



Sun Valley G.I.D. Board Meeting Minutes of April 12, 2012

Board Members Present:

Margaret Reinhardt	Chairperson
Linda Woodland	Vice-Chair
Sandra Ainsworth	Secretary
Garth Elliott	Treasurer

Board Members Not Present:

Robert Fink	Trustee
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Staff Present:

Darrin Price	SVGID, General Manager
Mike Ariztia	SVGID, Public Works Director
Jennifer Merritt	SVGID, Staff
Maddy Shipman	SVGID, Legal
Bill Short	SVGID, CPA

Others Present:

Vicky Maltman	Audience
Jim Ainsworth	Audience
Marge Cutler	Audience
Susan Severt	Audience
Glenda Walls	Audience
Barry Brouchard	NorthValleys.org
Joseph Barstow	H.O.P.E. Church, Pastor

The meeting of the Sun Valley GID was called to order by Chairperson Margaret Reinhardt at 6:03 p.m. 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; Linda Woodland, Margaret Reinhardt, Sandra Ainsworth, Garth Elliott. A quorum was present.

Item#2. Pledge of Allegiance.

Item#3. Motion to approve agenda

Linda Woodland made a motion to approve the agenda. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Item#4. Certify posting of agenda.

Jennifer Merritt certified posting of agenda.

Item#5. Public comments for items not on the agenda.

None

Item#6. Board Comments.

None

Item#7. Discussion and motion as to payables and customer refunds for April 12, 2012.

Treasurer Garth Elliott gave a brief report of the accounts payable and customer refunds for April 12, 2012.

Garth Elliott amended his motion to approve the accounts payable for April 12, 2012 in the total amount of \$159,698.72. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Garth Elliott made a motion to approve the customer refunds for April 12, 2012 in the amount of \$1,695.29. Linda Woodland seconded the motion. After some discussion the motion carried unanimously.

Item#8. Discussion and motion as to minutes from March 29, 2012.

Linda Woodland made a motion to approve the minutes of March 29, 2012 as submitted. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Item#9. Discussion and motion to consider purchasing the bingo board at the Neighborhood Center from Washoe County Senior Services.

Darrin Price read into the record a letter submitted by Stewart White to Mark Lipparelli, Chairman of the Nevada Gaming Control Board requesting approval for the use of a bingo board at the Sun Valley Neighborhood Center for charitable or nonprofit activity without a gaming license. Darrin commented that Stewart has not heard back from the Gaming Board as of yet but will update the Board as soon as possible.

Margaret Reinhardt spoke with some of the seniors at the Neighborhood Center and she was informed that the bingo board is still not in good working order.

Linda Woodland made a motion to postpone the decision of the bingo board until the correspondence is back from the Nevada Gaming Board. Sandra Ainsworth seconded the motion. After some discussion the motion carried unanimously.

Item#10. Discussion and possible motion regarding lobbyist agreement.

Darrin Price reported that Fred Hillerby was invited to attend tonight's meeting but he could not attend because of prior obligations. Darrin commented Fred Hillerby has agreed to attend the May 10, 2012 board meeting.

Linda Woodland made a motion to postpone discussion regarding the Fred Hillerby's Lobbyist Agreement until May 10, 2012. Garth Elliott seconded the motion. The motion carried unanimously.

Item#11. Motion to appoint a District representative to attend the Chamber meetings.

Margaret Reinhardt would like to nominate Robert Fink as the District's representative for the Chamber meetings because of his business experience.

Darrin Price requested the Board to also nominate an alternate representative.

After some discussion Linda Woodland made a motion to approve Robert Fink as the District's representative and Sandra Ainsworth as the alternate representative. Garth Elliott seconded the motion. The motion carried unanimously.

Item#12. Discussion and motion to approve the Proposed Tentative Budget for Fiscal Year 2012/2013.

Darrin Price commented the Board reviewed the proposed tentative budget line by line during a budget workshop that was held April 10, 2012. He commented that he will go over the highlights of the budget tonight and invited audience members to ask any questions if they had any.

