



Sun Valley G.I.D. Board Meeting Minutes of May 08, 2014

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
Erin Dowling	SVGID, Customer Service Supervisor
Maddy Shipman	SVGID, Legal
Jennifer Merritt	SVGID, Staff

Others Present:

Vicky Maltman	Audience
Cheryl McKinney	Audience
Michael Rider	Audience
Glenda Walls	Audience
Michael Drinkwater	Truckee Meadows Water Reclamation Facility

The meeting of the Sun Valley GID was called to order by Chair 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; Treasurer Barstow, Vice Chair Elliott, Chairperson Ainsworth, Secretary Reinhardt, Trustee Severt. A quorum was present.

Item#2. Pledge of Allegiance.

Led by Trustee Severt

Item#3. Motion to approve agenda.

Trustee Severt made a motion to approve the agenda. Secretary Reinhardt 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.

Darrin Price, General Manager, announced the Nevada Food Bank will be offering the free meal for kids this summer. The Sun Valley area will have several sites two of them being the Gepford Park and the Sun Valley Community Park.

Vice Chair Elliott commented on the passing of Sheriff Balaam. Mr. Elliott reported one of his neighbors has stopped watering his trees because of the cost of water. He also reported Hall's Motors moved back to the Sun Valley community.

Chairperson Ainsworth reported she attended the Washoe County Debt Management Committee and the committee passed a big bond that would split water and sewer due to the upcoming merger with Washoe County Department of Water Resources and Truckee Meadows Water Authority.

Item#7. Discussion and motion to approve accounts payable for April 24, 2014.

Treasurer Barstow gave a brief report of the accounts payables for April 24, 2014.

Treasurer Barstow made a motion to approve the accounts payable for April 24, 2014 in the total amount of \$201,407.43. Trustee Severt seconded the motion. The motion carried unanimously.

Item#8. Discussion and motion to approve accounts payable and customer refunds for May 08, 2014.

Treasurer Barstow gave a brief report of the accounts payables for May 08, 2014.

Treasurer Barstow made a motion to approve the accounts payable for May 08, 2014 in the total amount of \$202,580.26. Trustee Severt seconded the motion. The motion carried unanimously.

Treasurer Barstow gave a brief report of the customer refunds for May 08, 2014.

Treasurer Barstow made a motion to approve the customer refunds for May 08, 2014 in the total amount of \$1,299.47. Trustee Severt seconded the motion. The motion carried unanimously.

Item#9. Discussion and motion to approve minutes of April 24, 2014.

Secretary Reinhardt made a motion to approve the minutes of April 24, 2014. Treasurer Barstow seconded the motion. The motion carried unanimously.

Item#10. Presentation by Michael Drinkwater, Director of Truckee Meadows Water Reclamation Facility.

Darrin Price, General Manager thanked Mr. Drinkwater for coming tonight to give a presentation on the Truckee Meadows Water Reclamation Facility (TMWRF). He stated Trustee Severt had requested a presentation on some of the things that have been going on at the plant.

Michael Drinkwater, Plant Manger of Truckee Meadows Water Reclamation Facility gave a brief presentation on TMWRF. TMWRF is the wastewater treatment facility for Sun Valley. The District leases a portion of the treatment facility (2.1M gal per day), currently the District contributes on average 1.2M gal per day of wastewater. TMWRF did experienced an upset in early 2013 with nitrogen surpass. TMWRF is subject to a Total Maximum Daily Load of nitrogen that is allowed back in the Truckee River; TMWRF is allowed an average 500 pounds per day of nitrogen. TMWRF was unable to meet the 500 pounds due to a pipe upset. TMWRF has been in constant communication with Nevada Division of Environmental Protection (NDEP) regarding the issue. He

reported TMWRF does have the surpass of nitrogen issue under control at this time and from a permit compliant standpoint, TMWRF is currently compliant with all of the capital laws. The TMWRF's discharge content is a function and is required to meet those water quality standards. There has been an ongoing effort by NDEP reviewing the water quality standards, and recently it has been tabled because the Pyramid Lake Piute Tribe has their own water quality standards for a portion on the river located on the reservation. The Tribe has announced that they are going to revisit their own water quality standards and make possible revisions. He does not anticipate that there will be any changes to the current process at TMRWF with potential revisions to the Tribe's water quality standards.

