



Sun Valley G.I.D. Board Meeting Minutes of February 14, 2013

Board Members Present:

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

Board Members Not Present:

Staff Present:

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

Others Present:

Jim Ainsworth	Audience
Lorna Cobeen	Audience
Linda Elliott	Audience
Robert Fink	Audience
Kathy Fuller	Audience
Brenda Hess	Audience
Patricia Lancaster	Audience
Vicky Maltman	Audience
Jeremiah McCauley	Audience
Tom Noblett	Audience
Karen Pickens	Audience
Mary Runnion	Audience
Mr. & Mrs. Severt	Audience
Charlotte Stafford	Audience
Mr. & Mrs. Tourin	Audience
Fred Hillerby	Kaempfer Crowell, Lobbyist
Barry Brouchard	NorthValleys.org

The meeting of the Sun Valley GID was called to order by Chairperson Sandra Ainsworth 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; Joseph Barstow, Garth Elliott, Sandra Ainsworth, Margaret Reinhardt, Susan Severt. A quorum was present.

Item#2. Pledge of Allegiance.

Led by Joseph Barstow

Item#3. Motion to approve agenda.

Margaret Reinhardt made a motion to approve the agenda. Garth Elliott seconded the motion. The motion carried unanimously.

Item#4. Certify posting of agenda.

Jennifer Merritt certified posting of agenda.

Item#5. Public Comments.

Tom Noblett commented on the ditches in Sun Valley. He would like to see Washoe County spray the ditches by March in efforts to avoid an abundance of weeds. He also commented on the District proposing to increase employee wages and he hopes that the Trustees think about the impact to the District customers when making a decision.

Jim Ainsworth commented he attended the Washoe County Debt Management meeting and one of the items that the board took action on was the refinancing of bonds for a better interest rate. Jim suggested the District look to see if they could refinance any of its bonds to help save on interest.

Item#6. Election of Treasurer.

Joseph Barstow nominated Susan Severt for Treasurer. Susan Severt declined the nomination since she just started on the board.

Margaret Reinhardt nominated Joseph Barstow. Joseph Barstow accepted the nomination.

Margaret Reinhardt made a motion to approve Joseph Barstow as District Treasurer. Garth Elliott seconded the motion. The motion carried unanimously.

Item#7. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda.

Darrin Price announced the joint meeting with Truckee Meadows Water Authority and Western Regional Water Commission has been canceled. Truckee Meadows Water Authority will continue with their regular meeting on February 20, 2013.

Margaret Reinhardt commented she thought it was practice that each year the General Manager shops for health insurance for District employees and bring plans before the Board for approval. She requested the Board have a chance to review the insurance renewal prior to signing the insurance agreement. She inquired on the recent billing survey, if staff informed customers how much it would cost the District to add the feature to pay their bill through the District's website and would they be willing to pay for the feature. She would like for the customers to be aware of this fee and would like their feedback. She also inquired if staff was going to respond to a customer request to add to the District's website employee wages and benefit package.

Darrin Price responded to Margaret's comments and inquiries. It is standard practice that District Board reviews the health insurance renewal prior to signing the agreement. Staff can modify the recent billing survey to disclose the cost of the added feature to pay bills online. Darrin also commented he is looking at other agencies websites how they provided wages and benefit

packages to help conform the District's information on its own website as requested by a customer.

Garth Elliott commented he is glad the District has a full board. He learned an interesting concept from Commissioner Jung that there is no longer a need for elections based on the comment she made during the Washoe County Commission meeting. Her comment basically was an outgoing elected official can name their successor. He also suggested anyone running for office should visit the Sun Valley Neighborhood Center and talk with the seniors regarding the District water rates. When he was campaigning for the District Trustee position, he met with a lot of customers and heard a lot of hardship stories. He keeps in mind what the customers said they wanted when he has to make decisions that reflect rates.

Item#8. Discussion and motion as to payables and customer refunds for February 14, 2013.

