Mushed Ramos	Team Rubicon
Megan Kay	UNR, Extension Living With Fire

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, 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.

Trustee Ortiz made a motion to approve the agenda. Vice Chair Rider 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's Dive Into Summer Event is Friday, June 16, 2023 from 5 pm to 7 pm at the Sun Valley Community Park. The District office will be closed Monday, June 19, 2023 in observance of Juneteenth Day. Fire Preparedness Community Event, is Saturday, June 24, 2023 at the Sun Valley Community Park from 10 am to 2 pm. Free Swim Day at the Sun Valley Pool Tuesday, July 4, 2023 sponsored by Fink Family. Sun Valley Citizen Advisory Board meeting is Saturday, July 8, 2023 beginning at 10 am at Hobey's Casino. Lastly, Kids Café Summer Lunch Program will operate June 20, 2023 thru August 10, 2023 at the Sun Valley Community Park from 2:15 pm until 3:15 pm.

Vice Chair Rider announced Sun Valley Cal Ripken closing ceremonies will be held Saturday, June 10, 2023 from 10 am until 12 pm. Sun Valley Cal Ripken will not be conducting fall ball this year.

Item# 7. Discussion and action to approve account payables for June 08, 2023.

Trustee Ortiz gave a brief report of the account payables, customer refunds and payroll for June 08, 2023.

Trustee Ortiz made a motion to approve the account payables for June 08, 2023 in the total amount of \$348,121.23. Vice Chair 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 May 25, 2023.

Vice Chair Rider made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of May 25, 2023 as submitted. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 9. Discussion and action to approve renewal of Nancyann Leeder backup Legal Service Agreement for 2023/2024.

Ms. Leeder reported she is the District's legal backup as needed. She provided a copy of her Legal Service Agreement for review and consideration. She reported she is honoring her current service rate of \$150.00 per hour, plus cost if any. The Legal Agreement commences on July 1, 2023 and is valid through June 30, 2024.

Trustee Ortiz made a motion to approve Nancyann Leeder's Legal Service Agreement for backup legal services. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments

Item# 10. Discussion and action to approve final draft of the District's 2023 summer newsletter.

Ms. Glenn with Roo Co. provided a final copy of the 2023 summer newsletter for review and approval. The primary focus of the newsletter is providing District customers with a summary of the District Tariff Hearing and rate increases. She reported the newsletter is scheduled for distribution beginning in July.

Trustee Ortiz made a motion to approve the District 2023 summer newsletter as presented. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 11. Presentation by University of Nevada, Reno Extension's Living With Wildfire Program regarding preparing for wildfire in Sun Valley, with possible direction to staff.

Ms. Kay with University of Nevada, Reno Extension's gave a brief presentation regarding Living With Wildfire Program. Living With Fire Program provides information at community events and online how to prepare for a wildfire. With the extreme wet winter, it is expected to have a lot of vegetation that will eventually dry out and create risk for wildfire. University of Nevada, Reno Extension's has partnered with various organization and will be hosting a Nevada Wildfire Awareness Campaign throughout various communities providing information to help Nevadans live more safely with the threat and reality of wildfires.

Ms. Adams with Washoe County Emergency Management is responsible for sending notices to residence such as emergency alerts through a data base known as Code Red. Electronic Notices can be provided through various platforms, email, voicemails, text messages, and social media. Washoe County Emergency Management partnered with Land and Fires and created a brochure that can be used to help facilitate ways to protect homes from and during wildfires.

Ms. Reisinger with American Red Cross is known for preparedness and disaster response. American Red Cross will be hosting a Fire Preparedness Community Event on Saturday, June 24, 2023 at the Sun Valley Community Park. Various preparedness sessions will be provided and broken into age groups in efforts to help a household execute their fire preparedness and exit plan. Other agencies will be participating in the event and educating individuals how they can prepare their property to help fight off fire/wildfire and assist

firefighters. American Red Cross has developed a pilot program and they are accepting 25 Sun Valley homeowners to have their home and property evaluated for fire safety. American Red Cross and Truckee Meadows Fire Protection District will perform the initial fire safety assessment and American Red Cross and Team Rubicon would perform any mitigation identified. Mitigation could include removal of dead vegetation, dry or unwanted vegetation and other hazardous debris against a home, and clearing a defensible space around the home to allow for firefighters to safely defend homes.

Mr. Ramos with Team Rubicon reported Team Rubicon is a veteran-led humanitarian organization; their primary focus is providing domestic relief affected by disaster or crises, they also provide limited international relief. Team Rubicon have started providing mitigation to assist to try and reduce properties being loss during a disaster. Team Rubicon is funded by grants and donations from organizations. Team Rubicon's role in the Fire Preparedness Pilot Program is providing labor for debris management and educating homeowners how to safely remove vegetation near homes.

