



Sun Valley G.I.D. Board Meeting Minutes of June 27, 2013

Board Members Present:

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

Board Members Not Present:

Margaret Reinhardt	Secretary
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Staff Present:

Darrin Price	SVGID, General Manager
Jon Combs	SVGID, Field Supervisor
Erin Dowling	SVGID, Customer Service Supervisor
Maddy Shipman	SVGID, Legal
Bill Short	SVGID, CPA
Carol Bratcher	SVGID, Accountant
Jennifer Merritt	SVGID, Staff

Others Present:

Jim Ainsworth	Audience
Karen Pickens	Audience
Stephen Romero	Wells Fargo Insurance
Ann Wiswell	POOL / PACT
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, Susan Severt. A quorum was present.

Item#2. Pledge of Allegiance.

Led by Garth Elliott

Item#3. Motion to approve agenda.

Susan Severt 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 for items not on the agenda.

None

Item#6. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda.

Garth Elliott reported he received a letter on his door step this week signed by nine District employees. He has mixed reactions, but he welcomes input from employees. He would like an agenda item to discuss the content of the letter. He stated again he welcomes input but did not agree with the method that was used to deliver the letter. He does not feel that he has ever expressed an air of unapproachability. He wished there was more communication with the employees.

Item#7. Discussion and motion as to payables and customer refunds for June 27, 2013.

Treasurer Joseph Barstow gave a brief report of the accounts payable and customer refunds for June 27, 2013.

Joseph Barstow made a motion to approve the accounts payable for June 27, 2013 in the total amount of \$524,313.42 with discussion. Susan Severt seconded the motion. After discussion the motion carried unanimously.

Joseph Barstow made a motion to approve the customer refunds for June 27, 2013 in the amount of \$788.19 with discussion. Garth Elliott seconded the motion. The motion carried unanimously.

Item#8. Discussion and motion to approve minutes of May 23, 2013 and June 13, 2013.

Garth Elliott made a motion to approve the corrected minutes as submitted of May 23, 2013 as submitted. Joseph Barstow the motion.

During discussion Susan Severt inquired if the content of the minutes that was in question was cleared up.

Jennifer Merritt responded that she corrected the portions of the minutes that were being questioned at the last meeting. The corrected minutes were forwarded to the members and legal for review. She stated that she has not heard back from either member, so she assumes the minutes are ok as corrected.

The motion carried unanimously.

Garth Elliott had a comment regarding the minutes of June 13, 2013 on agenda item 13. He made an error in his figures regarding the increase that Truckee Meadows Water Authority approved. He originally reported that TMWA approved a 2% raise to their employees. He meant to report that TMWA approved a 4% raise over the course of two years.

Joseph Barstow made a motion to approve the minutes of June 13, 2013. Susan Severt seconded the motion.

The motion carried unanimously.

Item#9. Discussion and possible motion to approve to renew insurance with Wells Fargo Insurance Services for District facilities.

Stephen Romero, Insurance representative with Wells Fargo Insurance Services briefly went over the service agreement for 2013/2014. He gave a brief report on the POOL Program and what it has to offer. He stated that over the years the POOL Program has grown more into a Risk Management Program. Every year he meets with District staff to review the District's current assets and discuss how the insurance market is doing. Each year he is asked if the District can find a less expensive insurance policy by dropping out of the POOL and get insurance independently. In today's market insurance premiums are increasing anywhere between 5% to 15% percent across the board. The District's premium came in with a 2.2% increase. He thinks that the POOL can continue to offer the District an affordable insurance plan and continue to offer the District other service programs at no additional cost that the District currently takes advantage of. Currently there are 112 members in the POOL which is beneficial when shopping for coverage. The District's annual premium is \$55,681.61 dollars and the Pollution Legal Liability Policy annual premium is \$3,943.00 dollars which is slightly less than last year's premium. Stephen briefly went over the deductibles and summary of coverage's. He reported the POOL recently added Cyber Security coverage to its members at no additional cost.