Mr. Drinkwater reported during the economy hardship like most entities, TMRWF had several layoffs. Since the economy is recovering TMRWF is almost back to full staffing with the exception of five position vacancies, two of those vacancies are operators that recently retired with anticipation to replace those two operators. He stated TMRWF currently has forty-nine fulltime employees, twenty-eight various office/administration employees and twenty-one operators; of the twenty-one operators thirteen of them will be retiring within the next five years and one IT employee who is also going to retire within the next several years. He stated he would like to hire the IT replacement early in efforts to capture the years of knowledge. The TMRWF Directors are supporting the hiring of the new IT replacement early. He stated TMRWF is doing its best to capture the institutional knowledge that TMRWF needs as those employees retire in efforts to keep the facility functional. He reported on one of the recent changes, TMRWF used to have a position titled the Process Control Coordinator which was a senior experienced operator. He stated his predecessor started this process and he saw it through and he achieved and hired a Process Engineer. He stated the new Process Engineer is a valuable asset to TMRWF and there was some increase in salary for the position. He believes there will be an offset in savings with the recent hire because TMRWF won't have to hire consults for various projects with the knowledge of the recent hire that has a PHD in Environmental Engineering.

Mr. Drinkwater reported the District is billed in two manners proportionately. The District is first billed for operational estimated costs based on flow, which is currently approximately 11.2% of the Sparks portion that is approximately 32% of the total capacity. The District then is billed on annual bases for the difference for actual operational expenses. The Capital Improvements expenses are based on ownership, or leased capacity, of which the District leases a total of 14.4% of the Sparks capacity.

Mr. Drinkwater gave a brief report on TMRWF budget. In fiscal year 2013 the actual expenditures were \$28,200,702.00, in that year TMRWF spent 100% of the budget due to some emergencies. The first emergency was due to an electrical problem and the other emergency was a headwork emergency related to pipe failures. In calendar year 2013 two pipes failed in the headwork's which is the first portion of the plant where the wastewater enters the facility. TMRWF had to pump the wastewater up to the main treatment process, approximately 30 ft. of vertical head to get the wastewater up to the tank where then gravity flows through portion of the process. Had TMRWF lost the ability to pump the wastewater, it shortly would have been in the Truckee River. TMRWF was able to establish a bypass pump operation; the bypass was the entire influent which is about 27M gal a day, in order to dry out the facility to make the appropriate repairs. He stated TMWRF was able to put the facility back in full operation on June 28, 2013. This was a \$9.7M dollar project that was not anticipated. He stated some of the work was needed and was identified in TMWRF Capital Improvement Projects, just not to be completed in 2013.

Mr. Drinkwater reported on the TMRWF proposed Fiscal Year 2015 budget. He stated the budget has increased and that is mainly due to an accounting exercise. He stated some of the TMWRF costs in the past have been carried as a capital improvement costs and according to the auditors some of those costs should have been operational costs. He stated there are no new expenditures it is monies being moved from a capital budget to an operational budget for an accounting rule. The actual operational budget, without the items that were moved from capital to operational, showed a 4.4% reduction in expenses year over year. TMWRF is currently in year

three of a very aggressive capital improvement program. He provided a description of the upcoming projects that will make the TMWRF operations more efficiently for the next fifteen to twenty years. He also reported an on various cost saving efforts through some procedural changes. One of the procedural changes is the disposal of sludge. TMRWF has changed how many trips it makes to the landfill to dispose of its sludge and also being able to sell a portion of sludge to a wholesaler to be used as fertilizer.

Further discussion ensued regarding the sludge and its use as fertilizer.

Vice Chair Elliott commented as a board member he has concerns regarding the hits the District has received from TMWRF. He inquired what percent the District leases from TMRWF. He stated the Sun Valley area is almost completely built out and he doesn't want the District to be leasing more capacity than what is needed. He also inquired why TMWRF is experiencing a large amount of retirement of employees.

