



**Sun Valley General Improvement District
Board Meeting Minutes of
April 09, 2026**

Board Members Present:

Susan Severt	Chairperson
Michael Rider	Vice Chair
Carmen Ortiz	Secretary
Mark Neumann	Treasurer
Mark Dunn	Trustee

Board Members Not Present:

Staff Present:

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

Other Members Present:

Micheal Revty	Public Audience
Heidi Soper	Public Audience
Glenda Walls	Public Audience

The meeting of the Sun Valley General Improvement District was called to order by Chair Severt at 5:30 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 Ortiz, Treasurer Neumann, and Trustee Dunn. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Vice Chair Rider.

Item# 3. Public comments for items both on and off the agenda will be heard under this item and will be limited to three (3) minutes per person. The Board will hear public comments during individual action items with public comment limited to three (3) minutes per person. Comments are to be made to the Board as a whole.
None

Item# 4. Motion to approve the agenda.

Vice Chair Rider made a motion to approve the agenda. Secretary Ortiz 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 E-Waste Recycling Event, in partnership with Lifecycle Solutions, is scheduled for the month of April for District customers only. The District is currently accepting applications for the 2026 Sun Valley Pool Season. Latin United of Northern Nevada and New Revival Church are hosting a Festival of Children Event Sunday, April 26, 2026 beginning at 11:30 am at the Sun Valley Community Park. A free Sun Valley Cleanup Day sponsored by Washoe County Commissioner Garcia at the old Scolari's Saturday, April 25, 2026. Keep Truckee Meadows Beautiful Great Community Cleanup scheduled Saturday, May 2, 2026 from 8 am until noon. Lastly, the Sun Valley Citizen Advisory Board Meeting is scheduled for Monday, April 6, 2026 6 pm at Hobey's.

Vice Chair Rider announced he attended the Sun Valley Easter Egg Hunt hosted by H.O.P.E. Church of Nazarene and New Revival Church at the Sun Valley Community Park. This was a well-attended event and there was over 5,000 eggs hidden at the park for the kids. He also announced he attended the Sun Valley Cal Ripken/Babe Ruth Opening Ceremony; he invited everyone to support the league by attending a game.

Item# 7. Discussion and action to approve account payables for March 26, 2026.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for March 26, 2026.

Treasurer Neumann made a motion to approve the account payables for March 26, 2026 in the total amount of \$1,914,367.48. Vice Chair Rider seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 8. Discussion and action to approve account payables for April 09, 2026.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for April 09, 2026.

Treasurer Neumann made a motion to approve the account payables for April 09, 2026 in the total amount of \$409,021.80. Chairperson Severt seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 9. Discussion and action to approve board meeting minutes of March 12, 2026.

Secretary Ortiz made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of March 12, 2026 as submitted. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 10. Discussion and action to implement District previously approved (May 09, 2024) 3.5% Truckee Meadows Water Authority pass through and 2% District water rate increase for both base rate and consumption rate for Residential Customers, Residential Multi-Unit Complex Customers, Commercial/Industrial Customers, Irrigation Customers, and Bulk Service Customers effective May 1, 2026; with possible direction to staff.

Mr. Melton reported in 2024 Truckee Meadows Water Authority (TMWA) approved a multi-year rate increase; 2024 4.5%, 2025 4%, 2026 3.5%, 2027 and 2028 rate increase will be based on the CPI-U with a maximum of 4.5% and a minimum of 1%. The District Board of Trustees approved on May 9, 2024 a multi-year water base and consumption rate increase for 2024 through 2028. These increases are a direct cost to the District by TMWA, and as such, need to be passed on to District customers. The District Board of Trustees also approved an additional 2%, if needed, to balance the District's Water Budget.

Mr. Melton reported staff recommends implementing the approved 3.5% TMWA pass through rate increase for water base and consumption rates for all service types and the additional 2% District increase to help offset the Water Budget deficit. The requested increase will go into effect May 1, 2026. He reported staff will continue to monitor its financials; he is optimistic with the meter replacement project along with new service connections will help close the water budget gap and not have to implement the District 2% increase for 2027.

Chairperson Severt commented the proposed increase is a \$1.46 increase to the ¾" base rate, \$0.15 increase to Tier 1, and \$0.22 increase to Tier 2. She commented that it is difficult having to raise rates, she would much rather increase rates incremental yearly than having to consider a large one-time increase. She recalls when prior boards would defer rate increases and absorb TMWA rate increase; the District has worked hard to close the deficit gap that was caused by deferrals.

Mr. Melton commented in specifically regarding to applying for grants, the State looks for healthy and balanced budgets. They look to make sure applicants are willing to implement increases, when needed, to maintain a balance budget. State evaluates applicants to make sure they have the funding capability to sustain a budget and be capable of paying back any loans and match any awarded grants.

Vice Chair Rider commented the District Board and staff tries really hard to approve and operate a budget close to zero has possible. Unfortunately, sometimes in order to have a healthy and balanced budget the District Board of Trustees have to approve rate increases to satisfy the fiduciary responsibilities.