Treasurer Joseph Barstow gave a brief report of the accounts payable and customer refunds for February 14, 2013.

Garth Elliott made a motion to approve the accounts payable for February 14, 2013 in the total amount of \$171,386.55 with discussion. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Margaret Reinhardt made a motion to approve the customer refunds for February 14, 2013 in the amount of \$2,170.90 with discussion. Garth Elliott seconded the motion. The motion carried unanimously.

Item#9. Discussion and motion to approve minutes of January 24, 2013.

Garth Elliott made a motion to approve minutes of January 24, 2013 as submitted. Margaret Reinhardt seconded the motion. The motion carried by the following;

Aye: Joseph Barstow, Garth Elliott, Sandra Ainsworth, Margaret Reinhardt

Abstain: Susan Severt because she was not a member of the Board at the last meeting.

Item#10. Update from lobbyist Fred Hillerby with possible direction on Bill Draft Requests to monitor and possible action to take.

Fred Hillerby, lobbyist with Kaempfer Crowell gave a brief report on the 2013 Legislative Session. He reported he is following 60 bill draft requests based on the limited information the bill draft language offers. He imagines most of them are simple language updates with minimal and/or no impact to the District. Assembly Bill 68 regarding consolidated tax has been reviewed by a committee and in the end he thinks the bill will pass with two opposing members, Fernley and Las Vegas. Assembly Bill 31 regarding public information would allow certain agencies to have the discretion of what is considered public information and what is considered confidential. He thinks it will be a good guideline for agencies to use to help understand what information is considered public information. There are many Open Meeting Law updates that have been requested. One of the bills requested by the Attorney General's Office is Assembly Bill 65 regarding subcommittees. They would like for subcommittees not be subject to the Open Meeting Law as long as they are gathering information and then reporting to an official board during a public meeting. He does think it will pass because the media has a strong interest in transparency in government. Another public records bill that might have an impact on the District is the request for no longer assessing a fee for public records upon request. Agencies would have to provide any kind of public record including copies of audio meetings free of charge.

Fred thanked the Board for allowing him to attend the meeting to provide a legislative update and he would be happy to answer any questions throughout the legislative session and provide additional updates as requested.

Audience member Mike Tourin inquired if there is a time frame associated with public records proposed bill. Is the public record information free up to a certain amount of years or is it an open ended time frame.

Fred Hillerby commented he is not sure because public records are public records. Most agencies follow a record retention schedule as to how long they have to keep certain public records.

Darrin Price reported that the District currently does not collect a fee for requested public information. Staff will sometimes inquire what the need is if a person requests for an abundance of information.

Garth Elliott commented he did not have a problem with a reasonable rate for public information.

Maddy Shipman commented on statutes regarding the fee for public information. She also commented on the record retention schedule for minutes and audio copies of meetings.

After some discussion Sandra Ainsworth thanked Fred for his update.

Item#11. Discussion and possible motion to revise the District's Recreation Policy to include Community Services.

Darrin Price commented he was reviewing the District's Recreation Policy and trying to create language to allow for certain organizations to use the District's recreation facilities at no charge in exchange for community service. After researching it further he has some strong concerns regarding the exchange of services and requested additional time to come up with appropriate language. He would like for him and Maddy Shipman to work together on the proposed policy.

Maddy Shipman commented there are some deciding factors that need to be looked at prior to the District establishing such policy. The District needs to determine what kind of organizations would be allowed to use the recreation facilities in exchange of community service. The District also needs to investigate if there will be any recreation budget impacts.

After some discussion Margaret Reinhardt made a motion to bring back agenda item 11 at a later date, once investigation has been completed regarding community service. Garth Elliott seconded the motion. After some discussion the motion carried unanimously.

Item#12. Discussion and motion to appoint a District representative for the Nevada Public Agency Insurance Pool.

Darrin Price reported the District's current representative for the Nevada Public Agency Insurance Pool / Public Agency Compensation Trust Organizations Board is Robert Fink and Garth Elliott as the alternate. The Board typically meets once a year and it is important to have representation on the Board because decisions are made that directly affect the District's insurance rates.