Mr. Drinkwater responded the District leases 14.4% of the Sparks capacity of the treatment facility, the Sparks capacity is 31.37% of the facilities capacity. He also responded the large amount of retirement is based on employees who have been with TMRWF for 30 years and others have moved on with their careers.

Mr. Price responded originally when the District leased capacity at the treatment facility back in the 1980's, measurements were done differently. A lot higher averages were used for gallons per day per capita and people weren't water conservation savvy. The District performed a toilet retrofit program for the Sun Valley community that reduced the District's wastewater flows by 15%. He stated that TMWRF was built and designed based on gallons per day per capita, it was larger back then and it has come down since then. He stated when the Sun Valley area is completely built out, the District will be using its full leased capacity at the treatment facility.

There were no public comments.

Chairperson Ainsworth thanked Michael Drinkwater for his presentation.

Item#11. Review, discussion and direction to staff regarding online payment option.

Erin Dowling, Customer Service Supervisor stated discussion regarding online payment option has been discussed various times over the past year. On March 27, 2014 the Board directed staff to proceed with researching the costs of implementing an online payment option for the District customers and the cost for online transactions to be paid by the customers at the time of payment. Her first staff report indicated that Springbrook determined the transaction fee would be no more than 4% of the customer's total bill. After Springbrook's final review of the District's current statistical usage of credit/debit card payments, type of industry, and structure of desired online payment option, Springbrook is recommending a fixed \$1.97 per transaction instead of the percentage fee.

Secretary Reinhardt inquired if Springbrook determined the \$1.97 would be approximately 4% or is 4% the typical amount to be charged.

Ms. Dowling responded the determination of the \$1.97 per transaction fee comes from a very complicated spreadsheet that takes in account all the associated costs including the; \$.05 per active account per month fee, maintenance costs, PCI compliance fees, and associated merchant fees.

Secretary Reinhardt inquired if the transaction fee includes the cost of the software and the cost to install the feature.

Ms. Dowling responded that Springbrook would not charge the District for setup. The transaction fee covers all of the other associated cost as previously mentioned. She stated the Board had decided if the District was to proceed with online payments; the customer should be the ones responsible for all the costs.

Secretary Reinhardt inquired if there is a legal limit amount that the District can charge for the transaction fee and if so what is the amount.

Ms. Dowling responded depending on the type of industry the District is, the type of payments the District would receive, would determine the amount of the transaction fee. Not all credit/debit card merchants charge the same fee for the use of their cards, it varies on merchant company, total amount, and location of where it is being used. She stated the recommended \$1.97 transaction fee is based on current statics and in order to get an accurate amount, transactions will have to be monitored on a regular basis to see if the \$1.97 transaction fee is covering the online payment expenses.

Mr. Ariztia responded as discussed at prior board meetings, if the suggested \$1.97 transaction fee is not covering the entire cost of the feature, then the transaction fee would have to be adjusted to cover the entire cost. He stated Springbrook would continue to monitor the online payments and provide the District with feedback if the transaction fee is covering or not covering expenses and would provide a recommended transaction fee to cover the cost at that particular time.

Secretary Reinhardt inquired if there is a chance the transaction fee would go over the legal amount the District is allowed to charge.

Ms. Dowling responded a company cannot charge a customer more than a 4% transaction fee if they are considered retail. The District is not considered retail, the rule that applies to the District is that the District is not allowed to make a profit from transaction fees and that is why the transaction fee would be monitored on a continuous basis. Ms. Dowling reported after further investigation the District's current \$1 transaction fee is not covering the actual cost to the District and it is approximately \$.28 less than what is actually needed.

After further discussion Ms. Dowling recommended the Board move to approve the implementation of Springbrook's online payment option. She also stated the Board would have to hold a tariff hearing to adopt the proposed \$1.97 transaction fee. She stated it will take approximately four months to implement the online payment feature.

Vice Chair Elliott commented if the online payment feature is implemented, he suggested the District aggressively advertise the new feature in efforts to get customers utilizing the feature.

Audience member Cheryl McKinney commented there is still a savings to the District if the online payment feature is implemented from the savings of printing and mailing of customers' bills.