Vice Chair Rider made a motion to approve implementation of previously approved TMWA 3.5% rate increase as a pass through and an additional approved District 2% rate increase for Residential Customers, Residential Multi-Unit Complex Customers, Commercial/Industrial Customers, Irrigation Customers, and Bulk Service Customers, effective May 1, 2026. Trustee Dunn seconded the motion. The motion carried unanimously.

There were no public comments.

Chairperson Severt called the Public Hearing to order at 5:50 pm.

Item# 11. Discussion and possible action to the following District Rules and/or Regulations to adopt various amendments.

Chairperson Severt read into the record the Order of Procedures for the District's Public Hearing.

Secretary Ortiz provided proof of publication for the public hearing.

Ms. Dowling reported many of the rule amendments were for clarification purposes and all have been reviewed by District legal.

Item 11A) Amend Rule No. 1 providing updates to Definitions and add a new definition for Standby.

Ms. Dowling reported staff added a new definition for Landowner Standby Agreement.

Item 11B) Amend Rule No. 2 providing updates to water rights dedication requirements per Truckee Meadows Water Authority Rule 7 and consolidate District Territory Maps.

Mr. Baeckel reported staff consolidated Exhibit A Territory Maps and amending Exhibit B to reflect TMWA's new Rule 7 water right calculation formula.

Item 11C) Amend Rule No. 5 providing updates regarding customer non-payment process.

Ms. Dowling reported staff amended language for clarification purposes to section I.B Proration of Bills, and Section II Payment of Bills and Penalty for Non-Payment. She reported the biggest change to Payment of Bills and Penalty for Non-Payment; adding language that states, "If payment or payment arrangement is still not made after disconnection of water, the account will be closed out approximately one-week after the disconnection".

Item 11D) Amend Rule No. 6 providing updates for clarification to Section I.B.1 For Nonpayment of Bills; providing updates for clarification to Section I.B.5 For Fraudulent Use of Service; providing updates for clarification to Section I.C Restoration of Water Service and Charge For Same.

Ms. Dowling reported a lot of the amendments to Rule No. 6 is cleanup and clarification to reflect current practice. The biggest change to Rule No. 6 is section I.C. Restoration of Water Service and Charge for Same; by the time a customer is being shut-off for a non-payment disconnect, the customer has two months of charges billed to them. Currently, the District only collects the outstanding balance that initiated the non-payment disconnect, going forward the District would like to collect all charges on the customer account to restore water service (past due bill, any billed reconnection fees, and current bill).

Chairperson Severt commented the proposed amendment regarding restoration of water service due to non-payment disconnect is a significant change to customers. She requested

staff to present any benefit to the customer and/or District for this particular amendment.

Ms. Dowling responded this will reduce the amount a customers that will be disconnected for non-payment. She reported there is a very large percentage of the same customers that are disconnected every month and assessed a \$40.00 reconnection fee. With the new proposed restoration process those customers would only be disconnected six (6) times a year rather than twelve (12) times a year; this is an annual savings to the customer of \$240.00. The proposed restoration process will also reduce the amount of non-payment disconnects the District has to perform weekly. Currently the District is disconnecting water service to approximately 67 customers per week. That is 67 service orders performed by the office staff to initiate the shut-off, 67 shut-offs by the field staff, followed by 67 service orders performed by the office staff to initiate the restoration of service, and 67 turn-ons by the field staff. She reported over exercising a meter valve due to non-payment disconnects can lead to a faulty meter valve.

Mr. Melton also responded Ms. Dowling is correct, meters valves are not built to be exercised for shut-off monthly, this could potentially damage the meter over time due to wear and tear. There are other additional expenses involved with disconnect days, the District has to purchase locks, more wear and tear on the District fleet in addition to more fuel on disconnect days.

Trustee Dunn suggested the District requiring those habitual customers to pay a deposit on their account to cover their past dues and help save time by District staff performing the disconnect.

Ms. Dowling responded when she first started with the District, the District's practice was collecting the entire account balance for non-payment disconnects to restore water service. There were several customers that expressed their concerns regarding the process paying the past due portion only. At that time management and staff thought it over; after consideration the District changed the process to only collecting the past due amount. The current practice generates more revenue from the \$40 reconnection fee, generating more revenue is not what current staff wants. Staff would like to change the behavior of a customer and get them to pay their bills responsibly and reduce the number of times they are disconnected. She commented the District does not require a deposit from property owners, only from non-property owner customers. Deposits are used to assist the final bill of a closed account. Collecting a deposit from all customers to help with non-payment disconnected customers would be difficult and time consuming.

Secretary Ortiz commented as a District customer herself; she wishes other District customers would call the District office and speak with staff to make a payment arrangement. The District works with all its customers and is happy to make payment arrangements, and it is a free service to the customers. This would help reduce with the non-payment disconnects.

Ms. Shipman recommended the Board to review several Rules at a time and act on them. Due to the number of Rules being considered, it would be difficult to go back to a previous Rule to ask any follow up questions.

