



Sun Valley G.I.D. Board Meeting Minutes of December 08, 2011

Board Members Present:

Margaret Reinhardt	Chairperson
Linda Woodland	Vice-Chair
Garth Elliott	Treasurer
Robert Fink	Trustee

Board Members Not Present:

Sandra Ainsworth	Secretary (sick)
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Staff Present:

Darrin Price	SVGID, General Manager
Mike Ariztia	SVGID, Public Works Director
Jennifer Merritt	SVGID, Staff
Stewart White	SVGID, Legal

Others Present:

Vicky Maltman	Audience
Susan Severt	Audience
Marge Cutler	Audience
Sher Faenger	Audience
Joseph Barstow	Pastor, H.O.P.E. Church
Fred Hillerby	Hillerby and Associates
Paul Winkelman	Shaw Engineering
Nancy Eklof	Nancy Eklof Public Relations, Etc.

The meeting of the Sun Valley GID was called to order by Chairperson Margaret Reinhardt at 6:00 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; Robert Fink, Linda Woodland, Margaret Reinhardt, 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. Robert Fink 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.

Sher Faenger gave a brief update regarding the possible closure of the Sun Valley Post Office. Sher has taken it upon herself to start talking with local residents to help fight the possible closure. She provided a copy of the Save Your Post Office Guidelines brochure prepared by the

Post Office Continuance Coordinator of the National League of Postmasters. She does not want the Sun Valley Post Office to close and asked for assistance from the District.

Robert Fink requested an agenda item be placed on the next agenda for further discussion of the possible closure of the Sun Valley Post Office.

Susan Severt commented she has contacted the Senator offices regarding the possible closure of the Sun Valley Post Office, but the decision is really up to Congress. Susan encourages people to call the Reno Post Office to voice their opinion since they have to keep a log.

Vicky Maltman commented if the Reno Post Office closes their main office, then majority of the mail will be sent to California for sorting causing delays with deliveries.

Tom Noblett thanked Darrin Price for providing him with Bingo Flyers to distribute to companies requesting donations. Tom also commented on the clean up of 5395 Leon Drive.

Item#6. Board Comments.

None

Item#7. Commissioner Kitty Jung reporting on redistricting and other Washoe County business.

Darrin Price commented Commissioner Jung was unable to attend the meeting and she requested to be put on the next agenda.

Item#8. Discussion and motion to approve payables and customer refunds for November 24, 2011.

Treasurer Garth Elliott gave a brief report of the accounts payable and customer refunds for November 24, 2011.

Garth Elliott made a motion to approve the accounts payable for November 24, 2011 in the total amount of \$165,925.85 and customer refunds for November 24, 2011 in the amount of \$392.15. Linda Woodland seconded the motion. After some discussion the motion carried unanimously.

Item#9. Discussion and motion to approve payables and customer refunds for December 08, 2011.

Treasurer Garth Elliott gave a brief report of the accounts payable and customer refunds for December 08, 2011.

Garth Elliott made a motion to approve the accounts payable for December 08, 2011 in the total amount of \$59,888.08 and customer refunds for December 08, 2011 in the amount of \$1,597.19. Linda Woodland seconded the motion. After some discussion the motion carried unanimously.

Item#10. Discussion and motion of minutes from November 10, 2011.

Linda Woodland made a motion to approve the minutes of November 10, 2011. Robert Fink seconded the motion. The motion carried unanimously.

Item#11. Discussion and motion to approve Madelyn Shipman Legal Service Agreement.

Darrin Price reported Madelyn Shipman is the District's backup attorney when Mr. White is not available to attend District board meetings and/or on special projects. The term of her agreement is for one year and there is no increase in compensation.

Linda Woodland made a motion to approve Madelyn Shipman's Legal Service Agreement. Garth Elliott seconded the motion. The motion carried unanimously.

Item#12. Discussion and motion to approve Fred Hillerby with Hillerby & Associates Advocacy Services Agreement.

Fred Hillerby with Hillerby & Associates reported he has been the District's lobbyist since 1998. His Service Agreement is for advocacy services regarding key issues that are related to the District. The term of his agreement is for two years and there is no increase in compensation.

After some discussion Linda Woodland made a motion to approve Fred Hillerby's Advocacy Service Agreement. Robert Fink seconded the motion. The motion carried unanimously.

Item#13. Update on District's approved capital improvement projects.