Audience member Michael Rider commented the online payment feature is the right move for the District. He thinks over time more people will pay their bills on time which will cut down District's time trying to collect.

After further discussion regarding savings of printing, postage, and customers' time spent paying online, Treasure Barstow made a motion to approve staff recommendation to proceed with implementing online payment feature with Springbrook. Trustee Severt seconded the motion. The motion carried unanimously.

Item#12. Discussion and possible motion to approve up to four employees to attend the Nevada Public Agency Insurance Pool Aquatic Risk Management Training June 20, 2014 in Tonopah.

Darrin Price, General Manager requested approval to send four employees to the upcoming Pool/Pact Aquatic Risk Management Training class that is scheduled for June 20, 2014 in Tonopah. The four employees include Mr. Price, Public Works Director Mike Ariztia, Aquatic Supervisor Lauren Going, and Lead Lifeguard April Brown. He stated since the training is provided by the Pool/Pact, he was able to apply for a grant to assist with the costs of travel, lodging, and per diems. He stated his grant request was approved to cover the cost for two employees for the amount of \$ 548.80. He stated the District would be responsible for the other two employees. The total cost to the District is \$280.00 dollars this would be for lodging and meal per diem.

Vice Chair Elliott commented he would like to be assured there is a need for management to attend the training. He would prefer four pool employees attending the training.

Mr. Price responded he would like to attend the training if he is going to be responsible for managing the pool. He stated he agrees with Mr. Elliott it would be nice to send other lifeguards to the training. However, because of the timing of the training, hiring of the lifeguards, and opening of the pool he is unable to send more to the training.

Audience member Cheryl McKinney inquired on behalf of Vicky Maltman if the employees could share a room to help with expenses.

Mr. Price responded to the inquiry and explained why some of the employees cannot share a room. He stated he would ask the two lifeguards if they would like to share a room.

Trustee Severt stated if all employees are not going to share a room, then no one should have to share a room. She stated the District is asking staff to travel and they should be able to receive personal time. Many businesses, private and public, policies state if an employee is going to travel, the employee will get their own room. She does not have a problem with employees willingly wanting to share a room.

After further discussion Treasurer Barstow made a motion to approve staffs request to attend the Aquatic Risk Management Training June 20, 2014 in Tonopah; with asking the lifeguards if they would like to share a room. Secretary Reinhardt seconded the motion. The motion carried by the following; Ayes: Treasurer Barstow, Vice Chair Elliott, Secretary Reinhardt, and Chairperson Ainsworth Noes: Trustee Severt

Item#13. Nancy Eklof Public Relations update.

Darrin Price, General Manager provided a copy of Nancy Eklof's May Update Report. He stated Ms. Eklof has been working on the following projects for the District; preparing public relations announcements for the pool opening and swim lessons, assisting Keep Truckee Meadows Beautiful with the soliciting of local resident and businesses for the upcoming KTMB Great Cleanup. He stated the Sun Valley Community Park has already met its number for volunteers and additional volunteers are being referred to the Chimney OHV cleanup site. She is working on announcements for the upcoming Dive Into Summer Event as well as soliciting sponsors and

giveaways for District recreational events. Ms. Eklof is currently working on the planning of the summer pipeline and continues to meet with District staff monthly on marketing and public relations needs. Mr. Price also stated Ms. Eklof assistance with the Boys and Girls Club with the Easter Egg Hunt and helped make it a success.

Vice Chair Elliott commented he is pleased to hear there was an overabundance of volunteers and hopes the District can capture them and use them for future volunteer opportunities.

There were no public comments.

Item#14. Discussion regarding any possible changes to the tentative budget following the April 29, 2014 budget workshop and possible direction to staff.

Darrin Price, General Manager stated the District held a budget workshop on April 29, 2014 and is scheduled to have a budget hearing on May 15, 2014 to adopt the District's Fiscal Year 2014/2015 budget. He requested if any of the board members would like to see changes to the budget to provide them to staff tonight. This would allow staff appropriate time to make any adjustments prior to the hearing.