Garth Elliott commented he attended the last meeting and found it very informative. He commented the need to have representation is very important for the District. He does not have the time to be the primary representative at this time, but would like to continue as the alternate.

Audience member Mike Tourin commented he sat on the Pool / Pact Board when he was a Trustee for the District. It is beneficial for the District to have a representative on the Board and suggested picking someone that has the potential to get on the Pool / Pact Executive Board who makes final decisions.

Margaret Reinhardt nominated Susan Severt to be the District's primary representative. Susan Severt accepted the nomination.

Margaret Reinhardt made a motion for Susan Severt to be the District's primary representative for the Pool / Pact board. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Item#13. Discussion and possible direction to staff regarding consideration to repave the Sun Valley GID Annex parking lot.

Mike Ariztia commented Joseph Barstow requested staff to look into possible repairs of the Sun Valley GID Annex parking lot. Staff was unclear if the request was to repave the parking lot or to look at what repairs are needed. Staff did seek two informal bids to repave the parking lot to get a general idea what it would cost to completely repair the existing asphalt and install new asphalt. Both bids came in a little over \$26,000.00. He reported the replacement of the parking lot was not put on the current Capital Improvement Project list or forecasted in the current budget for this fiscal year. He recommends if the Board would like to proceed with this project that it be added to the upcoming budget for approval.

Joseph Barstow was only interested in finding out the condition of the parking lot and if there was a need to repair or completely repave.

Mike commented that staff did do a brief evaluation of the parking lot and it is in very poor condition. Most of the lot is loose gravel and the other portion is severely cracked. The parking lot is not considered a high traffic area, mainly used by pedestrians and some cars who use it to turn around. Some organizations have been approved to use the parking lot in the past to hold carwashes as a fundraiser.

Garth Elliott agreed the parking lot is more gravel than asphalt. He inquired if 2" rather than 4" of asphalt would be sufficient to help lower the cost. He suggested getting revised bids for 2" of asphalt and also to consider the project in next year's budget.

Mike inquired if 2" of asphalt would be sufficient enough, but it was recommended that 4" of asphalt be used to repave the parking lot. Both the District and Washoe County drive heavy equipment across the lot on a regular basis and 2" would not hold up as well as 4" of asphalt.

There were no public comments.

Margaret Reinhardt made a motion to accept staff's recommendation to bring the repaving project back with the new CPI list and include it in the upcoming budget. Joseph Barstow seconded the motion. The motion carried unanimously.

Item#14. Discussion and possible direction regarding the District's policy for disposition of used property.

Darrin Price gave a brief report regarding the disposition of used property. He commented during the last meeting Margaret informed staff that several past board members were able to keep their District computers because they were told by a District employee that the computers no longer

had any value to them. He investigated this claim and did find out that there were computers never returned by the past members. He contacted all of the past members and has collected all of the computers. He recommends in the future that any equipment issued to a Trustee must be subject to a sign out sheet listing the item (s) that is being issued, date of issuance, to whom, and signed by the Trustee.

Margaret Reinhardt made a motion to accept staff's recommendation and have all computers signed out to the individual Trustee and must be returned. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Garth Elliott inquired if statutes allowed a member the opportunity to purchase their computer before a public auction or have the opportunity to bid on their computer first.

Maddy Shipman reported the statute requires an agency to try and maximize the value of used property. The disposal of used property should be handled the same way as it was purchased with competitive bids.

Audience member Robert Fink announced that he is a licensed auctioneer. He thinks someone can in advance report they are interested in buying back an item and list the price that they are willing to pay for that item. At that time the Auctioneer would announce such statement before opening the bids.

Sandra Ainsworth reminded Garth the District has a computer purchase program if he is interested in purchasing a computer.

Item#15. Discussion and motion to approve updates and/or revisions to the District Personnel Policy Section 6; Benefits.