There were no public comments or written correspondence for Rules 1, 2, 5, and 6.

Vice Chair Rider made a motion to amend District Rules 1, 2, 5, and 6 as presented by staff.

Treasurer Neumann seconded the motion. The motion carried unanimously.

Item 11E) Amend Rule No. 7 providing updates to Section I General Information regarding District business hours of operations.

Mr. Melton reported amendment to Rule No. 7 is general cleanup and clarification to reflect the District's current hours of operation.

Item 11F) Amend Rule No. 8 providing updates to Section IV. Regarding Landowner Standby Agreements.

Ms. Dowling reported amendments to Rule No. 8 is for clarification purposes and providing greater detail regarding the District's Landowner Standby Agreement. The District allows property owners that lease/rent their property to sign up for a Landowner Standby. The Landowner Standby Agreement is the property owner's authorization to allow the District office to disconnect service upon tenants' request to discontinue service to the subject property. From the date of the tenant's request, the District services shall not be disconnected but shall instead revert to the sole responsibility of the property owner. The property owner is thereafter liable for the payment of utility services whether or not the lessee or other tenant actually vacated the property on the date specified. As allowed in the District Rules, the property owner and/or the successor lessee/tenant shall be responsible to bring the account current for utility services in the event account has not yet been paid, before services can be restored in the new lessee or other tenant's name. The property owner also has the opportunity to cancel the Landowner Standby Agreement at anytime by initiating a Change Request form.

Ms. Dowling reported all new accounts, including accounts with a Landowner Standby Agreement, will be subject to the District's \$30 account set-up fee. This fee is to help cover the cost of office staff closing an account, notify the property owner of the closed account, and setting up a new account and cross-referencing the Washoe County Assessors records to always make sure the District is aware of the current property owner. In addition to office staff time, field staff has to collect a final read and shut-off the meter, lock the meter in some cases, and when a new account set-up occurs, they have to collect another read at the time of turning the meter back on; all of which is very time consuming on District staff that occurs quite frequently.

Treasurer Neumann inquired if the official property owner who owns the property and home and it is being used as a rental investment, either customer, the property owner or the tenant, is subject to the District's \$30 account set-up fee? Does this also include when the tenant moves out and the property owners puts service back in their name; is it considered a new account?

Ms. Dowling responded yes, anytime the property owner puts District services in their name, with or without a Landowner Standby Agreement, the District has to create a new account. The only time the District does not have to create a new account for a rental property, is if the property owner keeps the District service account in their name and collect directly from their tenant for monthly services via monthly rent and/or other form of payment arrangement between the property owner and tenant. The District does not provide duplicate bills, the District will provide a courtesy copy of the final bill, along with the letter to notify the property owner of the closed account. The letter notifies the property owner in the event the final bill is not paid by their tenant, the property owner will be responsible for the outstanding balance prior to initiating a new account.

Treasurer Neumann was concerned regarding collecting a new account set-up fee to the

property owner if they only need to service for a few hours to clean the home and/or inspections.

Mr. Melton responded, once again the property owner is always going to be assess the new account set-up fee at least once. If the property owner doesn't want to pay the new account set-up fee going forward for their rental, then as any business, the property owner would keep the District service in their name and collect an additional set amount monthly along with rent to cover utilities. The District does not want to be involved in customer property management. The property owner has options; it is their decision how they want to operate their rental business.

Secretary Ortiz inquired for clarification, if a tenant closed their account and leave an outstanding balance, if it is the property owners' responsibility to pay the outstanding balance.

Ms. Dowling responded, in the event a tenant vacates the property a final bill is issued to the whomever is listed as the customer on the District account, which in a lot of cases is the tenant in this scenario, with a duplicate copy to the property owner. The tenant has the opportunity to pay the final bill, in the event it is not paid by the prior tenant, it is ultimately the responsibility of the property owner to satisfy the payment with the District. In the event the property owner does not satisfy payment of the outstanding balance, any delinquent balances on closed customer accounts are forwarded to Washoe County Treasurer's to be included with the next property tax roll. At which time, the District is forwarded from Washoe County any payments from District delinquent balances when subject property taxes are paid.

Item 11G) Amend Rule No. 9 providing updates for clarification to Section D.4 regarding who is responsible fire hydrant maintenance.

Mr. Baeckel reported amendment to Rule No. 9 is general cleanup and clarification to specify that the District does not own fire hydrants. Fire hydrants are owned and maintained by the authority having jurisdiction within unincorporated Washoe County and, if applicable, incorporated city. He also reported the District does not perform fire hydrant installation.

Item 11H) Amend Rule No. 10 providing updated clarification to Section II regarding use of fire hydrants.

Mr. Baeckel reported amendment to Rule No. 10 is clarification who has authorization to use fire hydrants; usage of fire hydrants is by the authority having jurisdiction within unincorporated Washoe County and, if applicable, incorporated city.

Treasurer Neumann inquired if fire hydrants are on a separate meter.

Mr. Baeckel responded fire hydrants are not metered.

