

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
February 20, 2008
6:00 P.M.

Trustees Present: Chairman Laura Lau, Vice Chairwoman Denise Pierini, Secretary/Treasurer William Eisele, Trustee Brian Patrick, Trustee Kathryn Clark-Ross

Trustees Absent: (none)

Staff Present: General Manager Dennis Longhofer, District Analyst Human Resources & Community Sandi Eisele, District Analyst Operations Nancy Fredrickson, Water Supervisor Dave Wright, Wastewater Supervisor Andy Joyner, Engineer Brian Randall, Administrative Assistant Karen Ziemer

Others Present: Attorney Scott Brooke, Art Baer, Michelle LaFontaine, Dale Morlan, Thomas Warens, Donna Warens, Ron Lynch, Jim Murphy

1. **Call to Order:** Chairman Lau called the meeting to order at 6:00 P.M.
2. **Pledge of Allegiance:** Led by Chairman Lau
3. **Approval of Agenda:** Secretary/Treasurer Bill Eisele made a motion to remove items #17, #18 and #19 from the agenda. Bill stated that item #17, his letter to the Board of Trustees was intended to be distributed to the Board of Trustees only. He tried to have item #17 removed from the agenda before it was posted but was denied by staff. Bill stated he would like to wait to discuss item #18 regarding hiring of consultant Jerry Hall until July when the new budget is in place. Bill commented that item #19 regarding a separate special meeting of the general manager's performance evaluation and contract renewal would not be necessary if item #17 was removed from the agenda. Trustee Patrick stated he understood Trustee Eisele wanting to take item #17 off the agenda as it was a personal item. Trustee Patrick commented that #18 regarding a strategic plan would be an excellent way to kick off the new year. Chairman Lau stated that she put item #17 on the agenda under direction from counsel due to the memo format to board members. The items in the memo would cause discussion by the board which is considered deliberation. It is a violation of the open meeting law for deliberation between board members to occur without an agenda item. Chairman Lau stated that item #18 was placed on the agenda by Vice Chairwoman Pierini and herself. Chairman Lau stated she would like to keep item #18 on the agenda to set goals for the board and reduce friction between members. Chairman Lau commented that she was opposed to having item #19 in the same meeting as item #18. She will want to know the actual date that General Manager Longhofer's contract expires.

Secretary/Treasurer Bill Eisele motioned to remove items 17, 18 and 19 from the agenda, Trustee Kathryn Clark-Ross seconded the motion.

Motion did not carry 3-1, 3 ayes by Trustee Ross, Vice Chairwoman Pierini, Secretary/Treasurer Eisele. 1 nay by Trustee Patrick

Secretary/Treasurer Eisele asked to speak, Chairman Lau refused. Secretary/Treasurer Eisele cursed and left the meeting.

Public Interest Comment: Ron Lynch commented he would like item #18 left on the agenda for discussion. He asked for an explanation of contents. Chairman Lau explained the strategic planning session would help define board responsibilities, strategic planning and goal setting. Mr. Lynch stated he thinks this is a good idea for the future of the board.

Chairman Lau stated that as new Chairman she would like to be able to run board meetings as efficiently and effectively as possible. She would like to make some changes to the meeting format. In any public meeting when there is public comment directed to the chairman, or when anyone is speaking there should be only one person speaking at a time so they may be heard. If a board member wishes to speak, they should direct the comment to the board chairman who will decide if timing is right for them to speak.

Motion stands by Secretary/Treasurer Eisele to remove items 17, 18 and 19 from the agenda, Trustee Kathryn Clark-Ross seconded the motion. Motion did not carry 3-1, 3 ayes by Trustee Clark-Ross, Chairman Lau and Vice Chairwoman Pierini. 1 nay by Trustee Patrick, Secretary/Treasurer Eisele absent.

4. **Public Interest Comment:** (none)

5. **Discussion and possible action to accept a grant of \$18,000 from the Nevada Division of Environmental Protection to update the District's Well Head Protection Plan. Dennis Longhofer, Kim Borgzinner (NDEP):** Secretary/Treasurer Bill Eisele returned to the meeting during this item. Kim Borgzinner from Nevada Division of Environmental Protection (NDEP) introduced herself as manager of the Well Head Protection Program with the Bureau of Water Pollution Control. She stated this is a voluntary program that provides grant funds to small communities to help develop and implement well head protection efforts. Kim stated NDEP would be giving the IHGID \$18,000 to update our Well Head Protection Plan which is approximately 5 years old. There are some wells in the district that could be properly abandoned, which will require funding. Kim stated if IHGID has a state endorsed well head protection plan the program will fund certain implementation activities. These activities could include well abandonment and public education activities such as mailing of brochures regarding well head protection. Kim presented a grant award from NDEP to IHGID in the amount of \$18,000 to update and develop a Well Head Protection Plan. Kim stated this is a no match grant with no strings attached. The grant program will necessitate a contract agreement that will have requirements for IHGID. Sondra Grein, Management Analyst with Bureau of Water Quality Planning manages the contracts and billing procedure for well head protection. Sondra can help the district get set up to submit reimbursement invoices. Reimbursement is a process that requires receipts to be submitted within 40 days. Please call either Kim or Sondra with questions.

