



**Sun Valley General Improvement District
Board Meeting Minutes of
December 08, 2016**

Board Members Present:

Susan Severt	Vice Chair
Margaret Reinhardt	Secretary
Garth Elliott	Treasurer
Joseph Barstow	Trustee

Board Members Not Present:

Sandra Ainsworth	Chair (sick)
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Staff Present:

Darrin Price	SVGID, General Manager
Jon Combs	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Carol Bratcher	SVGID, Accountant
Nancyann Leeder	SVGID, Legal Counsel

Other Members Present:

Linda Elliott	Audience
Carmen Ortiz	Audience
Glenda Walls	Audience
Brenda Hess	Family Resource Center
John Orgill	Gallina LLP
Jeff Peek	Gallina LLP (present by phone)
Nancy Eklof	Nancy Eklof Public Relations
Nadia Noel	University of Nevada Extended Studies
Susan Howe	University of Nevada Extended Studies

The meeting of the Sun Valley General Improvement District was called to order by Chairperson Severt at 6:00 pm in the Sun Valley District Administrative Building, 5000 Sun Valley Blvd., Sun Valley, NV.

Item# 1. Roll call and determination of a quorum.

Board members present; Chairperson Severt, Treasurer Elliott, Secretary Reinhardt and Trustee Barstow. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Treasurer Elliott

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

None

Item# 4. Motion to approve the agenda.

Secretary Reinhardt made a motion to approve the agenda. Trustee Barstow seconded the motion. The motion carried unanimously.

Item# 5. Certify posting of the agenda.

Jennifer 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. Price stated this is the District's last meeting for 2016 and wished everyone happy holidays. He also stated this is Secretary Reinhardt's last meeting.

Treasurer Elliott stated he is a representative for the Washoe County Senior Nutrition Program; his main concern is getting nutrition for seniors. The Washoe County Senior Nutrition Program is trying to get additional kitchen capacity at several senior sites utilizing its existing budget. The County is in full support of the senior program and is always looking for other resources.

Item# 7. Discussion and motion to approve accounts payable and customer refunds for November 24, 2016.

Treasurer Elliott gave a brief report of the accounts payable for November 24, 2016.

Treasurer Elliott made a motion to approve the accounts payable for November 24, 2016 in the total amount of \$247,552.10. Trustee Barstow seconded the motion. After discussion the motion carried unanimously.

Treasurer Elliott gave a brief report of the customer refunds for November 24, 2016.

Treasurer Elliott made a motion to approve the customer refunds for November 24, 2016 in the total amount of \$738.10. Secretary Reinhardt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 8. Discussion and motion to approve accounts payable and customer refunds for December 08, 2016.

Treasurer Elliott gave a brief report of the accounts payable for December 08, 2016.

Treasurer Elliott made a motion to approve the accounts payable for December 08, 2016 in the total amount of \$55,384.12. Secretary Reinhardt seconded the motion. After discussion the motion carried unanimously.

Treasurer Elliott gave a brief report of the customer refunds for December 08, 2016.

Treasurer Elliott made a motion to approve the customer refunds for December 08, 2016 in the total amount of \$1,549.28. Secretary Reinhardt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 9. Discussion and motion to approve board minutes of November 10, 2016.

Secretary Reinhardt made a motion to approve the board minutes of November 10, 2016 as submitted. Trustee Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 10. Resolution presentation to Trustee Margaret Reinhardt for twelve years of service.

Chairperson Severt presented Trustee Margaret Reinhardt with a Resolution in sincere appreciation of her contribution of twelve years of service to the Sun Valley General Improvement District.

Secretary Reinhardt made a motion to approve the Resolution of Recognition. Chairperson Severt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 11. Presentation by Nadia Noel and Susan Howe with University of Nevada Cooperative Extension regarding Radon with motion to approve Radon Proclamation proclaiming January National Radon Action Month.