Treasurer Neumann followed up and inquired if fire hydrants are assessed a flat fee. He sees construction trucks hooking up to the fire hydrants and wanted to know if they pay to use the fire hydrant.

Mr. Baeckel responded, the District does not assess a fee for any fire hydrant. Any use of the fire hydrant by a construction company is considered illegal use. The District provides a separate connection for all construction water services that is metered.

There were no public comments or written correspondence for Rules 7, 8, 9, and 10.

Vice Chair Rider made a motion to amend District Rules 7, 8, 9, and 10 as presented by staff. Trustee Dunn seconded the motion. The motion carried unanimously.

Item 11I) Amend Rule No. 11 providing updates regarding Establishment of Credit.

Ms. Dowling reported amendment to Rule No. 11 is clarification purposes, only non-landowner customers are required to establish credit by making a deposit per District Rule No. 12. Additional clarification how non-landowner customers deposits will be applied to accounts.

Item 11J) Amend Rule No. 14 reclassification of Rule to become General Provisions and Customer Disputes; consolidation of current Rule No. 14, Rule No. 18, and Rule No. 25.

Ms. Dowling reported staff would like to consolidate Rule No. 14, Rule No. 18, and Rule No. 25 into one Rule as a cleanup measure. All three (3) Rules said something similar regarding general provisions and customer disputes.

Item 11K) Amend Rule No. 15 reclassification of rule to become Protective Devices on Water Service Connections related to Cross-Connections, Residential Backflow Prevention Devices, Non-Residential Backflow Prevention Devices, Installation Requirements, Annual Testing Requirements, Requirements for Fire Sprinkler Systems Backflow Devices, and authorizing third-party to conduct Cross-Connection Surveys.

Mr. Baeckel reported Rule No. 15 in essence is a newly written Rule based on the District's new backflow practice; including authorizing Hydro Corp to work on behalf of the District as a 3rd party vendor for backflow data management. He reported the District removed the section related to Installation of backflows from Rule No. 15 but it was captured in Rule No. 21 and Rule No. 22 regarding water facilities.

Item 11L) Amend Rule No. 16 providing updates to Section I.D. Deposits for required Preliminary Capacity Studies; adding a new Section I.F. requiring Developer deposits to a District Trust Account for Engineering Construction Management; adding language to I.G.5 regarding Developer responsibility to provide the District with As-Builts and GIS Coordinates; and updating Section I.G.6 as to when Developer Trust Account Refunds will be issued by the District.

Mr. Melton reported amendment to Rule No. 16 is adding additional language to reflect current practice. The District collects a deposit for Studies for new development requiring a connection to the District's existing water and/or sewer system. Requiring developers to pay a 50% deposit, plus a 15% contingency, for all Engineering Construction Management into the District's Developer Trust Account to draw funds from prior to commencement of construction. New language requiring the developer to pay 100% deposit for GIS Mapping services for all new development. He also reported minor amendments were added for clarification purposes how the District will handle all deposit refunds related to new development.

There were no public comments or written correspondence for Rules 11, 14, 15, and 16.

Vice Chair Rider made a motion to amend District Rules 11, 14, 15, and 16 as presented by staff. Trustee Dunn seconded the motion. The motion carried unanimously.

Item 11M) Amend Rule No. 17 adding the District Service Territory recorded map.

Mr. Baeckel reported amendment to Rule No. 17 is only to include a copy of the District's Service Territory Map to go along with the Legal Description of the District's Service Territory. There are no changes to the District's Service Territory.

Item 11N) Amend Rule No. 18 moving entire content regarding, Interpretations and Deviations Relief on Application or on Own Motion, to Rule No. 14 reclassified as General Provisions and Customer Disputes.

Ms. Dowling reported as mentioned in Rule No. 14, Rule No. 18 is being consolidated with Rule No. 14 due to redundancy.

Item 11O) Amend Rule No. 19 providing updates to Section I.A regarding Water Meter Tests; providing updates to Section II.A regarding Adjustments of Bills for Fast Meters; providing updates to Section II.B regarding Adjustments of Bills for Slow Meters; providing updates to Section II.C regarding Adjustment of Bills for Non-Registering Meters, adding a new Section II.D regarding Adjustment of Bills for Crossed-Meters.

Mr. Baeckel reported a lot of the amendments to Rule No. 19 is cleanup and clarification to reflect current practice; a lot of language has been removed. The District does not install meters that are older than ten (10) years old or rebuilt. He reported with the new meters being installed, there is not an option to rebuild a meter like prior meters, it will be a full replacement. The District currently does not collect a deposit or charge a fee to test meters. The District would only invoice a customer to test a meter in the event the District cannot physically test the meter itself due to insufficient testing equipment or testing of larger meters.

Ms. Dowling reported amendments to Adjustment of Bills for Meter Error were made for clarification and for consistency. The District is adding an additional section regarding Adjustment of Bills for Cross -Meters. Any adjustment to bills will only be to the customer that was the active customer on record during the occurrence of the meter error.