The Board thanked everyone for their presentation.

There were no public comments.

Item# 12. Presentation by LP Insurance regarding renewal option(s) for District Health Insurance with action to approve renewal.

Mr. Holland with LP Insurance gave a brief overview of the District's Medical Insurance renewal options. Mr. Holland reported the District currently has medical coverage with Hometown Health; this year's renewal premium is \$245,254.00 a 9.2% increase. He stated the Hometown Health provided an alternate plan for consideration has higher deductibles and co-pays. The alternate plan for consideration is \$230,861.00 a 2.8% premium increase. He reported once again, the only other medical insurance provider that the District can consider is Sierra Health and Life; their proposal is \$286,068.00 a 27.4% increase. He reported all insurance premiums are strictly age banded; rates are set by the age of the individuals on the plan. Premiums increase with age of the individual(s) on the plan. Mr. Holland reported the Health Care Act requires the District to offer insurance to District employees once they are eligible for retirement. This requirement limits insurance providers, not all providers will honor retired employees. Mr. Holland reported the District switched carriers last year to Kansas City Life Insurance for District's dental, life, and vision insurance. This policy is a two-year policy and renewal is scheduled for 2024.

Mr. Melton reported staff requested LP Insurance to perform an analysis for health insurance coverage the meets the District's requirements, to include retiree coverage. Based on the proposals presented; staff recommends approval of Hometown Health as it is the most viable choice. He would like to leave it up to the Board's discretion what option they would like to provide to the employees.

Additional discussion ensued regarding pharmaceuticals and how it is impacting the health insurance.

Vice Chair Rider commented he would like to keep the current health insurance plan; it is an added incentive to the District's employees and a great benefit tool with recruiting new employees.

Chairperson Severt commented she concurs with Vice Chair Rider comments; she also

stated she works in Human Resources and sees how the cost of medical treatments impact a family's household.

Vice Chair Rider made a motion to approve renewal of District's current medical Hometown Health Gold HMO and Gold X PPO plan in the total amount of \$245,254.00. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 13. Discussion and consideration to amend District's Customer Deposit Policy; from holding Customer Deposits from three years to one year and eliminate the credit review process in efforts to reduce District liabilities.

Ms. Dowling reported the District's Tariff Rule 12, states the District collects a deposit from all applicants who are not the landowner of the property for which they are requesting service. The purpose of the deposit is to help secure the landowner from having to pay the tenant's unpaid balance once the account is closed. However, per NRS guidelines, the landowner is ultimately responsible for any unpaid balances for services at their property. The District currently holds deposit funds in a designated Customer Deposit Account which is considered a liability on the District's financial statements. Currently there is \$130,000.00 in the account representing deposit funds from approximately 700 customers. Ms. Dowling reported the current policy requires the District to hold customer deposits for three years from date when the customer's account is opened. Staff is requesting change the policy reducing the time each customer's deposit is held from three years to one year from date when the customer's account is opened. After the one year, the District would refund the deposit to the customer's account without conducting a review for credit worthiness. This would make the deposit process more efficient, require less time and review by staff, and reduce the District's Customer Deposit Account liability. Ms. Dowling reported if approved, the new policy would go into effect on July 1, 2023. Starting in July approximately 500 customers will have their deposit refunded towards their account, this is equivalent to \$98,000.00 removed from the District's Customer Deposit Account. Staff will notify both landowners and tenants, via a letter, advising them of the policy change so they can take whatever action needed.

Chairperson Severt commented three years seems too long to hold a customer deposit. She also appreciates the efficiencies of the amended policy.

Vice Chair Rider made a motion to approve amending the District's Customer Deposit Policy, to refund customer deposits one year from date when the customer's account is opened as presented by staff. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

PUBLIC HEARING

- Item# 14. The Sun Valley General Improvement District is requesting to annex property known as APN: 504-580-13 also known as 5890 Klondike Dr. The 8.57 acre parcel is located within unincorporated Washoe County and lies within the District's original service boundary. The District has been unable to locate the records of this parcel's original annexation and, as the property has been receiving water and wastewater services since 1981, is seeking to correct/update the action that should have been taken place in 1981.**

Chairperson Severt read into the record the Order of Procedures for the District's Public Hearing at 6:52 pm.

Vice Chair Rider provided proof of publication for public hearing.