Ann Wiswell with POOL / PACT briefly explained what Cyber Security coverage offers. It is not much of liability coverage, it is an identity theft protection coverage. The Cyber Security coverage is in the event the District's network gets hacked and customer's identities may have been compromised due to the breach of network security. The Cyber Security coverage will assist with responding to such complaints. The coverage has a \$2M limit with no deductible, the coverage will pay for the cost to bring in a computer forensic security expert to look at the District's network and determined the scope of the breach. It will also detect if malicious network damage left a virus which could result in additional damage to the District's computer system. There is also a \$500,000 Privacy Response Expense Coverage for credit monitoring services for people who may have had their personal information (credit card information, social security, etc.) compromised on a network. She reported until someone's identity has actually been stolen and their credit has been damaged, they don't have any monetarily damage to claim.

Garth Elliott inquired what the cost breakdown for the Cyber Security coverage is. He stated the District currently doesn't have a wireless network that is more susceptible to a network breach. He thinks that if a breach should occur since the District's network is currently hardwired, that it would have to be done by someone who enters the building or by internal mischief. He hopes the District in the future can offer a wireless in the board room for board members and inquired if that would increase the District's vulnerability.

Ann responded that any computer that is connected to the internet via wireless or cable leaves it vulnerable of being hacked. The Cyber Security coverage is being offered to all POOL members at no additional cost. The coverage is being included because there are many public entities accepting payment on their networks and were concerned about being hacked.

Stephen continued and gave a brief report of the District's POOL Claims Frequency and POOL Claims Severity. The rates have flattened out due to the drop in claims and severity is about the same. There was a big spike in severity claims in 2008 was because of the Wells earthquake and the canal breach in Fernley.

Additional discussion ensued between Garth Elliott, Ann Wiswell, and Stephen Romero regarding liability coverage and coverage amounts.

Audience member Jim Ainsworth inquired if the POOL has someone available to evaluate the District's network system to make sure there are no current access points into the District's network for preventive measures.

Ann responded the POOL has been looking into offering a security audit service as part of the POOL's Risk Management program. The security audit will most likely be offered through the POOL's Risk Management Grant program with a portion of matching funds from the participant. The POOL will be offering additional employee training at no additional charge, teaching each of the employees how to secure their work stations.

After further discussion Susan Severt made a motion to approve the renewal of the District's insurance with Wells Fargo Insurance Services. Joseph Barstow seconded the motion. The motion carried unanimously.

Item#10. Discussion and motion to approve Resolution to augment budget for the Sun Valley GID Properties and Garbage Enterprise Fund.

Darrin Price reported the total Operating Expenses of the Properties and Garbage Enterprise Fund for Garbage Franchise and Rental Properties of the Sun Valley General Improvement District were estimated to be \$38,825.00 dollars and \$7,175.00 dollars respectively for the fiscal year 2012/2013. The total Operating Expenses are now estimated to be \$41,325.00 dollars and \$9,675.00 dollars respectively. There is a need to increase the Garbage Franchise \$2,500.00 to cover the increased community garbage subsidies. He stated District staff was challenged to promote the garbage subsidy program and increase the amount of participants. Staff has been promoting the program and now is requesting to augment the budget to cover the expenses.

Garth Elliott inquired if the need to augment the budget is because of the increase of people utilizing the garbage subsidy program or anticipation of the program being used. He stated the last time he inquired how many people were taking advantage of the program he was informed there was not many people.

Bill Short responded the augment is to cover the cost of expenses for the fiscal year 2012/2013.

Sandra Ainsworth inquired if staff knew what the increase in percentage is for participants.

Carol Bratcher responded the subsidies went up \$2,500 dollars. She believes the District originally budgeted \$14,000 dollars for the program and it has increased because of the influx amount of people requesting assistance to pay their garbage bills. She reminded that the garbage subsidies are produced from the refund the District's gets on the payment of garbage bills. The subsidies are not paid out from the District's water and sewer user fees. She also stated that when she first started with the garbage subsidies the District had 50 customers participating with the garbage subsidy program. As of today, there are 120 customers participating with the program. The amount of participants have increased over the past two years which she thinks is a residual from the general economy as a whole, customers who are running out of unemployment or other sources and still need some assistance.

Garth commented he doesn't ever want to be blamed for having to increase the District's budget as alluded.

Darrin responded that he is not blaming Garth for the increase in the budget. He stated that Garth challenged staff to increase the amount of subsidies that are given out to District customers by

better communicating what is available at the District. Management and staff have been promoting the District's programs more and the programs are now a success.

There were no public comments.