Item 11P) Amend Rule No. 21 Section I.C Water Revenue System, increase Base Service Rate for all service types for meters 1 ½" or greater; amending Section I.C.1 to clarify additional requirements for Multi-Unit; update Section I.C.3 establishing gallon consumption for Tier 1 and adopting new Tier 2 rate; removing section I.C.9 Emergency Service Fee and moving to Rule No. 23 classified Additional Charges; amending Section I.D to clarify additional requirements for Accessory Dwellings; amend Section I.E to clarify additional requirements for Infirm Care Units; amend Section I.F adding language regarding Unpermitted Service for clarification purposes and increase reconnection fee; amend Section II.A regarding Availability of Water and Service Connections adding new language for clarification regarding tap and service connection requirements; amend Section II.C adding language for clarification regarding taps requiring a Tap Deposit prior to performing tap and requiring all taps to be performed within six months; amend Section II.C.c Refund Procedure for Taps; amend Section II.C.4 Refund Procedure for General Facilities Fees; add a new Section II.E regarding Customer's Maintenance responsibility of water fixtures on-premises; add a new Section II.F regarding Right of Access to Premises to access water facilities; add a new Section II.G regarding Responsibility for Loss or Damage caused by negligence or wrongful act of a Customer; remove Section III Installation Fees and move to Rule No. 23 classified Additional Charges.

Mr. Melton reported there is a lot of amendments to Rule No. 21 for clarification purposes and in some cases an increase in fees and adopting new fees. The first amendment is an

increase to the base rate for larger meters, 1.5" or greater. All of the larger meters are commercial only; no residential meters will be impacted by the proposed increase. The replacement cost of large meters have increased by 60% since 2022. Meters typically have a ten (10) year life span. The proposed increase is for the purpose of planning for replacement of meter at end-of-life of the meter. The base rate increase is for all customer service classes.

Additional discussion ensued regarding what commercial customers have large meters.

Mr. Melton reported the District implemented a 2 Tier rate for consumption for Residential customers several years ago. He is proposing a 2 Tier rate for consumption for Domestic Commercial and Industrial customers; this is to help capture the additional cost passed on by Truckee Meadows Water Authority when the District is subject to high use tier rates during peak months. The proposed consumption tier rates are \$2.94 for Tier 1 0 to 10,000 gallons and \$4.21 for Tier 2 Greater than 10,000 gallons.

Treasurer Neumann inquired if the proposed Commercial Tier 2 rate would impact the District due to its parks.

Mr. Melton responded, the District currently pays the Tier 2 rate for its Irrigation service for all the parks. There is a potential impact to the District for its Commercial Domestic usage for the main office building and other recreation park facility buildings should the usage be greater than 10,000 gallons.

Ms. Dowling reported other non-water usage fees such as New Account Set-Up Fee, Emergency Service Fee, and the Reinstallation of Disconnected Service Fee are requested to move to Rule No. 23 Additional Charges.

Mr. Baeckel reported addition amendments were made to Unpermitted Service, Infirm Care Units, Accessory Dwellings, Tap Fees for clarification purposes to reflect current practice and general cleanup. Other additional amendments include new language regarding Availability of Water and Service Connection the District determining the appropriate service connection location and who is authorized to perform such service connection. Defining it is the responsibility of the customer to maintain a 3-foot clearance around District water facilities at all times and Responsibility for Loss or Damage of District facilities.

Discussion ensued regarding residential Accessory Dwelling Units regarding fees associated with connection.

There were no public comments or written correspondence for Rules 17, 18, 19, and 21.

Vice Chair Rider made a motion to amend District Rules 17, 18, 19, and 21 as presented by staff. Trustee Dunn seconded the motion. The motion carried unanimously.

Item 11Q) Amend Rule No. 22 amending Section I.G to clarify additional requirements for Accessory Dwellings; amend Section I.H to clarify additional requirements for Infirm Care Unit; amend Section I.I providing updates to Unpermitted Service; amend Section I.K regarding Right of Access to Premises to access sewer facilities; amend Section I.L regarding Responsibility for Loss or Damage caused by negligence or wrongful act of a Customer; amend Section III.B.2 to clarify additional requirements for Multi-Unit; remove Section III.D New Customer Set-up Fee and move to Rule No. 23 classified Additional Charges Installation Fees; remove Section III.E Emergency Service Fee and move to Rule No. 23 classified Additional Charges; remove Section IV.C New Customer Set-up Fee and move to Rule No. 23 classified Additional Charges Installation Fees; remove Section IV.D Emergency Service Fee and move to Rule No. 23 classified Additional Charges; remove Section V.C New Customer Set-up Fee and move to Rule No. 23 classified Additional Charges Installation Fees; remove Section V.D Emergency Service Fee and move to Rule No. 23 classified Additional Charges; amend Section VI.B.2 Refund Procedure for General Facilities Fees; Amend Section VI.E adding language for clarification regarding taps, requiring a Tap Deposit prior to performing tap and requiring all taps to be performed within six months; amend Section VI. Regarding Refund Procedure for Taps.

