



## Sun Valley General Improvement District Board Meeting Minutes of October 11, 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:**

Jon Combs	SVGID, General Manager
Chris Melton	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Karen Pickens	SVGID, Staff
Maddy Shipman	SVGID, Legal Counsel

### **Other Members Present:**

Linda Elliott	Audience
Nancy Eklof	Nancy Eklof Public Relations
Jeffrey Peek	CliftonLarsonAllen LLP
Lisa Foster	Foster Consulting
Scott Scherer	Holland & Hart
Brittany Walker	Holland & Hart
Fred Schmidt	Holland & Hart

**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, Secretary Barstow, Treasurer Ortiz and Trustee Elliott. A quorum was present.

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

Led by Mr. Melton

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

None

**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. Pickens certified posting of the agenda.

**Item# 6. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda.**

Mr. Combs reported Early Voting is available at the Sun Valley Neighborhood Center from October 20, 2018 thru November 2, 2018. General Elections will take place on November 6, 2018 at both the Sun Valley Neighborhood Center and District Board Room.

**Item# 7. Discussion and action to approve accounts payable and customer refunds for October 11, 2018.**

Treasurer Ortiz gave a brief report of the accounts payable for October 11, 2018.

*Treasurer Ortiz made a motion to approve the accounts payable for October 11, 2018 in the total amount of \$398,030.68. Secretary Barstow seconded the motion. The motion carried unanimously.*

Treasurer Ortiz gave a brief report of the customer refunds for October 11, 2018.

*Treasurer Ortiz made a motion to approve customer refunds for October 11, 2018 in the total amount of \$1,336.81. Trustee Elliott seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 8. Discussion and motion to approve Board Meeting Minutes of September 27, 2018.**

*Vice Chair Severt made motion to approve the Board Meeting Minutes of September 27, 2018 as submitted. Secretary Barstow seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 9. Marketing update by Nancy Eklof with Nancy Eklof Public Relations.**

Ms. Eklof with Nancy Eklof Public Relations gave a brief recap of various projects she has worked on for the District. She reported she prepared a news release regarding the end of season pool closure; the pool received a lot of positive media publication this season. Prepared and finalized the District's fall newsletter; distribution of newsletter began first of October. She scheduled and assisted with Mr. Melton's headshot for the use of announcing promotion. She is working with District staff with the organizing/planning of the Annual Veterans Day Event. She also continues to hold monthly marketing meetings with District staff to go over the needs of the District.

Vice Chair Severt requested Ms. Eklof or staff to contact Hobey's Casino to see if they will assist with advertising the Veterans Event on Hobey's marquee.

Treasurer Ortiz requested for Veterans Event flyers to be distributed at local businesses.

Ms. Dowling reported staff has contacted all of the various veterans' agencies to invite them to the Veterans Event as well as asked them to share the flyer. The District will also include with the October billing statements an individual flyer advertising the event. She also reported she is working closely with Washoe County regarding increasing the promotion of the event.

There were no public comments.

**Item# 10. Review and approval of the proposed 2019 winter newsletter articles.**

Ms. Eklof provided a list of proposed articles for the upcoming 2019 winter newsletter. The article suggestions include: 2018 Election Results, 2019 SVGID Election of Officers, message from the General Manager, Veterans Event recap, SVGID low income programs, frozen pipes, sewer evaluation, Washoe County 311, and important dates.

Vice Chair Severt suggested a future article regarding District Capital Improvement Projects; scheduled and/or completed. This is a good way of notifying the customers how some of the District funds are being spent.