Susan Severt made a motion to adopt the Resolution to augment the Sun Valley GID for the 2012-2013 Fiscal Year for the Properties and Garbage Enterprise Fund. Sandra Ainsworth seconded the motion. The motion carried unanimously.

Item#11. Discussion and motion to approve Resolution to augment budget for the Sun Valley GID Sewer Enterprise Fund.

Carol Bratcher reported she anticipates the need to augment the District's sewer budget will be a onetime occurrence. This resulted from a situation over the past couple years regarding the Treatment Plant Agreement between the City of Sparks and City of Reno. City of Sparks owns the treatment plant and other entities either lease a portion or purchased a portion of the treatment plant per their prorated share of the plant. The biggest user of the plant is the City of Reno. There has been some dispute on the sewer flow reads between City of Sparks and City of Reno. After an investigation regarding the sewer flow reads between City of Sparks and City of Reno, they both settled on a new proportionate share for the City of Reno.

Darrin Price responded the entities involved with the treatment plant hired a consultant to monitor the sewer flows over a period of time. After the monitoring period it was determined that the City of Reno was paying a disproportionate amount.

Carol continued and stated the original percentages were 70% to City of Reno and 30% to City of Sparks. The District's share of the treatment plant comes off of the City of Sparks' portion. After the true figures were determined the new percentages are 60% to City of Reno and 40% to City of Sparks. Based on this investigation it was determined the City of Reno has over paid 10% of their share for several years and now they would like to be reimbursed. The reimbursement was paid back to City of Reno all at once, and now City of Sparks has to recoup from the other entities their proportionate share for the additional amount. She stated the District paid its additional proportionate share with the second quarter billing for the use of the sewer treatment plant which caused the District to go over \$175,000 dollars in the sewer budget. She anticipates this being a onetime incidental and won't see this type of increase again for next year.

Garth Elliott inquired if the City of Sparks is trying to share the reimbursement expense with the other entities. He also inquired if it is easy to prove what the District contributes for sewer flows.

Carol responded the District's use of the treatment plant is not what is in question. What is being questioned is what the City of Reno and City of Sparks contributes to the treatment plant. When the measurements were performed it was determined that the City of Sparks was paying for 10% less than what they should have been. The District's contribution is a part of the Sparks contribution, the District's portion is around 13% - 14% of the City of Sparks 30% contribution; where it should have been 13% - 14% of the actual 40% contribution. The additional amount is what the District was charged for.

Garth stated he is having a problem with it because it is speculation on the City of Sparks' part. As far as he is concerned City of Sparks probably used the additional contribution and the District was probably under, unless they can prove it to him otherwise.

Darrin responded the District has a lease agreement with the City of Sparks to lease capacity from the City of Sparks at the treatment plant. There are four entities that participate in the treatment plant and they are the City of Sparks, City of Reno, Washoe County, and the District. As Carol mentioned, every entity was paying their portion based on the original percentages. It was realized the City of Reno was not contributing that much or using that much capacity through real flow monitoring. The District's contract is based on a percentage of the City of Sparks total percentage.

Additional discussion ensued regarding flow monitoring on all of the sewer inceptors that was used to determine that the City of Reno has been paying a disproportionate share of the treatment plant.

There were no public comments.

Joseph Barstow made a motion to adopt the Resolution to augment the Sun Valley GID Sewer Enterprise Fund in the amount of \$175,000.00. Susan Severt seconded the motion. The motion carried unanimously.

Item#12. Discussion and motion to Proclaim July as Recreation Month.

Darrin Price read into the record the Proclamation regarding proclaiming July as Recreation Month.

During discussion Joseph Barstow inquired what is the District is going to do to promote July as Recreation Month.

Darrin responded the District will promote the parks and Recreation Month through District's website and front lobby.

Garth Elliott stated he likes the Proclamation and especially likes that there is no financial burden involved.

There were no public comments.

Garth Elliott made a motion to approve the Proclamation to Proclaim July as Recreation Month as presented. Joseph Barstow seconded the motion. After discussion the motion carried unanimously.

Item#13. Discussion regarding survey valid statistics and results.