Mr. Melton reported there are no proposed rate increase for any service class for this year.

Mr. Baeckel reported Rule No. 22 mirrors a lot of Rule No. 21, a lot of the amendments are the same for clarification purposes and to reflect District's current practice.

Item 11R) Amend Rule No. 23 add new Section I regarding Installation/Re-Installation Fees; amend Section I.A for clarification regarding Account Setup and Fees; amend Section I.B for clarification regarding Reinstallation of Disconnected Service and increase Reconnection Fee; add new Section II regarding Emergency Service Fees; amend Utility Fee Schedule increasing Parcel Map Review to \$250.00 and adopt a Refund Administrative Fee of \$100.00.

Ms. Dowling reported as mentioned several fees were moved from Rule No. 21 and Rule No. 22 over to Rule No. 23 such as the Account Setup Fee, Reinstallation of Disconnected Service Fee, and the Emergency Service Fee. Staff is proposing to increase the Reinstallation of Disconnected Service Fee from \$40.00 to \$50.00; this fee has not increased since 2005. Other proposed amendments is for clarification purposes.

Mr. Baeckel reported staff is proposing an increase to the Parcel Map Review Fee from \$100.00 to \$250.00. Each map review is time consuming and with all the regulations regarding water connections, it is requiring more of his time.

Item 11S) Amend Rule No. 25 move entire content regarding General Provisions to Rule No. 14 classified as General Provisions and Customer Disputes.

Ms. Dowling reported as mentioned in Rule No. 14, Rule No. 25 is being consolidated with Rule No. 14 due to redundancy.

Item 11T) Amend Rule No. 27 removing entire content regarding Sphere of Influence Service Area to Rule No. 2 Description and Limitations on Service.

Mr. Baeckel reported Rule No. 27 is being consolidated with Rule No. 2 due to redundancy.

Item 11U) Amend Rule No. 28 providing updates to Section II.A regarding Definitions; amend Section III.B regarding Government and Non-Profit Organizations use of recreation facilities; amend Section III.C regarding Deposits and Refunds for recreation facility rentals; amend Recreation Fee Schedule adopting a Janitorial Service Fee and adopting a Reservation Cancellation fee of \$25.00

Mr. Baeckel reported a lot of the amendments to Rule No. 28 is cleanup and clarification to reflect current practice. Other amendments are updating the refund policy for canceled rental reservations. Lastly, formally adopting a Janitorial Cleaning Fee of \$100.00 for all Neighborhood Center Rentals for Public Events, and a \$25.00 Administrative Fee for all canceled Rental Refunds.

There were no public comments or written correspondence for Rules 22, 23, 25, 27, and 28.

Vice Chair Rider made a motion to amend District Rules 22, 23, 25, 27, and 28 as presented by staff. Trustee Dunn seconded the motion. The motion carried unanimously.

Chairperson Severt closed the Public hearing at 6:47 pm and called for a 5-minute break.

Chairperson Severt reconvened the public meeting at 6:52 pm

Item# 12. Discussion and possible action regarding District's Tentative Budget for fiscal year 2026/2027.

Mr. Melton provided a summary report of the various revenues and expenses and a copy of the District's tentative budget for fiscal year 2026/2027 for review. He reported the District's Water Fund consists of; Revenues \$4,647,695.00, revenues include the approved rate increase (TMWA 3.5% and District 2%). The additional increase in revenue is a reflection of new development customers and implementation of the approved Commercial Customer Domestic Tier 2. Expenses are estimated at \$4,791,468.00. The increase in expenses is contributed to the 3.5% increase from TMWA, the District's health insurance premiums are projected to have a 10% increase, 5% increase for liability insurance premiums, and other minimal increases from utilities and vendors. He reported the biggest increase to expenses is the District's Depreciation of \$1,302,626.00. Due to the recent development, new infrastructure has been added to the District's fixed assets that is depreciated over a period of time. After depreciation the Water Fund proposed Net Income Loss is (\$143,773.00).

Ms. Thrall reported when she calculates the District's depreciation she tries to be as conservative as possible, but with new development and the District's capital improvements it is challenging to figure out when the new infrastructure will go on line. She meets with management to discuss the various projects in progress and takes in consideration the contract value and the completed date. As an example, the District's new pump station, it is expected to be in service the end of 2026; she added six (6) months to the tentative budget

to account for the pump station depreciation. This is the same for the meter replacement, the goal is to have all the meters replaced by the end of 2026; she added six (6) months to the tentative budget to account for the new meters' depreciation. By accounting for the upcoming depreciation for new infrastructure during the budget process, that provides a more accurate glance of what the District needs to plan for in the future.