*Treasurer Ortiz made a motion to approve the 2019 winter newsletter articles as presented. Vice Chair Severt seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 11. Presentation by CliftonLarsonAllen regarding the Sun Valley General Improvement District fiscal year 2017/2018 audit with action to approve.**

Jeffrey Peek with CliftonLarsonAllen LLP gave a brief review of the Sun Valley General Improvement District audit for the year ended June 30, 2018. Mr. Peek reported under the Independent Auditor's Report it states CliftonLarsonAllen LLP conducted the audit in accordance with auditing standards applicable to the Government Auditing Standards. He reported the first part of the audit report is the Independent Auditor's Report that includes their Qualified Opinion. CliftonLarsonAllen's opinion is the same as last year that the District does not have a schedule that includes cost basis or acquisition value of donated assets that supports the beginning balance of land included in capital assets. He reported District staff has a plan in place to satisfy this item for future audits.

Trustee Elliott inquired on the District's depreciated assets and requested clarification how some assets are depreciated.

Mr. Peek responded this year CliftonLarsonAllen worked collectively with the District's accountant, Carol Bratcher, regarding the District's depreciation schedule. The goal was to identify what is on the depreciation schedule and what could potentially be removed from the schedule. This effort was of making the depreciation schedule user friendly and ensures going forward the schedule would calculate depreciation precisely into the audit financial statements. He continued and reported the audit is broken into two sections; first section is reporting as required by Government Auditing Standards and the second section is a detailed overview of all the District Financial Statements. He thanked the District staff for their assistance with preparation of the audit and looks forward to the continued partnership with the District.

*Trustee Elliott made a motion to accept CliftonLarsonAllen LLP Audit Report for the Sun Valley General Improvement District fiscal year end June 30, 2018 as presented. Treasurer Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 12. Discussion and consideration to approve a lobbyist to represent the Sun Valley General Improvement District during the 2019 Legislative Session.**

Mr. Combs reported last meeting the Board had discussion whether or not the District should consider the need for representation during the upcoming 2019 Legislative Session. Staff was directed to request for lobbyist proposals. He provided two proposals, Foster Consulting and Holland & Hart, for review and consideration.

Lisa Foster, Principal of Foster Consulting stated her firm is a Government and Public Affairs Consulting Firm. She gave a brief overview of her credentials that include her lobbying experience that began in 1990 as the Communications Director for the City of Sparks. She continued her work in local government with the City of Las Vegas and went on to serve as the Government Affairs and Public Relations Director for AAA Nevada. She served as the Deputy Chief of Staff to Governor Kenny Guinn, overseeing multiple government functions and served as his Chief Legislative Liaison. At the end of Governor Guinn's term, she launched her own business. Foster Consulting clients are divided into three categories; local government, insurance and associations. Her firm has represented multiple local governments over the past years. Foster Consulting currently represents Boulder City, Fallon, Allstate Insurance, Prominence Health and American Family Insurance. Additionally she represents homeowner associations, veterinarians and school superintends and administrators. She also reported she represents other local government via the Nevada League of Cities.

Ms. Foster reported Foster Consulting works year round in an effort to know the legislators and to maintain positive relationships. They monitor the Bill Draft Requests as they are released and try to involve clients in drafting pertinent Bills. During the session her firm reviews every Bill that is introduced and communicates with clients of Bills that are of concern. They coordinate with clients whenever possible regarding testimonies and assist with drafting beneficial amendments. Most importantly, her firm reports to clients throughout the session and at the end of the session they provide a comprehensive detailed report on each and every bill that was tracked or got involved with on the client's behalf. Ms. Foster provided a proposal that provide two options for consideration. Option 1, Year-round representation, Foster Consulting will begin providing services upon signing the contract, and term would consist of two years from the date of signature. This service is a rate of \$4,000 per month during the legislative session (January thru June 2019), and \$2,500 per month in all other months of the contract. Option 2, Legislative session exclusively, Foster Consulting will begin providing services in January 2019, and the term would run thru June 2019. This service is a rate of \$5,000 per month during the period of the contract. If a special legislative session is called, Option 2 is chosen, and the client requests lobbying services from her firm during the special session, the rate would be \$5,000 per month.