Vice Chair Elliott stated unless it reflects a 4% decrease, and he is not going to be involved in going through the budget ludicrously to find the 4%. Unless, it reflects the 4% decrease from last year, he will not be voting affirmatively on the budget.

Secretary Reinhardt stated she would like to see a reduction as well, and she thinks a 4% decrease is modest.

Chairperson Ainsworth commented she recalls various items were discussed during the budget workshop including no raises being budgeted for. She stated she assumes that is still the plan and that staff will do their best watching expenses.

Treasurer Barstow stated he thinks the Board has a responsibility to direct staff where to make any adjustments to the budget, especially if the Board is asking staff to reduce the budget by 4%.

Secretary Reinhardt suggested in lieu of raises to consider the retirement that is paid by the District. She thinks that savings would equal to 4%.

Mr. Price responded he received correspondence back from the other eight agencies that the District uses for comparison and he will make sure to provide that information at the next meeting as far as their proposed raises and benefit coverage.

Ms. Shipman stated she acknowledges Secretary Reinhardt concern regarding PERS. Ms. Shipman stated the appropriate time to address retirement is when PERS is proposing a rate increase, and there is no rate increase this year to be used as a tradeoff.

Further discussion ensued regarding employee benefit suggestions.

There were no public comments.

Item#15. Financial report by William Short.

None

Item#16. Legal report by Maddy Shipman.

None

Item#17. Field report by Mike Ariztia.

Mike Ariztia reported on the following items;

- Gave an update on the pool, the pool has been drained and cleaned. It is scheduled to be filled sometime next week. The Health Inspection will take place the last week of May and lifeguard training will start the first week of June.
- He attended a Utility Coordination meeting regarding the Pyramid and McCarran intersection Expansion Project. He stated the District will be responsible for raising manholes for this project since the District's wastewater interceptor is located in the intersection. He stated there may be some costs associated with the raising of the manholes; he will continue to negotiate with RTC regarding the cost to lower/raise of the manholes.

Item#18. Manager's report by Darrin Price.

Darrin Price reported on the following items;

- He reported he attended the Northern Nevada Water Planning Commission, of which he is a Commissioner of, the Commission did recommend a budget to the Western Regional Water Commission. During that meeting he questioned the use of the 1.5% Regional Management Fee that was requested to be used towards a construction project. He stated the Regional Management Fee was approved to be used for planning and not for projects. The request was approved and he foresees more requests for funds to be potentially used towards construction projects.
- The Board of County Commissioners is scheduled to meet next Tuesday. An item of interest is an update on the 395 Connector Project.

Item#19. Public Comments.

None

Item#20. Board Comments.

Vice Chair Elliott commented he has heard reports of various pool closures and he thinks the District needs to capitalize on those closers. He also commented on the drastic changes regarding the Animal Shelter. The Animal Shelter has been turned into a standalone facility and hopefully it will turn into a good thing for the community. Mr. Elliott also reported he spent time with the former District General Manager Diana Langs and reported it was an hour well spent.

Trustee Severt reported Keep Truckee Meadows Beautiful Great Cleanup is this Saturday, May 10, 2014 starting at 8 am until noon. There are a total of twenty two sites scheduled to be cleaned this year. Last year there was a total of 700 volunteers, this year's goal is 1,000 volunteers. She reminded everyone there are two sites in Sun Valley; Chimney OHV and Sun Valley Community Park. She stated as an incentive for local volunteers the Chimney OHV site will be giving free RTC bus passes that were donated by Commissioner Weber. She also met with the BLM Representative that is responsible for the Chimney OHV cleanup site and they will be addressing the shooting sites. Ms. Severt also reported the Blue Ribbon Committee for regional fire service is scheduled to be on the Board of County Commission agenda next Tuesday to publicize the report for regional fire service.

Item#21. Future Agenda Items.

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

- Presentation by Washoe County Regional Parks regarding updates to the Sun Valley Regional Park Master Plan.
- Presentation from Joseph Castello regarding his graffiti park.

Item#22. Adjournment.

Vice Chair Elliott made a motion to adjourn at 7:50 pm. Trustee Severt seconded the motion. The motion carried unanimously.