A. Discussion and possible motion to approve bid proposal and award the Leon Dr. and 2nd Ave. Pressure Reducing Vault project.

Mike Ariztia reported at the last meeting the board directed District staff to request three informal bids from three established contractors for the installation of the 2nd Ave Pressure Reducing Vault project. The District received three bids from Peavine Construction, Resource Development, and Gerhardt & Berry. The bid amounts are; Peavine Construction \$50,063.00, Resource Development \$73,900.00 and Gerhardt & Berry \$76,887.00. These bid amounts are lower than Shaw Engineering's estimate of \$83,450.00. Mike reported staff is recommending the District award the project to the lowest bid provided by Peavine Construction.

Linda Woodland inquired why Peavine Construction's bid is much lower than the other two.

Mike reported Peavine Construction is able to provide lower costs for equipment and materials compared to the other two contractors.

Paul Winkelman with Shaw Engineering commented he contacted Peavine Construction to make sure they didn't make any errors on their bid and to make sure they were comfortable with their bid and willing to proceed forward.

Robert Fink inquired about Change Orders and also commented he would like for the Board of Trustees to approve any Change Orders, if needed, prior to performing any requested work.

Garth Elliott commented he is very concerned about the big difference in bid amounts and hopes that Peavine Construction doesn't follow up with a lot of Change Orders to make up the difference.

Mike commented District staff and Shaw Engineering will closely follow this project and perform inspections on a regular basis.

Robert Fink made a motion to approve Shaw Engineering and District staff recommendation to approve Peavine Construction's bid of \$50,063.00 for the Pressure Reducing Vault project on 2nd Ave. and Leon Dr. Linda Woodland seconded the motion. The motion carried unanimously.

Item#14. Update regarding the 4th Ave. mainline break and possible direction.

Mike Ariztia reported the District has had the pipe tested and has been working with universities to see what might have caused the mainline break on 4th Ave. Mike has provided all of the test results to Paul Winkelman with Shaw Engineering for review as well as him conducting his own investigation on the engineering design.

Paul Winkelman provided a report on the 4th Ave. mainline break. After review of the pipe test results and reviewing the engineering design, there is no clear reason why the mainline broke. Paul commented based on his analysis the failure of the pipe could be attributed to one of the following; pressure, installation, design, and pipe. PVC pipe is a heavy duty material and the pipe that broke during testing busted at 738 psi. The District operates its system pressures between 110psi and 170psi. Air could have also been a factor if it was found in the distribution system. One of Paul's recommendations is to check all of the air release valves and make sure they are working properly.

The installation of the pipe is approximately 25 to 30 years old. PVC pipe rarely fails from poor installation unless it was blatantly installed wrong due to improper practices. At the location of the break, the street alignment is straight and the pipe was installed in the road shoulder and at a depth of approximately 4 feet to the top of the pipe. After reviewing pictures sent to Utah State University, they had thought that the internal pressure of the pipe, in combination with either a bend in the pipe (possible a sag) or a concentrated force against the pipe (possible a rock) could have caused the failure. However, the Uni Bell PVC Pipe Engineers felt that it would be difficult to reach any conclusion from pictures alone. The Contractor could have utilized poor pipe bedding materials and/or not prepared the bedding or foundation properly for some unknown reason. During the pipeline repair, District staff did not observe any improper bedding materials in the undisturbed areas. Any vertical sags would be impossible to determine after the pipe has failed. Another possibility that could have caused the pipe to fail would be damage to the pipe during transportation, handling or installation. There were no obvious nicks or scratches observed on the pipe, none of which can be conclusively determined to be the cause of failure at this time. Generally when AWWA PVC pressure pipe fails, it is due to the result of internal pressure in the pipe and not external pressures such as those caused by soil or vehicular loading. Based on the systems pressures that the District recorded for long term stress, short term stress and cyclic stress, none of these are to be considered a concern.

The pipe that broke was a 12" DR 18 manufactured to AWWA C900 standards. Shaw Engineering contacted the pipe manufacture and provided the lot number that was found on the pipe. The manufacture indicated that there were no known problems with this lot of pipe. Factory defective pipe or improper pipe design are not believed to be the cause of the failure. Paul reported he recommends the District perform continuous pressure recordings at the 4th and Lupin PRV station, verify that all air release valves on the main are functioning properly, consider exposing the top of one or more sections of the existing pipe in the area of failure to determine whether there are any vertical sags, deflections, improper bedding materials present or over insertion of the joints. He also recommended possibly adding more air release valves at strategic locations and verifying if the pump control valves and the pressure relief valves in the Main Pump Station are functioning.