Mike Ariztia reported that he is continuing to update the District's Personnel Policies in accordance to some of the modifications and changes of regulations provided by the District's Human Resource Consultant Pool Pact. Some of the changes and updates were not only policy content, but there had been some reorganization within some of the existing sections. He reported that there were no significant changes to the Benefits section of the manual. There was an addition to the section that covers Transitional Duty.

Garth Elliott inquired if Transitional Duty was for work related injuries or did it also cover for non work related injuries. He doesn't want the District to be responsible for non work related injuries.

Mike confirmed Transitional Duty only applies to an employee who was injured on the job.

Margaret Reinhardt inquired about some of the policies that appear to have been deleted and wanted to know if the District no longer offers such benefit.

Mike reminded the Board that nothing has been removed from the Personnel Manual at this time. Some of the policies have moved to a different location within its section or reorganized to another section of the manual.

After some discussion Susan Severt made a motion to accept the amended Benefit Policy as submitted. Margaret Reinhardt seconded the motion. The motion carried unanimously.

Item#16. Discussion and possible motion regarding annual compensation increase for employees 2011-2012 evaluations, as directed by the Sun Valley GID Board at the August 23, 2012 meeting.

Darrin Price reported at the July 26, 2012 District board meeting it was voted by the Board to delay any action on potential employee increases until the first meeting in February of 2013. He commented the Board needs to consider if any increase would be retroactive to July 1, 2012 per policy. He reminded the Board and audience members that employee compensation is paid from both the water and sewer operation funds. The total operating expenses for both water and sewer combined is \$3,894,571.00. The approved budget amount from both of these accounts for office and field employees compensation line item only with a 5% increase is \$859,200.00 or 22% of the total operating expenses for both funds. Darrin provided a historical overview for the last five (5) years regarding employee increases. In 2008 the Board approved a 2.8% increase, 2009 no increase, 2010 \$1.00 per hour to all employees except for two, and 2011 no increase. In some cases there have been some employees that have received an increase in pay since 2011 based on promotions or to move them into their compensation range accordingly. For this reason, Darrin is recommending that the General Manager, Public Works Director, Field Supervisor, and two (2) Service Technicians not be included in the proposed annual raises. Darrin's recommendation to the Board is to consider a 3% increase to nine employee's compensation that equates to \$11,100.00 or a straight \$1.00 an hour increase that equates to \$18,720.00.

Darrin provided information regarding other agencies what they approved for employee increases. Washoe County approved a 3.34% wage concession on July 2, 2012. Truckee Meadows Water Authority approved a three (3) year wage increase; the first year is a 2.5% increase, the second year is 2% increase, and for the third year a one-time contribution of 42 vacation hours will be given to employees on July 1, 2014. Incline Village General Improvement District approved a 2% wage increase in 2012.

Margaret Reinhardt commented Truckee Meadows Water Authority part of the employee concessions negotiations required all new hires to pay a portion of their retirement. She suggested that this be looked into by the District for consideration.

Audience member Vicky Maltman inquired if the dollar figure presented is a combination of wages, retirement, and health insurance. She commented by increasing an employee's hourly wage also increases all of the other benefits that they receive. She suggested the Board not look at just a dollar amount and requested to see what that actual bottom line is.

Darrin commented that the District's budget is broken down into line items separating out salary and wages, retirement, health insurance, and so on. When staff suggests an increase in salary and wages, all the other benefit factors are looked at the same time and adjusted accordingly.

Audience member Jim Ainsworth commented the District is the largest business in Sun Valley. The most valuable asset to the District is not the service lines, tanks, or equipment, it is its employees. Without out good employees the District couldn't operate professionally.

Audience member Mike Tourin commented he agrees with Jim's comments, but he also recognizes it could create a hardship on some customers. He suggested the District consider accommodating those customers who cannot pay their bills. As a Trustee you have to have compassion for both the customers and employees.

Darrin provided the Consumer Price Index for the past years. In 2010 the CPI was 1.7%, 2011 3.6%, and 2012 2%. He also provided the number of employees the District has retained over the past several years.