Nadia Noel and Susan Howe with University of Nevada Cooperative Extension gave a brief presentation regarding Radon and thanked the Board for their consideration to proclaim January as National Radon Action Month. Ms. Noel reported the Nevada Radon Education Program is a grant funded program by the Nevada Division of Public and Behavioral Health (a federal EPA grant). University of Nevada Cooperative Extension is offering free test kits from January 1, 2017 through February 29, 2017 to all the residents in the State of Nevada. Ms. Noel reported Radon is a colorless, odorless, and tasteless naturally occurring radioactive gas. Radon is a decay product of uranium, a common element in soil, rock and water. Radon causes approximately 21,000 lung cancer deaths per year in the U.S. and is the leading cause of lung cancer among non-smokers. Nevada has collected Radon data since 1989. The highest Radon result in the State of Nevada was found in Reno (zip code 89509). She stated in Sun Valley a total of 200 tests have been completed, that is only 6.5% of the Sun Valley population. She briefly explained the process of Radon and how it gets inside homes. She also gave a brief explanation how to perform a Radon test in a home and how to protect your home from Radon. She reported more information on Radon is available on the Radon website www.RadonNV.com. Individuals can also call 1-888-RADON10 (888-723-6610) to order a Radon test kit.

After further discussion Secretary Reinhardt made a motion to adopt the Radon Proclamation and proclaim January 2017 National Radon Action Month. Trustee Elliott seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 12. Presentation by Gallina LLP regarding the Sun Valley General Improvement District 2015/2016 audit, with action to accept audit.

Jeff Peek and John Orgill with Gallina LLP gave a brief review of the Sun Valley General Improvement District 2015/2016 audit. Mr. Peek stated the audit was presented to the Board during the November meeting and is available for any questions. He reported under the Independent Auditor's Report it states Gallina LLP conducted their audit in accordance with

auditing standards applicable to the Government Auditing Standards. There were not a lot of significant changes to the financial statements. Mr. Peek reported there was the implementation of the Governmental Accounting Standards Board 72 which is a fair value discloser. The items that changed in the financial statement regarding fair value are noted on pages 15 and 16 under the Summary of Accounting Policies. The other component that changed is on page 21 under Cash and Investments regarding Fair Value Measurements. Mr. Peek reported page 36 provides Gallina LLP Schedule of Findings and Responses. Gallina LLP believes that the audit evidence obtained is sufficient and appropriate to provide a basis for a qualified audit opinion. Mr. Peek stated the material weakness in Internal Control over Financial Reporting regarding Capital Assets (qualified audit opinion) stated that purchased capital assets should be reported at historical cost and donated assets should be at their fair market value at the time received. Presently management does not have a record of land and water rights assets that includes the historical cost for purchases and fair market value at the time received for donations. Gallina LLP recommendation is that management should develop policies and procedures to record land and water rights assets into their capital asset system when assets are purchased or donated.

Treasurer Elliott inquired if there is a remedy to address the auditor's qualified audit opinion regarding a schedule that includes cost basis or fair value of purchases and/or donated assets that supports a beginning fair market value.

Mr. Price responded to Treasurer Elliott's inquiry going forward the District has set a procedure to include a fair market value of any asset at the time of purchase and/or donation. He stated staff will continue to work towards getting the beginning fair market value for all existing assets to include in the District's capital assets database as recommended by Gallina LLP.

Mr. Price proceeded with the audit and reported the District's operating revenues increased 7.1% as more customers were added during the year and operating expenses reflect a 1.92% increase in 2016 compared to 2015. He stated the District raised its recreation fee to \$3.50 and that has helped decrease the deficit in the recreation fund. Staff will continue to investigate ways to decrease the recreation deficit even further to bring the recreation fund as close to zero as possible. Mr. Price requested Gallina LLP to explain how the District's wastewater fund that currently shows a substantial profit, how it is not a true reflection of what the operating income is.