Darrin proceeded with the District's Water Operating Fund. He reviewed each of the water operating revenues. He reported as a comparison that last years audit shows the total revenue was 2.7 million, the District budgeted 2.9 million that is anticipated to be spent at the end of this fiscal year a difference of \$207,170 under what the Board approved to spend last year. He commented that was 7% under of what the Board approved last year and Garth Elliott had requested for a 6% cut last year. It is anticipated this year spending is a little over \$40,000.

Darrin reported on the District's Operating Expenses. For Employee Compensation and Benefits, there is a significant increase due to unfreezing of a vacant office position. All other employee benefit expenses have a slight increase because they are related directly to compensation pay such as Medicare, Social Security, retirement, and workers comp. Deferred compensation has a slight increase because of the hiring of a new employee for the vacant office position. . Darrin also reported that he built in a 5% increase for employees if the Board would like to approve a raise during evaluation time. The Board has the flexibility to approve a percentage up to 5%.

Darrin reported there will be an increase in water purchased now that TMWA approved their 3-year phase-in rate increase during their January 18, 2012 meeting. The first increase of 3.5% took effect in February 2012, it is proposed to have another increase of 3.4% in February 2013, and a 2.1% increase February 2014. He also increased the power for pumping water since NV Energy is proposing a rate increase. Darrin reminded the Board that both Mike and Jon worked really hard on limiting the amount of time the District has to use the main pumps to pump water to the storage tanks. Both Mike and Jon use the Boundary tank to supply water to all the storage tanks because it is more cost effective. The Boundary tank gravity feeds the water supply to all the other tanks which has saved the District almost \$75,000 annually in pumping expenses. Darrin reported he is not asking for any rate increase at this time since the District Board approved a rate increase last year anticipating the rate increase proposed by TMWA. The Board will have to look at the budget and water rates before TMWA implements the second phase-in of their rate increase.

Garth Elliott commented for the record that he voted not to raise the water rates for the customers of Sun Valley.

Darrin reported on the Administrative Expenses, Contract Services, and Services and Supplies. There is a minimal increase to administrative expenses and contract services are about the same. Most all of the contract services, contractors have agreed to not raise their fees. Darrin reported most of the Services and Supply Expenses remain the same with the exception of some computer maintenance work that is in need that is related to the computer change out that staff is working on. Darrin reported Repairs and Maintenance are related to District facilities such as the pump house, Annex, and main office building. Other facilities include equipment machinery, mainlines, meter boxes, and etc. Darrin anticipated that utilities will remain the same as last year with the exception of the rate increase from NV Energy and Waste Management. He commends staff for keeping utility cost down as much as possible.

Linda Woodland inquired if the Board approves a 5% increase for employees, would the District still be 13% under budget as indicated during the workshop.

Darrin commented the 13% savings the District occurred over the past year was based on what was budgeted and what was actually spent. Last year the Board approved a budget anticipating spending \$2,203,887, the audit came in at \$1,904,512 a difference of a 13% under what was approved to be

spent. Darrin reported for information purposes staff uses figures that have been researched and are anticipated based on trends that have happened over the past year or the information the District gets from other organizations.

Darrin reported the total operating income before depreciation is \$780,000. Once staff adds in depreciation, money set aside to help replace assets that have depreciated overtime; the District will have a total net income of \$30,000. Once the District pays its bond payments the total net income loss is (\$259,859).

Darrin reported the District's Sewer Fund is very similar to the Water Fund since most of everything is split 50/50. The biggest increase to the sewer budget is regarding the Joint Plant Operation because of some upcoming maintenance that is needed at the treatment plant. There are a few minimal increases to some repairs and maintenance for machinery and equipment such as the SCADA equipment that needs to be updated. Total operating expense for last year was \$1,411,015 and it is anticipated that at the end of this fiscal year it will be \$1,489,095 which is very similar to the audit. After applying depreciation, bond payment, and fixed and finished payment for the District's portion at the treatment plant, the District has a net income for sewer of \$72,228. Darrin reported he is not proposing any sewer rate increase at this time.

Darrin reported on the District's Properties and Garbage Fund. These revenues are from garbage franchise fees, rental income, rental late fees, and interest earned. All of the District community events are paid with garbage franchise fees. There are no significant changes to the Properties and Garbage Fund.