Trustee Clark- Ross asked why we were chosen for this special grant award. Kim replied that she worked for Farr West Engineering prior to working at the state. She met with General Manager Dennis Longhofer to provide technical assistance for planning community needs. At that time a need was identified for an updated well head protection plan. Farr West informed Dennis there was a venue to get the plan accomplished. Dennis pursued the grant and it was awarded. Trustee Patrick stated the well head protection plan was extensive. His understanding is the \$18,000 grant is for startup with a committee, and that IHGID will be responsible for costs for ongoing management of their well head protection program. Kim stated yes, we take

ownership of the program and anything we develop in the management strategy plan we need to take responsibility for. There will be funds available for public education and strategies we come up with. Vice Chairwoman Pierini asked how many other water districts have been presented with this plan. Kim Borgzinner answered there are 64 state endorsed well head protection plans throughout the state in force now. Of these 64, a little over half of these are in management strategy and strategic planning. This is an ongoing project mandated through the 1996 safe drinking water amendment. We have a year to use the grant for the Farr West Engineering work plan after the state board of examiners signs the contract. It is supposed to go to the state board of examiners by April, 2008. We should have the grant by April, 2008 which means it is available until April, 2009. Our consultant, Farr West Engineering will coordinate with our General Manager as the first two members of the planning team. They will solicit for additional members of the team. Board members may or may not participate as team members. The \$18,000 grant is to pay for consultant to come in to help plan strategies and a development document. The consultant will spend the most time helping to develop a plan before it comes before IHGID Board of Trustees for approval. There is no time limit for activities developed under plan. Having a plan document submitted to the state will open up opportunities to receive additional funds from NDEP for plan activities. Attorney Scott Brook acknowledged that reimbursement for monies spent could not be billed until after NDEP board of examiners approved the plan. He asked if the \$18,000 grant money was secured for reimbursement to IHGID. Kim Borgzinner answered yes.

General Manager Dennis Longhofer commented he thinks this is a great plan. He has talked with Water Supervisor Dave Wright on numerous occasions about abandonment of some district wells. Dennis was surprised the state had not made it a requirement yet. The intent of the plan is to protect ground water sources from contamination. Dennis thinks it is a good idea to do the plan and be available for more funding. Water Supervisor Dave Wright commented that this is an update to the existing well head protection plan done in 1998. We will not be starting from scratch

Public Interest Comment: Art Baer commented on the sub contract to Farr West Engineering for \$18,000. If the \$18,000 funding is not available from NDEP Indian Hills GID is liable for the sub contract to Farr West Engineering in the amount of \$18,000. Kim Borgzinner from NDEP commented that NDEP has never not fulfilled their contract obligations on any of their well head protection plans.

Trustee Patrick moved to accept the grant in the amount of \$18,000 from the Nevada Division of Environmental Protection to update the District's Well Head Protection Plan. Seconded by Secretary/Treasurer Bill Eisele. Motion carried unanimously.

6. **Discussion and possible action to adopt original Drug and Alcohol policy with B.A.C. limit set and followed by the State of Nevada. Dennis Longhofer:** General Manager Longhofer commented this has been a long process over several months. The final policy has been approved by the union and signed by a union representative. This is a good program that does reasonable suspicion and pre-employment testing. Trustee Clark-Ross questioned the difference between the old and new policy. General Manager Longhofer stated the only change was the alcohol level from .02 to .08. An employee can still be removed from a job if he is unsafe and under the .08 alcohol level, but no disciplinary action can be taken. General Manager Longhofer commented that employees who possess a commercial driver's license are subjected to random drug testing by law and their limit is .08. At the present time the district has no trucks large enough to require a commercial driver's license.

Public Interest Comment: Bill Moriarty asked for history on the .02 to .08 change. Is the district changing to the .08 limit due to the driving limit for the public? Is that why the district is allowing the .08 limit? Trustee Patrick answered no, we are not allowing a .08 limit, the limit is below .08. General Manager Longhofer commented that the policy is written for a .08 limit, but if an employee is thought to be impaired he may be removed from the job. Mr. Moriarty commented that .08 seemed too high. General Manager Longhofer stated that by law there is no workplace limit. If there is reasonable suspicion a person can be removed from the job. The way the policy is written, reasonable suspicion occurs when at least two people observe and suspect a worker is impaired. A supervisor and manager must make the decision to remove a worker from the job and have him tested.

Vice Chairwoman Pierini made a motion to adopt the original Drug and Alcohol policy with B.A.C. limit set and followed by the State of Nevada. Trustee Clark-Ross Seconded. Motion carried unanimously.

7. **Discussion and possible action to change the date of March 2008 Board of Trustees meeting. Denise Pierini:** Vice Chairwoman Pierini requested a change for the March 19, 2008 board meeting to a different date since she cannot attend.

The Board of Trustees agreed to change the March regular business meeting to March 26, 2008 at 6:00 P.M.