Mary Pierczynski an associate with Foster Consulting gave a brief overview of her lobbying experience. She has been with Foster Consulting since 2009. She has lived in Nevada for 33 years and has worked in the private industry and the airline industry for 10 years followed by working in the Carson City School District as a Superintendent for 7 years. Ms. Pierczynski educational background includes a Bachelor's Degree, three Master Degrees and has Doctorate Degree. She primarily works with the associations providing them regular

feedback providing information regarding the daily business at the legislature.

Treasurer Ortiz inquired who the District has used in the past as a lobbyist.

Trustee Elliott responded the last time the District hired and paid a lobbyist was with Fred Hillerby and it was \$22,000. The Board took action and decided at the time there was not a need to retain a lobbyist based on the current needs of the District.

Chairperson Ainsworth responded prior General Manager, Darrin Price, Maddy Shipment and Jennifer Merritt were registered last session as the District's lobbyists.

Fred Schmidt with Holland & Hart reported he currently works for the District on a pro-bono basis as the District's representative on the Truckee Meadows Water Authority Standing Advisory Committee. He stated he also represented the District as a registered lobbyist and assisted with the creation of the Western Regional Water Commission. As the District's representative he worked hard to ensure the District had a seat on the Western Regional Water Commission. He introduced the Holland & Hart Lobbying team Scott Sherer and Brittany Walker that would represent the District if approved.

Scott Sherer with Holland & Hart reported the lobbying team consists of three team members, himself, Brittany Walker and Edward Garcia. Mr. Sherer reported he served as General Counsel Governor Kenny Guinn and drafted all of the governor's bills during the 1999 legislative session. He works with key legislators, Governor Sandoval's staff and key cabinet officials. He has relationships with all of the major candidates for statewide office in the 2018 election. His diverse background in government and in the private sector has given him the experience necessary to see and analyze different solutions to a client's problems. His legal and bill drafting experience gives him the ability to understand the potential impacts of bills on clients' interest and draft appropriate amendments to protect those interest. Mr. Garcia provides strategic legal counsel for clients in legislation, lobbying and administrative law matters before State and Local governmental bodies in Nevada. He has successfully represented the Regional Transportation of Southern Nevada in the legislature on multiple matters over the past several sessions. Ms. Walker has excellent legislative contacts in Nevada and experience with state and local policy issues, having worked as a policy analyst for the Assembly Majority Leader in 2013, and as a law clerk for the Regional Transportation Commission of Southern Nevada. She also assisted in the passage of 18 pieces of legislation and drafted memoranda on various legal issues affecting government. The Holland & Hart lobbying team has strong relationships with both legislative parties, as well as, with the legislative staff. Mr. Sherer will be primarily responsible with drafting bills and amendments including review of all bills and amendments. Mr. Garcia will have an active role communicating clients' case directly to legislators, including attending the legislative session on a daily basis. Ms. Walker will be responsible for tracking all bills and writing reports for all the clients, to ensure each client is informed of the activity throughout the legislative session.

Ms. Walker reported the Holland & Hart lobbying team currently provides lobbying services to Educate Nevada Now, Ameresco, Nevada Registered Agent Association, Regional Transportation Commission of Southern Nevada and Sempra Energy. She gave a brief overview of the Holland & Hart lobbying proposal. The proposed monthly retainer is \$3,000 per month during the Legislative Session (January thru June 2019). Holland & Hart would also be willing to provide continued monitoring and representation throughout the interim and during and special sessions at a reduced fee.

Chairperson Ainsworth inquired if there are funds allocated in the District's budget to cover the cost for a lobbyist.

Mr. Combs responded at the time of assembling the fiscal year 2018/2019 budget, staff was unaware of the prior General Manager's plans to retire. Therefore the approved budget does not include expenditure's for a lobbyist due to the fact that prior management was the District's registered lobbyist paid from salary and wages line item. In anticipation of approving a contracted lobbyist the District does have several expense categories that lobbying services could qualify for. Mr. Combs stated the Board does not have to make an immediate decision whether or not they would like to contract a lobbyist. He wanted the Board to be informed of what the potential costs would be associated with contracting a lobbyist, as well as, to hear the proposals from the interested agencies. He also reported he does not have any lobbying experience and Ms. Shipman has already indicated she would assist the District during the Legislative Session, but does not have the desire to act as a full time lobbyist on behalf of the District. He stated staff has begun reviewing the list of Bill Draft Requests and will continue to monitor the list to ensure the District is protected.