Garth thinks the District takes extremely good care of its employees by offering them insurance at no cost. He doesn't think there is a huge concern with the amount of turn over that the District has experienced in past years.

After some discussion Margaret Reinhardt made a motion to approve a 2% increase for nine (9) employees retroactive to July 1, 2012; with the direction to staff bringing back the District's PERS contract for renegotiation for new hires. Garth Elliott seconded the motion.

During discussion audience member Robert Fink reported Washoe County is starting to hire additional employees to help relieve some of the work load and to maintain Washoe County facilities. He doesn't think District employees are actively looking for work; he thinks they are being recruited by other agencies.

Susan Severt commented she has concerns supporting Margaret's motion with PERS being a part of the motion.

The vote did not pass by the following;

Aye: Margaret Reinhardt, Garth Elliott

Nay: Susan Severt, Joseph Barstow, Sandra Ainsworth

Susan Severt made a motion to approve a 3% increase for nine (9) employees retroactive to July 1, 2012. Joseph Barstow seconded the motion.

During discussion Garth Elliott commented he cannot support a 3% increase given the economic times.

The motion carried by the following;

Aye: Susan Severt, Joseph Barstow, Sandra Ainsworth

Nay: Garth Elliott, Margaret Reinhardt

Item#17. Discussion and motion to form a committee to review and revise evaluation form for General Manager.

Darrin Price reported this item was requested to be brought back until there was a full Board. Once the committee has been formed he requested direction from the Board how often the committee would meet and a time period for the review committee before they bring their recommendations back to the Board for approval. Darrin's recommendation is to form a committee made up of board members, staff members, and public members.

Margaret Reinhardt, Joseph Barstow, and Garth Elliott are all interested in being a part of the review committee.

Maddy Shipman recommended that only two (2) Trustees should be a part of the meeting so that there is not a quorum of the GID Board.

Margaret Reinhardt made a motion to form a committee made up of two (2) board members, two (2) staff members, and two (2) public members. After some discussion the motion died for a lack of a second.

After some discussion Garth Elliott made a motion to form a committee made up of two (2) board members and two (2) public members. After some discussion the motion died for a lack of a second.

Margaret Reinhardt amended her motion to form a committee made up of no more than two (2) board members, two (2) staff members, and two (2) public members. Garth Elliott seconded the motion. After some discussion the motion carried by the following;

Aye: Margaret Reinhardt, Garth Elliott, Joseph Barstow

Nay: Susan Severt, Sandra Ainsworth

Sandra Ainsworth inquired if there were any recommendations and/or nominations for two (2) staff members and two (2) public members.

Darrin recommended Mike Ariztia as a member of the committee since he is the District's HR representative.

Margaret nominated Vicky Maltman as a public member.

Joseph Barstow nominated Jim Ainsworth as a public member.

Mike Ariztia recommends one staff member from each department, office and field. Since he was recommended he would represent the field department. Mike recommended either Erin or Muriel to represent the office department since both of them have experience with supervising and performing evaluations.

After some discussion Margaret Reinhardt made a motion to recommend Joseph Barstow, Margaret Reinhardt, Erin Dowling, Mike Ariztia, Vicky Maltman, and Jim Ainsworth to be on the evaluation review committee. Garth Elliott seconded the motion. After some discussion the motion carried by the following;

Aye: Margaret Reinhardt, Garth Elliott, Joseph Barstow, Susan Severt.

Abstain: Sandra Ainsworth because there was a public objection of her husband being a member of the committee.

Item#18. Acknowledgement of Attorney General's letter response to open meeting law complaint.

Maddy Shipman reported the Attorney General has completed its investigation regarding an Open Meeting Law complaint against the District. It was determined that there was no finding of an intentional violation. Because there was no finding of an intentional violation law does not require the acceptance of the letter on the District agenda. Maddy requested the letter of acknowledgment to be placed on the agenda as a non-action item in the spirit of full transparency. Had there been a true intentional violation it would have been required to be placed on the agenda for ratification. She reminded everyone that the Board at the following meeting after the complaint was made revisited the particular item that initiated the complaint for any ratification.