Mr. Melton proceeded and reported the District's Sewer Fund consists of; Revenues \$3,778,541.00; revenues is based on continuing with the flat rate schedule of \$43.00 per residential unit, per gallon consumption for all commercial customers and Washoe County/Reno Sewer Interceptor reimbursements. He thanked the Board for passing the sewer flat rate, it has proven to be extremely efficient and has helped tremendously budgeting for Truckee Meadows Water Reclamation Facility (TMWRF) operation and maintenance, and capital improvement expenses. District Expenses are estimated at \$3,778,468.00; the District's salaries and benefits, and insurance premiums are split between water and sewer. The other increase to the District's sewer expenses is its pro-rata share of the TMWRF operation and maintenance expenses, currently the District pays \$101,000.00 monthly for TMWRF operation and maintenance, it is expected to increase to \$108,000.00 monthly, the District budgeted \$110,000.00 monthly to help cover any unknowns when the District is billed for any true-ups. He reported the biggest increase to expenses is the District's Depreciation of \$720,072.00. Due to the recent development, new infrastructure has been added to the District's fixed assets that is depreciated over a period of time. The proposed Net Income for the Sewer Fund is \$73.00.

Mr. Melton reported the District's Acquisition Fund consists of; Revenues \$4,134,852; revenues consist of Water and Sewer Facilities Fees, Ad Valorem, Interest Earned, and newly added NDEP Grant Project Revenue. Expenses \$10,276,100.00, this is driven by bigger capital improvement projects such as the new Pump Station, re-coating Klondike Tank, and new Meters. He reminded the Board, the pump station is a cost share with the developer, and the District was awarded the NDEP Grant that will offset 50% of the expenses for these projects for the District's portion. Mr. Melton reported the District's capital improvement projects are identified in the District's Water and Sewer Master Plan Schedules, there are other capital improvement projects that have been identified by staff. Mr. Melton briefly reviewed the provided Capital Improvement Project list for water, sewer, and recreation. This is a proposed Net Income Loss for the Acquisition Fund of (\$6,141,248.00).

Mr. Melton reported the District's Properties and Garbage Fund consists of; Revenues \$232,220.00. He reported the revenue is starting to decrease as the District continues to move forward with removing the rental units on Prosser Way to make room for the District's new pump station and future Shop. However, the revenue will start to increase due to the Garbage Franchise Fee. As new development occurs the Garbage Franchise Fees will increase. Expenses are estimated at \$156,047.00. Staff increased expenses to help agencies with beautification projects, such as Keep Truckee Meadows Beautiful, as well as, abandon vehicle removal through Washoe County Sheriff Department. The proposed Net Income for the Properties and Garbage Fund is \$76,173.00.

Mr. Melton reported the District's Recreation Fund consists of; Revenues \$432,250.00; revenue consists of the District's \$3.50 recreation fee, pool admissions, and other revenue for leases and reservations of the park facilities.

Secretary Ortiz inquired why there was a significant decrease in the Other Non-Operating Revenue for Recreation.

Mr. Melton responded, the proposed budget does not include the Washoe County sub-grant

like the prior years. He commented he is still negotiating assistance from Washoe County. He proceeded and reported the Park Expenses are estimated at \$225,441.00. There is an increase to the Park expenses due to an increase in utilities (water and garbage) and he also increased conference and per diem expenses. Pool Expenses are estimated at \$292,051.00. There is an increase to the Pool expenses due to an increase in aquatic salaries, pool permits, pool chemicals, and utilities. The proposed Net Income Loss for the Recreation Fund is (\$85,242.00).

Mr. Melton reported the 2026/2027 all Operating Budget summary proposed Net Income Loss is (\$152,769.00). The 2026/2027 Capital Improvement/Acquisition Budget summary proposed Net Income Loss is (\$6,141,248.00). The overall budget summary for All Funds proposed Net Income Loss is (\$6,294,017.00). He thanked the accounting department for all of their hard work with assembling the District's 2026/2027 tentative budget and requested approval of the draft tentative budget. Staff will provide updates of any amendments to the budget. The District has scheduled its budget hearing for May 28, 2026 to approve the final budget for 2026/2027.

After additional discussion Vice Chair Rider made a motion to approve the proposed 2026/2027 District Tentative Budget as presented by management. Treasurer Neumann seconded the motion. The motion carried unanimously.

There were no public comments.

Chairperson Severt called the Public Hearing to order at 7:22 pm.

Item# 13. Discussion and hearing regarding delinquent balances on deleted customer accounts as of February 28, 2026 per NRS 318.201 and possible adoption of Resolution regarding same for inclusion on Washoe County Assessment Roll.

Chairperson Severt read into the record the Order of Procedures for the District's Public Hearing.

Secretary Ortiz provided proof of publication for the public hearing.

Ms. Dowling provided a Report of Collection of delinquent balances on closed customer accounts as of February 28, 2026 to be placed on the Washoe County Tax Roll. She stated accounts with less than \$1 owing is not reflected on the report. The current list as of April 2, 2026 includes 25 closed customer accounts with a total of \$5,040.37 of unpaid delinquent balances. It is anticipated that some additional payments will be made prior to the District's submission of the report on May 27, 2026 to the Washoe County Treasurer; the report will be revised to reflect any payments made. After the report has been filed with the Washoe County Treasurer, the District is no longer able to collect from customers, it must be collected by the Washoe County Treasurer via the Tax Roll. She stated if the Board would like to proceed without changes to the report, the motion would be to adopt the attached Report of Collection on the County Tax Roll and adoption of Resolution 2026-02. If the Board decides to amend/change the report, the motion would be to direct staff of the recommended amendments/changes to the report and the resolution brought back reflecting said amendments/changes at the next meeting.