Chairperson Ainsworth stated she would like to know where the funds would come from prior to making a decision.

Trustee Elliott stated for clarification the District received only one proposal from one company for \$30,000 in comparison to \$22,000 that the District paid in prior years. He spoke with other general improvement districts; Roundhill GID and Gardnerville GID both have indicated they are not hiring a lobbyist for the upcoming Legislative Session. One comment made was if there was a need for lobbying for the general improvement districts, all general improvement districts should partner and share the expense. He stated he does not believe there is a need at this time to hire a lobbyist. He does not believe the District received any significant savings in the past by contracting out lobbying services. He stated based on his figures the District Board has raised the cost of doing business over hundreds of thousands of dollars in the last two years. He stated if the District was ran like a company, the District would run in a deficit each year, however, the District is a utility so it has the capability of raising its rates on customers to pay for things that are not necessary. He stated he will not be supporting staffs requests for hiring a lobbyist.

Treasurer Ortiz stated for clarification the District received two proposals from two different agencies. Both proposals had the option to only serve the District for six months during the Legislative Session with the option to retain them year around or during special sessions.

Vice Chair Severt stated she is pleased with both proposals presented. She would like to see it as a budget line item prior to approving. She disagrees with her fellow Trustees going into a Legislative Session unprotected, by the time the District was made aware of a bill that would impact the District, it most likely was already passed and the District could not fight it. She is very concerned regarding the proposed Bill Draft Request by Senator Kieckhefer, this bill might be directed towards one general improvement district, but the bottom line is that it will affect all general improvement districts.

Secretary Barstow thanked Mr. Combs and both lobbying representatives for the informative information. He inquired if any of the lobbying representatives would represent all the general improvement districts and cost share the lobbying services as one entity.

Ms. Shipman responded she does not recommend the District to be pooled with other general improvement districts when it comes to legislative matters. There is an opportunity for potential conflicts, certain entities have their own individual issues that the District does not have and/or wants to stay away from. She recommends the District having the opportunity to speak with its own voice regarding matters that will impact the Sun Valley General Improvement District.

After further discussion the Board directed staff to inquire which funds would be used to potentially pay for a contracted lobbyist and bring back at a future meeting for further consideration.

There were no public comments.

**Item# 13. Discussion and action regarding Sun Valley General Improvement District 2018 Photo Contest:**

Mr. Combs reported the District held its ninth annual photo contest. The contest was designed to encourage individuals to get outside and recreate then display through photos, what Sun Valley means to them. The District received a total of eleven photo submittals.

**A. Judging and selection of photo winners (1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> place winners)**

First place winner is a photo titled Morning White Crowned Sparrow. The second place winner is photo titled Fiery Sunset Splendor. The third place winner is a photo titled Birds Eye View.

**B. Motion to approve contest prizes (1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> place winners)**

*Trustee Elliott made a motion to approve cash prizes of \$75 for first place winner, \$50 for second place winner and \$25 for third place winner paid from the District's water and sewer funds. Treasurer Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 14. Review of Community Service Award nominations with motion to approve award recipients.**

Mr. Combs reported the District received four nominations for the Sun Valley Community Service Award. The four nominations are for John Crabtree with Reno Battleborn BMX, Sun Valley Cal Ripken Baseball League, Hobey's Casino and Summit Christian Church. He provided copies of each nomination for consideration.