Garth Elliott commented having made complaints before regarding the Open Meeting Law; he thinks the mechanism in place is a great thing for the public. He welcomes all comments and complaints as needed.

Margaret Reinhardt commented she encouraged the complainant to file the complaint. She supports anyone's right to oppose, complain, or file an action. She also supported some rate payers and some board members who filed a question about a District candidate, because it was their right. She respects the laws of the United States that have been setup and put in place. She doesn't like complaints but if someone feels like something was done wrong, they should have the right to check it out. Just like in this case it turned out to be not so, but she respects the right of the person who filed the complaint.

Maddy reported the letter was only provided to be an acknowledgment to the District. The Attorney General did not find an intentional violation, but it was an inadvertent violation therefore it didn't rise to the level requiring action of the Attorney General. She commented that both prior District Chair and current Chair are trying to make sure that public comments are accommodated as recommended in the letter by the Attorney General.

Susan Severt commented she was the person who filed the complaint against the District and read into the record the last paragraph of the letter provided by the Attorney General for clarity. It states, "Our investigation revealed an inadvertent failure to recognize a member of the public who wanted to make a public comment. We do not believe a deliberate violation of the Open Meeting Law occurred, so we will only warn the Chair to take adequate precautions to assure that every person who wishes to comment will be given that opportunity." Susan commented she wanted it be known for the public record that there was a failure at that meeting to recognize the public.

Margaret reminded everyone the violation did not rise to the level that required any action.

Item#19. Financial report by Bill Short.

Bill Short gave a brief update on the District's bonds. Recently the District paid off a sewer bond with a 5% interest rate. The other bonds that the District has are financed through the City of Sparks and the State of Nevada with a 2.75% and a 3% interest rate. Given the low interest rates, he does not think refinancing would benefit the District.

Item#20. Legal report by Maddy Shipman.

Maddy Shipman gave a brief report on the following;

- She recently attended the legislative session and they reviewed eight (8) bill draft requests regarding public records and amendments to cost associated with providing public information. She also reported AB68 a consolidated tax bill was recently reviewed. It is most likely that it will pass with two members from Fernley and Las Vegas opposing.
- She provided a handout that was a condensed version of the Open Meeting Law. She would like to give a brief presentation at a future meeting regarding the Open Meeting Law, Ethics, and Disclosures.

Item#21. Field report by Mike Ariztia.

Mike Ariztia shared a thank you message the District received on its website for the work that was performed on Rembrandt Drive last month.

Item#22. Managers report by Darrin Price.

Darrin Price reported on the following;

- Staff recently met with Keep Truckee Meadows Beautiful regarding the upcoming recycling event. During that meeting the District was able to make a new partnership with New To You Computers.

- Recently met with Regional Transportation Commission onsite to view the proposed alignment for the Pyramid Hwy and US 395 connector. After seeing the proposed alignment, he is personally more comfortable with the proposed alignment. He will be scheduling appointments with each of the Trustees so they can see the proposed alignment.
- Darrin shared several compliments regarding District staff.

Item#23. Public Comments.

None

Item#24. Board Comments.

Garth Elliott commented on the monthly Customer Status Report, he would like to see more customers take advantage of the District's Hardship Program.

Item#25. Future agenda items.

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

- Billing survey update
- Update from Commissioner Jung
- Review of District's Overtime Report
- Board Room recording equipment and software
- Presentation by Maddy Shipman regarding Open Meeting Law

Margaret Reinhardt requested discussion regarding the District's PERS benefit for new hires to be presented at the March 14th meeting.

Garth Elliott requested discussion regarding the use of the community garden.

Item#26. Adjournment.

Margaret Reinhardt made a motion to adjourn at 8:32 pm. Joseph Barstow seconded the motion. The motion carried unanimously.