Erin Dowling stated it has often been asked whether the number of responses received from prior surveys have been adequate. She recently researched survey statistics and has been in contact with Good Standing Outreach, one of the largest Public Relations firms in town, who provided information on industry standards regarding what is considered "statistically valid samples". She provided articles which explained how to determine the number of responses needed in order to achieve statistically valid samples. Both Erin and Darrin gave a brief demonstration using a website how to calculate the variables to determine if there is a valid sample. As an example, if the District received back 361 survey results out of 6,000, the results would provide a 95% confidence level (standard), which represents a very fair voice of the residents of Sun Valley. Erin stated continuing with surveys in the future, staffs goal is to get 361 responses, and if the goal is not reached then she would recommend extending the time period for the survey in efforts to reach the goal to achieve a valid sample.

After some discussion, the Board thanked Erin and Darrin for the presentation.

Item#14. Discussion and possible motion to questions for customer satisfaction survey.

Erin Dowling stated at the last meeting the Board gave staff direction to proceed with a Customer Satisfaction survey. She provided a draft survey using various questions from the sample surveys that were provided.

Garth Elliott commented he thought that the survey was going to include a question how the customer felt about the price they pay. He noticed there is only one question on the survey that came close and that is question number 5 "How would you rate the value of the services SVGID provides in comparison to your monthly bill? (including water, sewer, garbage, and recreation)" Garth thought the question would be more specific. He doesn't think the question satisfies the attempt that several of the board members were looking for.

Erin responded that Trustee Reinhardt had suggested asking a question if the customer is ok with the rates. There was some discussion among the staff and board regarding her suggestion and how it is more than just the rates. The District needs to educate the customers that the monthly bill is for water, sewer, and recreation and not just water. Erin used a question from one of the sample surveys that asks if the customer is satisfied with the quality of water and services provided based on the amount they pay and modified it to fit what the District offers.

Additional discussion ensued on the definition of value in question number 5 and it was determined that the question is ok as is. Also during that discussion it was requested to remove garbage as one of the services that is provided on the monthly bill.

There were no public comments.

Susan Severt made a motion to approve questions for the Sun Valley G.I.D. Customer Satisfaction Survey with one edit taking garbage out of question 5 and to run the survey for a minimum of 45 days. Garth Elliott seconded the motion. The motion carried unanimously.

Item#15. Discussion and motion to approve questions for web payment survey.

Erin Dowling stated at the last meeting the Board asked for additional questions and information to be included in the web payment survey. She provided a draft survey that included all of the suggested questions and information.

Garth Elliott stated question number 1 does not specify what is available to be accessed, he suggested to have it say account information instead of just account.

There were no public comments.

Susan Severt made a motion to approve questions for the Web Payment Survey with one edit including the word "information" in question 1 and to run the survey for a minimum of 45 days. Joseph Barstow seconded the motion. The motion carried unanimously.

Item#16. Discussion and possible motion to approve Suggestion Box procedure.

Darrin Price stated staff was requested to include “Staff shall encourage customer use of the suggestion boxes without specifying or persuading the content of any suggestion” as part of the Suggestion Box procedure. He provided a copy of the revised procedure for review.

Some discussion ensued on how many times the suggestion box should be checked and the accessibility of checking the box before and/or after board meetings. It was suggested to have both suggestion boxes available in the board room at each meeting for both Chair and Vice Chair for easier accessibility.

There were no public comments.

Garth Elliott made a motion to approve the Suggestion Box procedure as written. Joseph Barstow seconded the motion. The motion carried unanimously.

Item#17. Discussion and possible motion to consider revisions to District personnel policy 4.12 Career Incentive.

Darrin Price reported this item was requested by Trustee Elliott to consider a conversion of the Longevity Pay Program to a savings to the GID Program. Darrin provided a copy of the current Career Incentive Policy. Currently there are a total of 10 employees who receive Longevity Pay and the total annual cost is \$10,600 dollars.

Garth Elliott stated he met with Darrin to discuss the initial intent to consider conversion of Longevity Pay Program to a savings to the GID Program. He stated he worked for several companies that offered a savings sharing program that awards employees for finding savings to the company. The program has the potential of actually paying more to employees at times based on the amount of savings each year. He commented that Washoe County on numerous occasions has tried to eliminate their Longevity Program because management no longer thinks there is a place for the program in the workforce, but have not been successful with the bargaining groups. The savings sharing program has great reviews and basically it is taking the total amount saved each year and splitting it with the employees. There would need to be time spent developing the program if the rest of the Board is interested in it.