Robert Fink commented he was very impressed with Shaw Engineering's report.

Garth Elliott commented he appreciated the report and learned a lot from the report. He was concerned regarding the incline of the area and pumping time. He hopes that the District will research other technology to assist the District with its system to help prevent future breaks.

After some discussion Robert Fink made a motion to accept Shaw Engineering's report regarding the 4th Ave. main failure and to follow all of the recommendations. Linda Woodland seconded the motion. The motion carried unanimously.

Item#15. Review of the final layout for the District's updated brochure and motion to proceed.

Darrin Price provided a final draft copy of the District's updated brochure and requested approval to proceed with printing.

Nancy Eklof with Nancy Eklof Public Relations reported she had incorporated the recommendations she received from the board and staff. She commented she is very excited about the updated brochure and thinks the release of it in the beginning of the new year is very appropriate. The only updates that will be needed are updating the Trustee members and those will easily be done with an insert.

Garth Elliott suggested removing the title "Board of Trustees" from the second page and put with the photos of the Trustees instead.

Linda Woodland made a motion to approve the brochure with the recommendation provided by Garth Elliott. Robert Fink seconded the motion. The motion carried unanimously.

Item#16. Update regarding Nevada Department of Transportation project to mill and overlay on Sun Valley Blvd.

Mike Ariztia reported Nevada Department of Transportation received stimulus funding for their project to mill and overlay Sun Valley Boulevard. This project would require the District to raise all of its facilities located in the boulevard and it is estimated to cost the District thousands of dollars. The District was not aware of this project therefore staff did not set aside any funding in the budget for this project. Mike spoke with representatives with Manhard Consulting, Ltd. who will be overseeing the project regarding the raising of District facilities and cost associated with it. Mike sent a letter to NDOT letting them know of the hardship this project would have on the District and requested the stimulus funding be used to pay the cost to raise District facilities. Mike reported he did receive verbal confirmation that NDOT approved the District's request and will not have to expend any of the District's funds for this project. He will make sure a formal confirmation is provided to the District for our records.

Item#17. Discussion and motion to approve District's letter to Regional Transportation Commission regarding proposed Pyramid Hwy / US 395 Connection projects.

Darrin Price provided a letter composed by Stewart White to Regional Transportation Commission regarding the District's concern and other residents concern regarding the proposed Pyramid Hwy / US 395 Connection project.

Linda Woodland made a motion to approve the letter to Regional Transportation Commission. Garth Elliott seconded the motion. The motion carried unanimously.

Item#18. Discussion and possible motion to use Garbage Funds to match the Community Development Block Grant for the W. 2nd Ave. sidewalk project for beautification to the Valley.

Darrin Price commented the Community Development Block Grant is on the next agenda for Washoe County Commission to consider. The District partnered with Washoe County and applied for the CDBG for a sidewalk project on W. 2nd Ave. Washoe County is contributing \$7,000 in the form of staff time towards the sidewalk project and Darrin recommends the District make a contribution too. He recommends contributing \$5,000 as a match towards the sidewalk project to help improve the chances of acquiring the Community Development Block Grant. The funds would come from the District's Garbage Fund that are set aside for beautification projects.

Robert Fink made a motion to approve the District contributing \$5,000 towards the sidewalk project. Linda Woodland seconded the motion. After discussion the motion carried unanimously.

Item#19. Discussion and motion to approve purchase of a replacement backhoe.

Mike Ariztia commented the District has approved funding in the budget to purchase a used replacement backhoe. Staff has found two backhoes that appear to meet the District's needs and within the budgeted amount. The first backhoe staff would like to look at is up for auction in Sacramento, CA. Mike requested approval for him and Jon to drive to Sacramento and preview the Backhoe prior to its auction date scheduled for December 16, 2011 to test drive it and make sure it works properly. If it meets the needs Mike and Jon would like to stay the night in Sacramento and attend the auction. Mike provided information on the bidding process as requested by Mr. Fink. The second backhoe is located in Washington and it is for sale. The local Pape' would be willing to transport the backhoe from Washington to Reno if the District is strongly interested in purchasing it.

Robert Fink inquired how the District would transport the backhoe from Sacramento.

Mike commented the backhoe would have to have to be transported by a trucking company.