*After some discussion Vice Chair Severt made a motion to accept all four nominations for the Sun Valley Community Service Award. Treasure Elliott seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 15. Legal report by Maddy Shipman.**

Ms. Shipman gave a brief report regarding the jointly sponsored Bill Draft Request regarding the sale by Incline Village General Improvement District for undevelopable lots without going before their Board of Trustees and not having the lots appraised. The proposed Bill Draft Request would require all property owned by a general improvement district, that the sale of any owned property in accordance with the same procedure as the city and/or the county. She also reported there is another Bill Draft Request to increase the pay for general

improvement district trustees.

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

Mr. Melton reported on the following items:

- He congratulated two new field members, Marc Jones and Alan Terry, both successfully passed their distribution water exam. Once they both complete their introductory period, they will be promoted to Service Tech I.
- The District's Project 1 and Project 2 (water and sewer) for the new middle school is 100% completed. The District will be performing the backflow testing and take its last water sample.

**Item# 17. Office report by Erin Dowling.**

Ms. Dowling reported on the following items:

- Staff continues to work on the Veterans Day Event. The District is still seeking a vocalist to sing the National Anthem. The Sun Valley Girl Scout Troop has offered to assist with the event by serving food.
- She gave a brief report on revenue received from recreation rentals. In 2017 the District received 41 rentals that brought in \$5,286 in rental fees. In 2018 the District received 25 rentals that brought in \$4,107 in rental fees.

**Item# 18. Manager's report by Jon Combs.**

Mr. Combs reported on the following items:

- He continues to discuss opportunities with Washoe County regarding the District receiving additional funds from the County to go towards the District's Parks and Recreation.
- He continues to discuss with Washoe County Health Department regarding the District's request for a waiver for small water projects. Washoe County Health Department wants to finish and approve Truckee Meadows Water Authority's waiver request prior to approving the District's request.
- The District's payables should start to decrease now that Project 1 and Project 2 (water and sewer) for the new middle school is completed. Washoe County School District has been invoiced for reimbursement.

**Item# 19. Public Comments.**

None

**Item# 20. Board Comments.**

Treasurer Ortiz reported this year is Hug High School 50<sup>th</sup> Anniversary. There will be a celebration Saturday, November 13, 2018 at Harrah's Reno.

Trustee Elliott reported he can see the need of having a lobbyist if there was a significant benefit to the District; a good example would be have someone to assist Mr. Combs with the District's request for more property tax revenue for the District.

Vice Chair Severt reported all three news stations recently covered the potential development located at the corner of Highland Ranch Blvd. and Pyramid Highway. She requested any information to be shared with the Trustees if the development happens so they can answer any questions by the constituents.



Chairperson Ainsworth reported she attended the Washoe County Commission meeting regarding the first hearing of the amendment to the Sun Valley Area Plan. The amendment will allow for property owners to develop along the Sun Valley Boulevard as residential. She is concerned because the detached accessory dwelling was never addressed and is still a viable option for homeowners; this impacts the District sewer capacity. The County Commission also approved to display at the Court House a copy of the Constitution and other Charters. She also stated she received a letter from a customer who received a notice from the District regarding her return check for non-sufficient funds and was requested to pay the District's \$25 fee. Ms. Ainsworth consulted with the District's Customer Service Supervisor regarding the matter. She also reported Joe and Dee's on Sun Valley Boulevard recently sold and it will become a future garden center.

Secretary Barstow stated the Sun Valley Landowners Blue Building sold.

**Item# 21. Future Agenda Items.**

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

- Presentation to Community Service Recipients
- Presentation to Photo Contest Winners
- Presentation by Summit Christian Church regarding future community projects
- Public request for the use of District property as temporary storage
- Continued discussion regarding lobbyist expenditures
- Possible customer request to appeal return check fee

**Item# 22. Adjournment.**

*Secretary Barstow made a motion to adjourn at 7:36 pm. Trustee Elliott seconded the motion. The motion carried unanimously.*

Approved by the SVGID Board of Trustees on November 8, 2018.

Minutes Prepared by:  
Jennifer Merritt, Administrative Assistant