Darrin reported he is always appreciative of the Board on how they take care of the employees that take care of the District; everything that happens in the budget is because of the employees. He thinks it would be difficult, as the Manager that oversees the budget, a program that splits the cost savings with the employees. As an example there was an employee who found an annual savings with the purchasing of pool chemicals of \$6,000 dollars which could be a \$3,000 dollar incentive to the employee. This would increase the amount being paid to the employee which would have not been budgeted for. He can foresee some of the costs increasing instead of actually providing a savings. He assured the Board the employees are trained and are very cognizant and dedicated to the District making sure they can save on anything possible. Darrin stated the District recently performed a comprehensive analysis of comparisons to other public agencies and communities as instructed by the Board. Of the eight other agencies only two of them offer a career incentive. The District’s policy mirrors Washoe County’s current policy and the other agency pays only on specific years. He appreciated Garth’s comments and suggestions, but he is concerned that it would cost to the District more on some years to split the savings with the employees.

Garth responded all employees are expected to look for savings. The program would encourage employees to look further for other potential savings beyond what is required of them already. It could be difficult at times, but the program has been successful at times.

Maddy Shipman stated the agenda item Savings to the GID Program does not tell anyone what that is, even though she understands what Garth is talking about. If Garth would like to purpose a new type of program it would need to be requested as a new agenda item.

Susan Severt commented she would hate to see the longevity program stopped to bring in another program. She is completely open to discussing another incentive type program that would include process and reviews. A lot of savings can be found in time and effort as well as a savings of big purchases. She is ok with the longevity pay and does not want to stop the program and is open to a future agenda item to discuss other incentive type programs.

Carol Bratcher stated some employees have a broader chance or opportunity to create a savings than others. It doesn't translate to a really totally fair program. Some positions are not allowed the opportunity to find a significant amount of savings compared to someone who does the purchasing.

Darrin stated again he is very appreciative that the Board took a look at the industry standards with the comparisons to the other agencies that are similar as much as possible to the District. The comparison showed that the District offers similar benefits and compensation as the other agencies and he was pleased to see that. As for the career incentive only two other agencies offer a career incentive. He stated if the Board wanted to cap the District's career incentive amount at \$1,000 dollars, he would support it. He would love to see the policy stay and agreed with some of the comments made by Susan Severt. He confirmed that Washoe County did try to eliminate their career incentive program, but was unsuccessful because of the collective bargaining unit. The District does not have a collective bargaining unit other than himself speaking for the employees, or the employees speaking directly to the Board which is an option for them.

Audience member Jim Ainsworth commented he would keep the District's career incentive program exactly the way it is. It has been a part of the District's policy for a long time including the entire time that he served the board. The District pays a lot to educate the employees and he would like to see the District retain good employees instead of them getting jobs with other organizations with better wages. Other agencies offer a higher wage compared to the District and by offering a career incentive, it helps make it a harder decision to go someplace else.

There were no more further comments and the Chair announced the item was tabled until a board member requests for a future agenda item.

Item#18. Discussion and possible motion per the District policy 9.3 Board evaluation of the General Manager.

Darrin Price provided a report that listed some of his accomplishments for the fiscal year of 2012/2013 and his goals for the fiscal year 2013/2014. He was requested to obtain additional education and he has done so, he provided copies of his certificates in his report. He stated that his accomplishments are the District's and staffs accomplishments. He highlighted some of his accomplishments; he represents the District in various capacities. He has attended several senior activities at the Sun Valley Neighborhood Center, attended several Commissioner Forums and Regional Transportation Commission meetings. He has also authored articles for the District's newsletter and attended a lot of the Sun Valley community events. He attends and testifies at the

Washoe County Commission, Truckee Meadows Water Authority, and the Western Regional Water Commission. He represents the District on the Nevada Recreation and Parks Society as a Member At Large and as a Trustee on the American Water Works Association. He also attended various sessions during the Legislative Session including testifying before the Assembly on Natural Resources on all District operations with specifics on water issues. His internal accomplishments included promoting discount programs for seniors, disabled, and low income customers, handled calls and answered questions relating to the District business with special emphasis on parks and recreation. The District has continued to see minimal growth with two lot developments. With the help of staff he was able to operate a balanced budget and stated there are no recommendations for rate increases. Both Field and Office employees have been trained and updated on safe work practices. He reported on his goals that included continuing to apply for grants to assist the District and community on projects and programs. Enhance the District's GIS and GPS programs including adaptation with existing software programs. Research and implement billing systems and strategies to enhance efficiency. Research, evaluate, and implement as many "Green" projects as possible with the Public Works Director. He stated he is proud to serve as the General Manager for the District and is very proud of the field and office staff. Darrin showed for comparison purposes only the compensation for other General Managers using the entities that were approved for the comprehensive comparison. The Sun Valley GID General Manager ranks 5th in compensation comparison and then ranks last if you rank the compensation to an annual cost per connection. Darrin stated he is very grateful for his compensation and enjoys working for the District and the community.