Mr. Melton reported staff is requesting adoption of Resolution 2023-04 formally recognizing Assessor Parcel No. 504-580-13, also known as, 5890 Klondike Dr. It was brought to the District's attention while updating the District's Tax and Service Boundary Maps that Assessor Parcel No. 504-580-13 was never included in prior Tax and Service Boundary Maps. The District has no records of prior annexation for Assessor Parcel No. 504-580-13, yet said parcel is within the District's Tax and Service Boundary and has been receiving both water and sewer service since 1981. By adoption of Resolution Assessor Parcel No. 504-580-13 will be formally recognized on the District's Tax Boundary Map and Service Boundary Map. Mr. Melton reported staff has been in contact with Washoe County and Washoe County School District regarding District's request to annex property into the District's Service Boundary. Since conception the District has provided water service and billed for such and Washoe County has been billing for sewer services. However, Washoe County does not own, operate or maintain any portion of the sewer infrastructure in or around the subject property, all operations and maintenance has been performed by the District. July 2022 the District entered into an Interlocal Agreement with Washoe County transferring sewer service to the District with the consent of Washoe County School District. There is no additional fiscal impact to the customer, as said property is recognized as a non-tax paying customer; they will not be assessed any additional taxes nor will the District receive any additional ad valorem.

There were no public comments and no public written correspondence for the record; Chairperson Severt closed the public hearing at 6:55 pm.

Trustee Ortiz made a motion to approve annexation request to formally recognize Assessor Parcel No. 504-580-13, also known as, 5890 Klondike Dr. into the District's Tax and Service Boundary territory; with adoption of Resolution 2023-04. Chairperson Severt seconded the motion. The motion carried unanimously.

- Item# 15. Review and possible action to approve Shumway's Mobile Home Setters proposal for demolition of District's rental properties 5085 and 5089 Prosser Way.**

Mr. Melton reported December 08, 2022 the District Board approved to not renew the lease agreements for 5085 Prosser Way and 5089 Prosser Way. The District provided lessees with a six-month ample notice to obtain of alternative housing. Mr. Melton provided two proposals from Shumway's Mobile Home Setters for the demolition, removal, lot clean-up, and permitting for both 5085 Prosser Way and 5089 Prosser Way for the total amount of \$16,000. The District has approved \$30,000 in the 2023/2024 budget, funds

would be paid from the District's Acquisition Fund as a capital improvement project. Staff is requesting approval of Shumway's Mobile Home Setters proposals 250 and 252 for the demolition of 5085 Prosser Way and 5089 Prosser Way with work commencing July 2023.

Vice Chair Rider made a motion to approve Shumway's Mobile Home Setters proposals 250 and 252 for the total amount of \$16,000.00 for the demolition of 5085 Prosser Way and 5089 Prosser Way. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 16. Discussion and possible action per District Personnel Policy 9.3.1; Board determines percentages for potential employee increase and/or consideration of alternative incentives.

Mr. Melton reported the District's Personnel Manual Section 9 "Performance Management" subsection 9.3.1 "Frequency of Performance Appraisals" states "During June of each year, the Board will determine the percentage calculations on which raises are to be based. Evaluation scores as set by the manager/supervisor will determine the individual employee's raise." Per the policy the board votes on the percentage to be used for At Expectation performance. For the 2023/2024 budget, the board approved a 6% increase to the compensation line items within the budget. All employees of the District are compensated from the water and sewer operations funds. The approved water operations fund total operating expenses are \$3,910,355.00 and the sewer operations fund total operating expenses are \$3,190,023.00 respectively; the combined total being \$7,100,378.00. The approved budget amount from both these funds for both office and field employee compensation is \$1,666,150.00 or 23.46% of the total operating expenses for both these funds. Mr. Melton provided a brief overview of the District's past annual increases and provided a copy of the District's 2022/2023 accomplishments and provided an agency compensation comparison report. He stated staff is dedicated, competent and represent the District professionally. Staff has worked diligently and effectively being good stewards of the District's funds in efforts to keep expenses down during a time of inflation. He reported management is recommending a 4% compensation increase to employee's that scored At Expectations on their annual evaluation.

Chairperson Severt acknowledgment all of staff's efforts to continue to provide good customer service and safe drinking water. While the pandemic might be considered over, staff has done a lot of procedural changes to help with efficiencies. She is proud of the District's efforts especially during a difficult labor market.

Trustee Ortiz made a motion to approve management's recommendation of 4% compensation increase for employee's that scored At Expectations, including the merit multiplier. Vice Chair Rider seconded the motion. The motion carried unanimously

There were no public comments.

Item# 17. Discussion and possible action per District Personnel Policy 9.3.1; Board evaluation of the General Manager performance for fiscal year 2022/2023 with consideration of compensation increase.

Mr. Melton provided a performance and accomplishment report for 2022/2023 that also includes goals for 2023/2024.

Ms. Merritt commented she believes the Board made a good choice appointing Mr. Melton as the District's General Manager. The transition has been smooth and she appreciates the forward direction that Mr. Melton is working towards with efficiencies throughout the District.

Mr. Baeckel commented he has worked with Mr. Melton in the field for several years. Mr. Melton has always been a great leader and mentor. He has a lot of respect for Mr. Melton and he has done a fantastic job as the District's General Manager.