Darrin Price commented he is ok with staff driving to Sacramento to preview and possibly bid on a backhoe in the auction, but he is not comfortable with the backhoe located in Washington. He is not willing to have a backhoe transported to Reno with it not being inspected first and making sure it fit the District's needs.

After some discussion Robert Fink made a motion to send Mike Ariztia and Jon Combs to Sacramento to Richie Bros. Auction to preview a backhoe and if interested approve sending them with a \$10,000 check. Linda Woodland seconded the motion.

During discussion Garth Elliot inquired if the District currently has a backhoe.

Darrin commented the District used to have two backhoes. The oldest backhoe needed a lot of repairs and has become no longer safe to operate, it would cost too much to repair it, leaving the District with one backhoe. Having two backhoes helps a lot during field projects, during snow removal days, and to have one on hand as a back up.

Mike requested clarification if he is allowed to bid as high as \$50,000 as approved in the budget.

Robert Fink commented yes the full approved budgeted amount.

After further discussion Robert Fink amended his motion to approve sending Mike Ariztia and Jon Combs to Sacramento to Richie Bros. Auction to preview a backhoe and if it meets District needs to bid on the backhoe including all travel expenses and meal per diems, in addition if Mike guarantees that the backhoe is in good condition, he is approved to go 10% higher (if had to, to secure the purchase of the backhoe) than the approved amount of \$50,000. Linda Woodland seconded the motion. The motion carried unanimously.

Item#20. Discussion and possible motion to approve Kennedy Jenks Consultants to provide GIS mapping support.

Mike Ariztia requested to hire Kennedy/Jenks Consultants to work on the District's GIS system. GIS is a mapping system that overlays underground infrastructure and converts it into a computerized mapping system. It also is used to collect data such parcels, geographic data, and

elevation data. It can also be used as a maintenance tool to keep records of when a line has been installed and track maintenance and view assets for future maintenance and ultimately forecast replacement for CIP projects. The District currently has a significant amount of data in an existing program that is comprised of many different types of formats that has come from various sources. Staff would like to integrate its existing data into a tool that is easy to use and give the District the ability to accurately represent the District's infrastructure.

Mike provide a copy of Kennedy/Jenks Consultants Scope of Work proposal of \$5,200 for phase 1 that includes; GIS data management, discovery and process mapping at the District's office, and develop a road map document.

Margaret Reinhardt inquired if this mapping has anything to do with the consolidation of Truckee Meadows Water Authority and Washoe County Department of Water Resources.

Mike commented it has nothing to do with the proposed consolidation. The GIS mapping system is for the District's use only to help represent the existing/future infrastructure and assist District operators to identify and/or locate infrastructure to help shut down portions of the system during repairs.

Garth Elliott inquired what kind of equipment the District currently has to gather infrastructure data. He also inquired if this has been budgeted for.

Mike commented the District currently has a GPS unit that was purchased several years ago that operates off of radio technology that has now become obsolete. In the approved budget there is an account for GPS upgrade and Mike believes that \$10,000 has been approved for this account.

Linda Woodland made a motion to approve Kennedy/Jenks Consultants Phase 1 proposal for \$5,200 to provide GIS mapping support. Robert Fink seconded the motion. The motion carried unanimously.

Item#21. Review of debit and/or credit usage charge.

Darrin Price commented Garth Elliot requested discussion regarding the District's credit and/or debit card service fee. Darrin commented that there are guidelines provided by credit card companies for merchants to follow. One of the guidelines is as follows; per merchant who offer alternative payment method for customers to pay for goods or services, a convenience fee may be added to the contracted amount. This convenience fee can only be assessed to customers who pay with a credit and/or debit card, not for customers who pay with cash or check. The District utilizes a third party vendor as a credit card merchant to handle the processing of the fees. These fees vary depending on what card is used such as visa, mastercard, discover, etc. along with some other various factors. In 2009 as the new General Manager, Darrin performed a thorough review of the District practices. During the review he found that the District was losing money due to bank charging the District for processing customer payments with a credit and/or debit card. At that time Darrin recommended a \$2 transaction fee, per transaction, to cover these costs. The board considered the request but felt the \$2 fee was too high and approved a \$1 transaction fee. The \$1 transaction fee still does not cover the complete cost that the District incurs each year.

Garth Elliot thanked Darrin for the explanation of the service fee. He just wanted to make sure the District was following the law and not over charging customers.