Mr. Orgill reported last year the District spent a lot of funds in its wastewater fund towards the wastewater treatment plant and on other wastewater related assets. When Gallina LLP performed its audit, it looks at the total capital expenditures and determines how long the expense schedule should be for an asset. As an example if the District purchased a large piece of equipment, Gallina LLP recommends spreading the total expense over several years rather than writing the full amount off at time of purchase. He stated the Statement of Cash Flows gives a more accurate view of the wastewater fund after all adjustments to reconcile the operating income, showing less of a profit in the District's wastewater fund. Mr. Orgill stated the District is really close to operating at zero for a non-profit government agency.

Treasurer Elliott inquired how the District has more sales in its wastewater fund rather than in its water fund.

Mr. Orgill responded the increase to the District's wastewater sales is contributed to the City of Reno connections that the District started collecting last year. The City of Reno only

contributes to wastewater and purchases its water from Truckee Meadows Water Authority.

Mr. Price stated some of the comments and/or recommendations provided by Gallina LLP are to assist with the District's efficiencies. He reported Ms. Bratcher does an outstanding job as the District's accountant.

Mr. Peek thanked District staff for all of their assistance and for the opportunity to work for the District.

Treasurer Elliott inquired if Ms. Bratcher is satisfied with the audit as presented to the District.

Ms. Bratcher responded the audit appears to be true and accurate.

After further discussion Secretary Reinhardt made a motion to accept Gallina LLP Audit Report for the Sun Valley General Improvement District fiscal year end June 30, 2016. Treasurer Elliott seconded the motion. The motion carried unanimously.

There were not public comments.

Item# 13. Presentation by Brenda Hess with Family Resource Center regarding program grant funding with consideration to amend Lease Agreement regarding responsibility for utilities.

Brenda Hess with Family Resource Center requested consideration from the District Board to reduce or eliminate the water, sewer and dumpster fees for the remainder of the 2016/2017 fiscal year. The Family Resource Center is part of the Washoe County School District however it is 100% grant funded. She recently received notification that one of the major grants has been reduced by \$27,000 per year for the next three years. In order to maintain quality client services and staffing levels, the Family Resource Center is looking to implement cost saving measures in any way possible.

Mr. Price inquired with Ms. Hess what the potential impacts are if the District could not honor Family Resource Center's request. He also inquired if Ms. Hess request is for the remainder of this fiscal year or for the next three years.

Ms. Hess responded due to the lack of grant funding, Washoe County School District has already closed two Family Resource Centers within Washoe County. There is a potential chance her Center could lose staffing. Ms. Hess responded her initial request was for the remainder of this fiscal year. The Family Resource Center average monthly bill for water, sewer and dumpster is \$19.13. She stated all other Family Resource Centers do not pay any kind of rent. Ms. Hess reported the Sun Valley Family Resource Center location alone served 3,400 individuals. The Sun Valley Family Resource Center appreciates the support and partnership with the District.

Mr. Price stated for information purposes if the Board would like to consider Ms. Hess request for the Family Resource Center, the savings for the remainder of this fiscal year would be approximately \$114.00, or for the next three years it would be approximately \$688.00.

Treasurer Elliott stated by approving the Family Resource Center request, the District is asking the rest of the Sun Valley General Improvement District rate payers to subsidize. He

has always been in favor of the District assisting individuals and/or groups when possible. He has always felt that a little subsidizing could benefit the community at times. He reminded the Board that they have been very clear about not subsidizing for others.

Chairperson Severt inquired how long Family Resource Center has been located in the Sun Valley Neighborhood Center. She stated based on the Family Resource Center servicing 3,400 individuals in a one year period, over the course of three years it would be twenty cents a client for the cost of water, sewer and dumpster usage. She believes there needs to be more advocates for the Family Resource Centers. Ms. Hess has made great measurers utilizing the grant funding to operate her program and with the lack of grant funding she will have to make modifications to her program.