Garth Elliott provided some additional goals for Darrin that include more green like projects. Continue to find ways to save money for the District and enhancements to the IT for the District's board room. He would also like to implement a marketing program to promote goods to increase cash flow.

Joseph Barstow apologized to Darrin, he was not able to prepare his evaluation due to an emergency he had to attend to. He promised that he would have it done as soon as possible.

Susan Severt thanked Darrin for putting together a comprehensive report regarding his accomplishments for the past year, because it is difficult to remember what all gets done in a year's time. She thinks this profile is sometimes what the Board needs. She hopes that Darrin would be open to some other goals throughout the year.

Garth commented he noticed that majority of the training that Darrin did in the past year was related to Human Resources. He inquired why was the focus on Human Resources and if the District paid for the training.

Darrin responded that the District did pay for his training. He stated when the District reorganized the department chart, Darrin was asked to perform the Human Resource duties for the office and Mike Ariztia was asked to perform the Human Resources duties for the field with Mike handling majority of the Human Resources.

Sandra Ainsworth stated that before she saw Darrin's comprehensive report she made an appointment with Darrin to discuss his performance and accomplishments. She was very impressed after reading his report and was very happy to see that he had taken Human Resource classes. It is very important for him to know what all of the employees are doing and doing it right. She also stated that past board members directed Darrin to take more Management and Human Resource classes. She likes Darrin's goals listed and thinks they are very realistic.

Darrin suggested putting the function of totaling the average score for his evaluation on the next agenda to allow Trustee Barstow time to complete his evaluation. Darrin thanked the Board for their input and additional goals. He is open to additional goals throughout the year.

There were no more further comments and the Chair announced the item was tabled until the next meeting to calculate the average performance scores for the General Manager.

Item#19. Discussion and possible motion per District personnel policy 9.3.1, the Board to determine percentages for potential wage increases and/or consideration of alternative incentives.

Darrin Price provided a rank comparison for the individual positions between the District and the other entities used during the comprehensive comparison. The total ranking overall regarding compensation showed Incline Village GID and Gardnerville GID ranked as the highest for compensation, followed by Kingsbury GID, Roundhill GID, Topaz Ranch came in as the second highest for compensation, followed by Indian Hills GID, Washoe County, and Sun Valley GID being the third highest for compensation with Stage Coach GID coming in as the lowest for compensation. This shows that some of the District's positions are in the middle or below as far as the compensation comparison. Darrin also provided a memo prepared by Carol Bratcher providing what the potential impact would be for the water and sewer budget only if the Board approved a 1%, 2%, or 5% percentage for annual evaluations. He reported on the successes of the employees throughout the year and recommended a 3% increase for compensation for annual evaluations. The 2013/2014 budget was approved that included a potential 3% already built in for both funds so there would no need increase to the budgets.

Garth Elliott commented the comparison chart is meaningless because it doesn't include all the factors brought up by another board member. It kind of corresponds in the since that the District is closer in size to Indian Hills GID and Stage Coach GID. He inquired if there is an increase to PERS that needs to be taken into consideration.

Carol Bratcher responded there was an implementation of a 2% increase to PERS.

Maddy Shipman responded by law the District is responsible for 1% and employees are responsible for 1%. The District is employer paid and it is considered a District benefit and not a salary piece.

Garth Elliott commented he could support a 2% increase but nothing higher.

Audience member Jim Ainsworth commented he knows he is repeating himself, but if the District doesn't continue to pay the employees what they deserve then the District will lose them. The District has a lot of invested in the employees and they have the knowledge and experience to provide a quality service to the community. His personal opinion would be no more than a 3% increase.