At 8 pm Chairperson Margaret Reinhardt requested a 10 minute break.

Item#22. Explanation of Ad Valorem Tax structure regarding the District's recreation.

Darrin Price requested to postpone this item until Bill Short is present to provide an explanation of the Ad Valorem Tax structure.

Item#23. Discussion regarding Truckee Meadows Water Authority late payment policy.

Darrin Price commented Robert Fink requested information regarding Truckee Meadows Water Authority's late policy for the District. Darrin reported Article VIII, number 3 of the District's Contract for Delivery of Water states that if the District were to fail to pay any amount due and become delinquent for a period of 90 days or more and the Customer then fails to cure within 30 days after the Authority has provided written notice of such, the Authority may cancel the agreement. He also reported that the District's standard water bill is the same for any residential customer and it states that if payment is late a 5% charge will be assessed.

Item#24. Reno Bighorns fundraising pilot program update.

Darrin Price reported Reno Bighorns has printed all of the flyers to be inserted in the District's billings. Staff has also contacted all of the schools in Sun Valley and they have agreed to send home a flyer with each student to help promote the event as well. Darrin commented that staff is considering raffling off prizes to help raise additional funds to be applied towards the recreation account.

Item#25. Financial report by Bill Short.

None

Item#26. Legal report by Stewart White.

Stewart White gave a brief update regarding the lawsuit against Skip Roggenbuhl for the 8 acre feet of bad water rights. Since he filed the lawsuit Skip has donated some Truckee River water rights and some Galena Creek water rights. Stewart recommends offering a deal to accept these water rights and allowing Skip to pay the District the difference to make up for the full replacement of the 8 acre feet of bad water rights.

Item#27. Field report by Mike Ariztia.

None

Item#28. Managers report by Darrin Price.

Darrin Price reported on the following;

- Provided a Landowners/Tenants report. The report shows that the District has 5,891 accounts in the valley. Of those accounts 60% of the accounts are in the landowners name, 33% of those accounts are in the name of tenants (these are considered rentals). The other 7% accounts are currently inactive.
- The Regional Transportation Commission is holding a meeting December 8, 2011 to review its 2035 plan.
- He attended the Northern Nevada Managers roundtable meeting to discuss current economic issues.
- On December 12, 2011 Washoe County Commission will be discussing and possibly taking action on several items of interest such as; the merger of South Truckee Meadows Water Authority, approval of the Community Development Block Grant, Nevada Safe Route to Schools program, Integration of Truckee Meadows Water Authority and Washoe County Department of Water Resources.
- The Western Regional Water Commission meeting has been canceled for December.
- Northern Nevada Water planning Commission will be discussing cloud seeding done by DRI.

- The last commissioner breakfast meeting with Commissioner Weber and Commissioner Jung went really well.

Item#29. Public Comments.

Susan Severt commented there are two Sun Valley elementary schools that participate with the Nevada Safe Route to School program and it offers a lot to the students and to the community.

Pastor Joseph Barstow received a nice food donation from Susan Severt. She collected donations in lieu of gifts for her recent birthday. The ASDA delivered 400 cases of food to the Food Pantry. In addition the LDS Church in Sun Valley gave a check to the Northern Nevada Food bank in behalf of the Sun Valley Food Pantry for \$10,000. The only stipulation is the Food Pantry is only allowed to spend \$500 per month and has to provide an equal match. Joseph also gave a brief report on the Wish Tree. The distribution of the gifts has been delayed because of a family emergency. This will allow more time for the remainder of the ornaments to be filled.

Vicky Maltman reported she is not hopeful of getting reimbursed from the District's insurance for her claim regarding property damage to her home due to the mainline break. She is considering taking action against the District. She also commented she thinks her water bill is higher than normal.

Item#30. Board Comments.

Garth Elliott commented on a customer that contacted him to express her concerns about the District disconnecting her water for non-payment. He would like to see District staff to investigate a program that can assist customer with leaks, similar to the District assisting Washoe County Health Department with dumpsters through the garbage fund.

Robert Fink gave a report on the Pool/PACT Retreat. He found the retreat very interesting and very educational. He will provide a copy of the report when it is available.

Item#31. Future agenda items.

- Post Office closure
- Ad Volarem

Item#32. Adjournment.

Linda Woodland made a motion to adjourn at 9:05 pm. Garth Elliott seconded the motion. The motion carried unanimously.