Ms. Hess responded Family Resource Center has operated out of the Sun Valley Neighborhood Center for approximately twenty plus years. She stated she is not asking for a lot of funding of the District, but it shows her board and supervisor that she is invested in Sun Valley. Her board could easily transfer her and her staff to another Family Resource Center that doesn't have to pay rent. She also stated she will continue to search for other grant opportunities, but a lot of grant programs and foundations don't like to fund salaries and benefits. Her experience with grants is that agencies want to provide grants for additional programs but don't offer up any additional staffing.

Mr. Price suggested the District approve one year of free water, sewer and dumpster usage for the Family Resource Center. He hopes with the support of the District it will encourage additional support from the Washoe County School District for the additional two years.

Ms. Hess stated the Family Resource Center does not generate revenue; they have two minimal revenue streams that are through two NV Energy programs. The District staff does a great job promoting the Family Resource Center and referring customers, she would like to meet with District staff to educate them on all the resources that the Family Resource Center offers.

Secretary Reinhardt made a motion to approve staff's recommendation to waive water, sewer, and dumpster fees for Family Resource Center for one year with a not to exceed amount of \$300.00.

During discussion Ms. Leeder stated the Family Resource Center operates out of the Sun Valley Neighborhood Center via a Lease Agreement with the Sun Valley General Improvement District. Her recommendation is to amend the motion to waive fees through the end of the agreement and negotiate a new agreement at time of renewal; this would require an amendment of the existing agreement.

After further discussion Secretary Reinhardt amended her motion to amend the District's existing Lease Agreement with Family Resource Center to waive water, sewer and dumpster fees for six months. Trustee Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 14. Marketing update by Nancy Eklof with Nancy Eklof Public Relations, with possible direction to staff.

Nancy Eklof with Nancy Eklof Public Relations gave a brief marketing update for activities

October through December. She continues to meet with District staff on a monthly basis regarding events, newsletters and other District needs. She stated she worked on a press release regarding the Sun Valley Community Service Award recipients. Washoe County was very helpful and shared the press release. She received a quote to run an article in the local newspaper in efforts to provide more recognition and a 4x5 ad would cost approximately \$750 up to \$1,000. She stated the biggest activity for the District the past quarter was the Veterans Day Celebration. She assisted staff with promoting the event, invited state and local elected officials, secured certificates in appreciation as well as developed various press releases. The Veterans Day event was recognized by Reno Gazette Journal, Sparks Tribune, and two local news stations. She stated the event was very well covered by the media. She was a little disappointed with the public turnout comparing to past years attendance. Ms. Eklof also stated she continues to work with Mr. Price regarding on going event media release for local news stations to use to help promote upcoming events.

Treasurer Elliott stated the News Channel 2 offers a Things To Do segment and article, he commented he has never seen any of the District's events on any of their lists.

Ms. Eklof responded she has always reached out to News Channel 2 and they agree to promote the various events, but she has a hard time monitoring all of the media. The proper protocol is to add an event to the individual media calendars and the various media staff looks at the calendar to see what events they want to promote. She also stated that the media industry is very different now; there is a lot of turn over so you never really have a direct contact.

Chairperson Severt stated she was very pleased with the interaction between the participants and the vendors at the Veterans Day event. She also commented she thinks for the next year's veterans event, the District needs to promote at other senior sites. She knows several Sun Valley seniors that attend multiple senior sites throughout the week based on the senior activity schedule.

Ms. Dowling reported the District coordinates with the various vendors with a save the date press release for the Veterans Day event two three months in advance. This gives them adequate time to help promoting the event within their own agency as well as sharing it with others. District staff promotes the event throughout out the community, on the District website, Facebook, front lobby, newsletter, marquee, and on message on the monthly statements. Staff is considering a separate insert in the monthly bills for next year's event.

Trustee Barstow stated he enjoys serving breakfast to the guests and this year he didn't get to serve because of the other volunteers. He also stated he heard from various people that they never heard what day the event was being held on.