Chairperson Severt reported she has received all of the Trustees' evaluations for Mr. Melton, he scored a 4.07 Above Expectations on his evaluation.

Trustee Ortiz thanked Mr. Melton for his hard work, she thinks he is doing an amazing job as the District's General Manager. She recommends a 4% increase for Mr. Melton.

Mr. Melton complimented staff for helping him transition into the role of the District's General Manager.

Chairperson Severt commented she believes the District's General Manager's salary is below average based on the study that was provided last year. She acknowledged the prior Board gave Mr. Melton an increase last year to help bring the General Manager's salary up. Chairperson Severt recommends adjusting Mr. Melton's salary from \$120,000.00 to \$146,000.00 to be more comparable to other general manager positions within the region.

Vice Chair Rider made a motion to adjust Mr. Melton's salary to \$146,000.00. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 18. 2023 Legislative update provided by Holland & Hart and review of BDR's and/or Bills; with possible direction to staff.

Mr. Melton reported he has nothing new to report from the 2023 Legislative Session. The Legislators are currently in a special session reviewing various budget related items. He will provide a final report at the next meeting.

Item# 19. Legal report by Maddy Shipman.

Ms. Shipman complimented the District's General Manager and employees; they do a great job running the daily operations with only 15 employees.

Item# 20. Field report by Brad Baeckel.

Mr. Baeckel reported on the following:

- All commercial customers have until June 30th to submit their backflow inspection reports to the District. If not submitted by June 30th, the District will perform the backflow inspection and bill the customer based on the new inspection rates approved during the May Tariff Hearing.
- As part of Regional Transportation Commission Road Maintenance Program, the following roads will be paved; 8th Ave. from Sun Valley Blvd. to Lupin Dr., 5th Ave. from Sun Valley Blvd. to Lupin Dr., Lupin Dr. from 5th Ave. to 9th Ave., 7th Ave. from Sun Valley Blvd. to Tassel Dr., and Sun Valley Blvd. from 7th Ave. to Highland Ranch Pkwy.
- A preconstruction meeting was held on May 26, 2023 with Campbell Construction Company regarding 5 Ridges Village 6; construction is scheduled to start within the next two to three weeks. A preconstruction meeting is scheduled for June 14, 2023 for the District's offsite water project for The Ridge at Sun Valley with a tentative construction start date of June 26, 2023. Lastly, Harmony Mesa development plans are set to expire on June 16, 2023 unless they start construction. If plans expire, the developer will be required to resubmit updated plans.

Item# 21. Office report by Erin Dowling.

Ms. Dowling reported on the following:

- Staff has been working hard on preparation for the upcoming Dive Into Summer Event.
- Staff have been accepting a lot of phone calls regarding the opening of the Sun Valley Pool.
- The office lobby remodel is expected to start within the next week. The District office will remain open during construction and will provide notices throughout during the construction.
- Staff have been working diligently updating the Tariff, forms, and billing system with the implementation of the rate increase effective July 1, 2023.
- She thanked the Board on behalf of her staff and herself for the compensation increase. She also applauded the Board for what they did for Mr. Melton.

Item# 22. Manager report by Chris Melton.

Mr. Melton reported on the following:

- Washoe County's approved budget includes \$90,000.00 for the District's Recreation Fund to be used toward operation and maintenance.
- Lifeguard training begins June 9, 2023 through the weekend, ending on June 11, 2023.
- He thanked the Board for the acknowledgement of the District employees and himself.

Item# 23. Public Comments.

None

Item# 24. Board Comments.

Trustee Ortiz thanked the staff; all of the hard work is noticeable within the community.

Vice Chair Rider commented on a large tree at Gepford Park that is half dead; it is a potential safety concern. He would like staff to inspect the tree and see if it is the District's responsibility or Washoe County's responsibility since the tree is located in the ditch. He is lobbying on getting the culvert on Gepford Pkwy covered to help with traffic/pedestrian issues during ball season. He commented he has received a lot of input from the community that they would like to see the District bring back the movie in the park. The community would also like to the District to consider moving the Dive Into Summer Event to a different weekend so it doesn't interfere with Father's Day. Lastly, he is extremely happy with Mr. Melton and staffs performance.

Item# 25. Future Agenda Items.

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

- Update by Washoe County Library System regarding book kiosk
- Review of fall newsletter article ideas
- Safety Committee Update
- Pool Season Update
- Presentation regarding District Backflow Prevention
- Consideration to declare July Recreation Month
- Consideration to change board meeting start time
- 2023 Legislative update

Vice Chair Rider would like future discussion to consider partnering with Team Rubicon regarding Green Waste Mitigation for the Sun Valley community.

Item# 26. Adjournment.

Trustee Ortiz made a motion to adjourn at 7:28 pm. Vice Chair Rider seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on July 13, 2023
Minutes Prepared by: Jennifer Merritt, Administrative Assistant