There were no public comments or written correspondence.

Chairperson Severt closed the Public Hearing at 7:29 pm

Vice Chair Rider made a motion to adopt Resolution 2026-02 and approve Report for Collection on the Washoe County Tax Roll of delinquent balances on closed customer accounts without any changes. Trustee Dunn seconded the motion. The motion carried unanimously.

Item# 14. Review of Customer Service Supervisor Job Description with possible adoption of revised job description.

Mr. Melton provided a copy of the revised job description for the Customer Service Supervisor. The last revision to the specific job description was made in 2021, a lot of the revisions is general cleanup to reflect the current duties and functions. He stated there are additional duties added to the job description to reflect the functions related to human resources and overseeing of benefits that this current employee is performing. He also reported he would like to recognize this current position as the Customer Service Manager.

Additional discussion ensued regarding other governmental agencies on how they recognized their Customer Service Supervisor, Customer Service Manager, and Human Resources. Other agencies are larger than the District and they are able to have an employee who is responsible for each individual position. The District is smaller in size, and a lot of employees ultimately perform multiple duties.

Secretary Ortiz made a motion to approve the revisions to the Customer Service Supervisor job description; including reclassifying the title to Customer Service Manager as presented by staff. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 15. Legal report by Maddy Shipman.

None

Item# 16. Field Report by Brad Baeckel.

Mr. Baeckel reported on the following:

- A contractor hit a water service line on W. 7th Ave., pulling it out of the main. The contractor provided traffic control while District staff throttled the main and replaced the saddle under pressure. A new water service line was installed and staff went home around 9:30 pm.
- The District's part-time park maintenance employee started on April 1st.
- The District has begun the meter replacement project. The project is starting slow, but the goal is to have all the meters replaced by the end of the 2026 calendar year.
- Both 5 Ridges Aden Ridge Water Main and Village 1B (47 units) water projects are approved for construction.
- Plans have been reviewed for 5 Ridges Village 5 Phase 1 for a total of 78 units.
- Plans have been reviewed for 5 Ridges Village 8 Phase 1 for a total of 11 units.
- Water Project has been submitted for Sun Mesa Phase 5 for 52 units.
- Construction of Sun Mesa Phase 4 for 5 units will begin next week.
- Highland Village I Water Project is complete pending NDEP approval.

Item# 17. Customer Service Report by Erin Dowling.

Ms. Dowling reported on the following:

- The District has issued a total of 34 vouchers for the District's April E-Waste Recycling event.
- The Sun Valley Easter Egg Hunt was held March 28th, it was well attended and H.O.P.E. Church of Nazarene thanked the District for its partnership.
- Staff is currently working on the upcoming Dive Into Summer event that is scheduled for June 5, 2026.
- The District added a message on the bottom of the monthly bills notifying customers of the 2026 Photo Contest theme, Recreation and Sports in Action.
- Waste Management, for the month of May, allows customers to put out five (5) extra bags without stickers.
- Both office and field staff are working diligently together on the meter replacement project.

Item# 18. Manager Report by Chris Melton.

Mr. Melton reported on the following:

- On behalf of the District, he wished Trustee Dunn a Happy Birthday

Item# 19. Public Comments.

None

Item# 20. Board Comments.

Secretary Ortiz commented it is apparently Taco Truck Thursday in Sun Valley, if anyone is hungry there is five (5) Taco Trucks in the old Scolari's parking lot. It will be interesting to see what local food trucks participate in the upcoming June Food Truck Event.

Chairperson Severt commented Washoe County is cracking down on food vendors who are not properly permitted/licensed.

Vice Chair Rider complimented staff, they continue to find efficiencies every year to help save time and money.

Item# 21. Future Agenda Items.

Mr. Melton reported he is requesting to forego the May 14th Board meeting due to a light agenda, as well as, there would not be legal representation at the meeting.

After additional discussion, staff was directed to properly notice the cancellation of the District's May 14, 2026 Board Meeting.

The following items will be on the May 28th agenda;

- Adoption of April 9, 2026 Tariff Hearing Resolution
- Budget Hearing of District's 2026/2027 and Adoption of Final Budget
- Review and approval of Engineering Design Proposal for Klondike Tank Improvements
- Review and approval of Engineering Design Proposal for Sun Valley Blvd./2nd Ave. PRV
- Review and approval of Engineering Design Proposal for Boundary to Central PRV

Item# 22. Adjournment.

Secretary Ortiz made a motion to adjourn at 7:42 pm. Vice Chair Rider seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on May 28, 2026

Minutes Prepared by: Jennifer Merritt, Executive Administrative Assistant