Mr. Price appreciates Ms. Eklof's marketing update and understands some of the challenges she goes through with getting media coverage. He hopes that District staff and Ms. Eklof can continue working as a team and work together with media outreach. He also commented he would like to see more recognition for Ms. Eklof and the District regarding its recent drone project.

There were no public comments.

Item# 15. Review of the Sun Valley General Improvement District draft winter Pipeline with possible direction to staff.

Ms. Eklof provided a draft copy of the 2017 winter Pipeline. She stated after listening to the Radon presentation, she would like to include a Radon article in the winter Pipeline promoting the free test kits.

Treasurer Elliott suggested a small article regarding recently approved single stream recycling.

Treasurer Elliott made a motion to approve the 2017 draft winter Pipeline with additional articles as suggested. Secretary Reinhardt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 16. Update by Jon Combs regarding electronic waste recycling day, with possible direction to staff.

Mr. Combs reported he had a meeting with New To You Computers and Sims Recycling. Sims Recycling has agreed to accept heavy metals and donate two dumpsters for the heavy metals. New To You Computers has agreed to accept the electronic waste and will also supply volunteers and water the day of the event. Mr. Combs also reported the United Services has agreed to donate two portable bathrooms the day of the event. The recycling event is tentatively scheduled for April 22, 2017 from 9am until 3pm, the event will be held at the District's Annex.

Trustee Barstow made a motion to partner with New To You Computers and Sims Recycling and schedule the electronic waste recycling day for April 22, 2017 at the District's Annex. Secretary Reinhardt seconded the motion.

During discussion Mr. Price inquired what the cost to recycle a television and/or monitor is.

Mr. Combs responded New To You Computers charges a fee for CRT televisions. He stated his plan is to offset the expense for television recycling with the recycling funds received from the heavy metals.

Mr. Price inquired with the Board if they want the District to solicit donations to help with the expense to recycle televisions or does the District want to charge customers to recycle televisions.

Chairperson Severt has concerns promoting free television recycling. She knows a lot of people have multiple televisions that could potentially be recycled. She suggested putting a limit on how many could be recycled for free and charge customers for additional televisions. She also suggested staff notifying customers that Best Buy will recycle (up to three) televisions for free.

Treasurer Elliott would like to see a potential tire recycling program in the future.

Further discussion ensued regarding the number of televisions that can be recycled for free and how much to charge for additional televisions.

Audience Member Ms. Ortiz commented she took her televisions to Salvation Army.

Salvation Army took her television without testing it at the time of drop off.

Trustee Barstow amended his motion to include a limit of three televisions for free, charge \$15 for each additional television, and solicit donations to help offset the recycling event expenses. Secretary Reinhardt seconded the amendment. The motion carried unanimously.

There were no public comments.

Item# 17. Discussion and action to nominate a Sun Valley General Improvement District Trustee member to the Washoe County Debt Management Commission for a two year term.

Mr. Price reported the District needs to nominate a representative for the Washoe County Debt Management Commission. All of the General Improvement Districts rotate a seat on the Commission. This seat is normally rotated between the Sun Valley General Improvement District and Incline Village General Improvement District. The representative would serve for two years and it can be either a Board Member or the General Manager. Mr. Price stated he spoke with Chair Ainsworth and she stated she would be happy to continue to be the representative.

Secretary Reinhardt made a motion to nominate Sandra Ainsworth as the representative for the Washoe County Debt Management Commission. Treasurer Elliott seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 18. Update by Darrin Price regarding Washoe County Board of Adjustment Special Use Permit for an Electronic Messaging Display, with possible direction to staff.

Mr. Price reported the Washoe County Board of Adjustment denied the District's request for a Special Use Permit for an Electronic Messaging Display. The District has ten days from the day of denial to appeal to the Washoe County Board of Commissioners; the deadline is December 9, 2016. He is seeking direction from the Board if they want to proceed with the appeal process.