Darrin reported on the District's Recreation Fund. The Recreation Fund is made up of several revenues; monthly Recreation Fee, rentals of the parks and Neighborhood Center, rent from tenants at the Neighborhood Center and Teen Center, and Pool Admission. In the past staff split the revenue received from the recreation fee 50/50 between the parks and pool. This year we are going to split those funds 60% towards parks and 40% towards pool, since majority of the expenses is related to the upkeep of the parks. The only significant increases to the Recreation budget is because of the lease agreement for the security equipment that was installed last year, background checks because the District agreed to pay for background checks for volunteers, and gas and power for facilities due to the rate increase from NV Energy. The Board approved to have the tenants who rent the Neighborhood Center and Teen Center to help pay a portion of the utilities in efforts to keep expenses down for the District. He reported the main expense for the pool is compensation for the lifeguards and pool chemicals. Staff is working with the cities and will be able to start purchasing pool chemicals with them to receive a bulk rate discount. After applying depreciation the District has a net income loss of (\$90,843). Darrin reported he is not proposing any rate increase at this time.

Darrin reported on the District's Acquisitions Fund. The Acquisition Fund is made up from the following revenues; Ad Valorem Taxes, interest earned, CTAX, and development fees. However, staff is not anticipating any development fees this coming year. The District was very conservative the last several years and delayed a majority of the District's capital improvement projects for both water and sewer. This year staff would like to complete a few capital improvement projects for both water and sewer. There are minimal improvements for the parks and pool that are needed too. There are some other small miscellaneous projects budgeted for, but some of the more noticeable ones is the purchasing of a new backhoe that staff is still investigating, a request to purchase a new truck that would replace an older truck the District has had for 17 years. There is one more phase left of purchasing Flexnet Meters before the District has completed the meter change out.

Garth Elliott would like to see the District implement some kind of technology that would help identify customer leaks in a more timely fashion.

Darrin commented that the staff will notify a customer of a leak at the time of turning on water service, if customers request a leak check, or during the monthly billing process. Each month when during the billing process the Billing Representative looks for high consumption and will have a Technician hang a tag notifying the customer of a possible leak. Darrin commented one of the ways to search for customers with high consumption is to read the meters more frequently. This is something staff can investigate further.

Darrin reported that staff has done a good job at keeping expenses down and staying within budget. Darrin has cut the budget over the past several years and has gotten the budget as close to zero as possible for a non profit organization. Staff is requesting approval of the tentative budget. The Board can request to hold additional workshops if they would like and they have up until May 17, 2012 to modify the budget if necessary.

Item#13. Financial report by Bill Short.

None

Item#14. Legal report by Maddy Shipman.

None

Item#15. Field report by Mike Ariztia.

Mike Ariztia reported on the following;

- Since the approval of the Volunteer Program he received a three signed Volunteer Agreements. He was able to perform the background checks and the process is very simple and quick.
- Construction on the Family Dollar Store will start the week of April 16, 2012. They will be tunneling under Sun Valley Blvd. for water service.

Item#16. Managers report by Darrin Price.

Darrin Price reported on the following;

- Provided a summary report from the Prima Conference and Aquatic Conference.
- Community Development Block Grant awarded Washoe County and the District \$78,000 towards the sidewalk project. The amount that was awarded will not cover the full project that was submitted, but it will cover one of the designated sights.
- Western Regional Water Commission's next meeting is April 13, 2012 at 1:30 pm.
- Pool/PACT meeting is scheduled for April 26th and 27th, 2012. Both Robert Fink and Garth Elliott are the District's representatives.
- The District will be hosting the annual Teen Dance April 13, 2012 from 7 pm – 10 pm at the Sun Valley Neighborhood Center.

Item#17. Public Comments.

Susan Severt reported she is putting together a Meet the Candidates, the two dates that she is proposing is May 19, 2012 from 4 pm – 7 pm and September 22, 2012 from 4 pm – 7 pm. Location is still pending at this time.

Item#18. Board Comments.

Item#19. Future agenda items.

- Discussion of possible additional budget workshops.
- Discussion regarding posting of District agendas.

Item#20. Adjournment.

Linda Woodland made a motion to adjourn at 8:35 pm. Sandra Ainsworth seconded the motion. The motion carried unanimously.