Garth commented he is glad that Jim Ainsworth is no longer on the Board. He thinks the number of employees that have left the District proves the point that they are happy. The CPI is 1.3% and approving a 3% is over twice the amount of the CPI. He made the comment about sweetening the pot; his perspective, and he is criticized for it, he thinks the pot is overflowing with saccharine. He has to look towards the rate payers and that helps with his decisions. Again he would support a 2% increase but surely not a 4% increase.

Susan Severt commented that she takes a little offense to Trustee Elliott's comment that he is happy that someone is off the Board. She thinks that board members need to remain civil. She stated that she supports management's recommendation for a 3% increase.

Susan Severt made a motion to approve a 3% increase to employees' compensation. Prior to Joseph Barstow seconding the motion he commented it doesn't matter what he receives or doesn't receive. He can't base his decision on what his employer does for him; he bases his decision on what the employees do for the District and for the community. The motion carried by the following;

Yea: Joseph Barstow, Susan Severt, Sandra Ainsworth

Nay: Garth Elliott

Darrin Price thanked the Board on behalf of the employees.

Item#20. Financial report by Bill Short.

Bill Short reported the District received a letter from the State of Nevada Taxation Department stating that they found the District's final budget in compliance with the laws and appropriate regulations.

Item#21. Legal report by Maddy Shipman.

None

Item#22. Field report by Jon Combs.

Jon Combs reported on the following;

- Thanked the Board for approving the annual evaluation percentage on behalf of the field employees.
- The field crew is continuing to clean the sewer lines.
- He worked a lot getting the pool ready for the pool season and that the maintenance of the pool is getting more efficient.
- The field crew is continuing with the conversion of new meters. The conversion is almost completed.

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

Darrin Price reported on the following;

- Due to a lot of vacation schedules the next agenda will be minimal.
- He commented he did some research regarding a comment regarding customers with \$200 - \$300 dollar "water" bills. During summer time consumption there were a total of 199 residential bills for \$200 dollars or more. If the sewer portion was removed from those bills, then there would be no monthly bills for residential over \$200 dollars.
- He thanked the Board for their support, the employees work extremely hard for the District. They are constantly looking out for the District customers and Sun Valley residents. The employees love being a part of the community.

Item#24. Public comments.

None

Item#25. Board Comments.

Garth Elliott commented he received a letter and would like it to be entered into the record verbatim. It made some allegations and it was far from civil, far from telling someone that they are glad that they are not on the Board, it is way beyond that. He stated maybe it was time for him to

check on his value system as it relates to the rate payers. He knows of six employees that he works with that are District rate payers. One of them come from a very notorious family in Sun Valley, he can't even mention her last name for fear of giving it away, but that does not neglect her input. That person who pays their water bills regularly was appalled, not just slightly disgruntled, but appalled regarding the comparison of benefit packages that the District offers and what his work as a private industry offers. The people that he is referring to are routinely asked to put in 16 hours a day and basically cleanup after adults. He stated he quizzed four people since he received the letter just to see if he was in line with what he thought. Garth also reported on the Neighborhood Watch meeting that took place at the Sun Valley Landowners Building. He hopes that the Neighborhood Watch takes off and is a success.

Item#26. Future agenda items.

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

- Continuation of the General Manager's evaluation regarding the average score only.
- Approval of Community Service Award nominations.
- Possible presentation from Keep Truckee Meadows Beautiful and Sunrise Environmental regarding a possible graffiti removal kit.
- Possible discussion regarding a potential graffiti abatement program.
- Possible discussion regarding amended agreement with Washoe County regarding use of the Neighborhood Center.
- At the July 25th meeting there will be Presentation by the Washoe County Sheriff's Department regarding the Neighborhood Watch Program and potentially how the District can assist.

Garth Elliott requested an agenda item to formally put the letter he received into the record verbatim. He would like to bring it up to discuss the content, even if it is people's opinion, but to discuss the concept of delivering letters to board members houses. He is curious if the letter was delivered on company time and with company property.

Susan Severt requested an update regarding the park maintenance and a maintenance schedule. She also requested an overview of the safety programs for District's staff including OSHA training. She is requesting this item so the Board can get an idea of what is required and what the District does that goes beyond what is required.

Item#27. Adjournment.

Susan Severt made a motion to adjourn at 8:48 pm. Garth Elliott seconded the motion. The motion carried unanimously.