Treasurer Elliott made a motion to proceed with the appeal process regarding the Washoe County Board of Adjustments action denying the District's request for a Special Use Permit for an Electronic Messaging Display. Chairperson Severt seconded the motion.

During discussion Mr. Price stated he would like to discuss the potential Electronic Messaging Display at the District's first meeting in January. He would like to have additional discussion regarding potential compromises for the Electronic Messaging Display that the District can present to the Washoe County Board of Commissioners.

Treasurer Elliott reminded the Board that the manufacture of the Electronic Messaging Display has assured him that there is a lot of functions to the display program that can be used. There is the capability to slow the transitions and dimming of lights at particular times.

After further discussion the motion carried unanimously.

There were no public comments.

Item# 19. Update regarding Washoe County's proposed Economic and Conservation Act (Washoe County Federal Lands Bill) with possible direction to staff.

Chairperson Severt stated the Washoe County Federal Lands Bill was introduced to the committee.

Mr. Price reported he provided a map showing the various parcels that are needed to be secured for the future Washoe County Rim Trail project within Sun Valley.

There were no public comments.

Item# 20. Legal report by Nancyann Leeder.

None

Item# 21. Field report by Jon Combs.

Mr. Combs reported on the following items;

- He continues to work with Summit Engineering and DR Horton regarding Phase I of Ladera Ranch Subdivision.
- The District recently had a water audit performed on the water system, no major leaks were detected.

Item# 22. Office report by Erin Dowling.

Ms. Dowling reported on the following items;

- On behalf of the District office she thanked Margaret Reinhardt for her service and wished her well.
- The District will be closed Monday, December 26th in observance of Christmas and Monday, January 2nd in observance of New Year.

Item# 23. Manager's report by Darrin Price.

Mr. Price reported on the following items;

- He wished everyone happy holidays.
- He thanked Margaret Reinhardt for her service and commented on various accomplishments through the years.

Item# 24. Public Comments.

Staff member Ms. Merritt thanked Margaret Reinhardt for her service. She stated learned a lot from her and Ms. Reinhardt will be missed.

Item# 25. Board Comments.

Treasurer Elliott thanked Margaret Reinhardt for her service. He stated it has been a pleasure working with her and she will be missed.

Chairperson Severt stated she reached out to NDOT regarding the Sun Valley Boulevard Pedestrian Improvement Project. She stated the project was scheduled for full completion fall of 2016 but construction has stopped after sidewalks and electrical stub outs for pedestrian lighting were installed. NDOT's response was they are now completing the pedestrian project in phases. The new estimated completion date is March 2017. She is disappointed with NDOT regarding the project schedule and encouraged others to voice their opinion. She reported Senator John Glenn passed away. She had the pleasure of meeting Senator John Glenn in 1972 at her grade school. She also thanked Margaret Reinhardt for her service and guidance. It was a pleasure working with her, she is very knowledgeable regarding the development of Sun Valley.

Item# 26. Future Agenda Items.

Darrin Price reported the following items will be on the next agenda;

- Election of officers
- Approval of District Board meeting calendar
- Approval of final winter Pipeline
- Possible review of District 2017 recreation calendar
- Possible FlashVote update
- Discussion and action regarding Electronic Messaging Display Special Use Permit request
- Continuation of Washoe County Federal Lands Bill Act

Treasurer Elliott would like to have future discussion regarding long term goals for District Public Relations and a Christmas Tree Recycling Program for Sun Valley.

Chairperson Severt would like to have future discussion regarding remodel of the District's Pipeline and would like an update regarding the District's recent water audit.

Item# 27. Adjournment.

Secretary Reinhardt made a motion to adjourn at 8:39 pm. Treasurer Elliott seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on January 26, 2017.

Minutes Prepared by:
Jennifer Merritt, Administrative Assistant