8. **Discussion and possible action to approve a payment to Central Sierra Construction in the amount of \$22,511.70 for storage building at the wastewater treatment plant:** General Manager Longhofer stated that if Central Sierra Construction hasn't broken ground for this building they are getting close. The building permit has been issued and equipment is on the site. This is the first payment of the contract for cost of supplies and design. The contract balance is approximately 65,000. Chairman Lau asked if they had broken ground. Dennis answered that engineer stakes and pad work were done previously in house. \$22,000 is the first installment payment of everything Central Sierra Construction has done so far.

Public Interest Comment: (none)

Trustee Ross made a motion to approve a payment to Central Sierra Construction in the amount of \$22,511.70 for storage building at the wastewater treatment plant. Secretary/Treasurer Eisele seconded. Motion carried unanimously.

9. **Discussion and possible action to approve purchase of utility truck for Water department not to exceed \$28,000:** Water Supervisor Dave Wright stated last years budget contained \$20,000 for a used truck. Through the state purchasing plan he can buy a brand new truck for under \$19,000. He wanted to buy a utility truck with utility body on it. This price with 4 wheel drive is for a standard pickup bed and would not include a utility body. In the next year budget he would propose to buy a utility body to put on the truck. This is the main reason he requested going over the budget item to purchase a cab and chassis truck. It would have to be sent to a dealer that puts on the utility body. We would end up with a new service truck under warranty with a utility body. In the past we have purchased trucks without a utility body and pipe racks. General Manager Longhofer recommended looking at a truck with a diesel engine. Dave checked two diesel trucks. A Ford diesel truck cost an additional \$6,000, a Dodge an additional \$7,000. Diesel fuel would save approximately .40 to .50 cents per gallon. Trustee Patrick asked about mileage on the current truck. Dave answered he drives a 1998 Chevy S10 pickup 2 wheel drive with over 56,000 miles on it. Josh drives 1999 a 4x4 service truck with a

utility body on it with over 72,000 miles on it. Dave commented that more miles are put on the trucks since on call employees take them home for emergency availability.

Vice Chairwoman Pierini asked if there has been a reduction in calls since the laptop computers were purchased to cut down on emergency calls employees were taking. Dave answered there has been a great deal of reduction. He can deal with approximately 80% of the calls on the laptop. Some calls will always need to be attended to in person. This has saved a significant amount of money. Trustee Patrick inquired if this would be a replacement truck or an addition. Dave Wright explained they had wanted to replace the S10 truck. Now that the service truck was having mechanical problems it would be less costly to replace it.

Chairman Lau commented that the budget approved \$20,000 could be carried over to next year's budget and more funds added then to purchase a truck. District Analyst - Operations Nancy Fredrickson, commented on the availability of \$60,000 in the budget in capital outlay that could be used now to purchase a truck rather than waiting until next budget year. Secretary/Treasurer Eisele commented that he would like to see a Dodge truck purchased even if it cost more due to an excellent warranty package and running gear.

Public Interest Comment: Bill Moriarty commented that warranty specifications are the same for Ford and Dodge.

Trustee Patrick made a motion to approve purchase of a utility truck for the Water department not to exceed \$28,000. Secretary/Treasurer Eisele seconded, motion carried unanimously

10. Discussion and possible action on Valley Vista Park RTC funds match from District. Michele La Fontaine, Dennis Longhofer: General Manager Dennis Longhofer reported that several board members attended the Douglas County Parks Commission meeting. The commission indicated they had no money to give our district this year but they are willing to come up with possibly \$50,000. The commission would like to have our district participate to get a good start on possibly the top section of the park with trees and irrigation. Dennis stated there is money from our insurance company that could be used for this project. Trustee Patrick commented that the Parks Commission in essence, is saying they would like to see us match their \$50,000 funding. The park will cost more than \$50,000. If we are committed to this project he'd like to put a little more than a match in the next year budget. General Manager Dennis Longhofer stated we are next in line on the priority list as building funds come in. Dennis stated we must budget for the \$50,000 in next year budget and hopefully can get help with the funding through grants. There are urban, state trails and 50/50 grants available. Dennis commented that the Douglas County Parks commission would like a commitment from us before their next meeting on March 4, 2008. The commission will be very happy to have our facilities available but their number one commitment is to Johnson lane which is over \$1,000,000.

Michelle La Fontaine from Indian Hills stated there is a total of over \$1,100,000 in the North County Parks Residential Funds tax fund in a deferred interest account. In order to do part of the project for Johnson Lane these funds will be used up. After these funds are used, any money that accumulates from new housing will go towards the second project which is Valley Vista Park. Michelle stated that the Parks Commission reassured us that we would get funds in the future for the park. Personally she would prefer to see the park get the money, have it all organized and do it right. A few of the board members on the park committee thought it a good idea to get some money. The Parks Commission offered the \$50,000. The park committee is

happy to at least see that kind of money to possibly get some trees planted to start growing for shade. Michelle commented that at least development of the top part of the park would allow us to start enjoying the park.

Trustee Brian Patrick commented on his concern that we budget in the Streets and Parks budget next year. Grants may be applied for and not granted. We must be aware of this as we build a park. We can start with \$50,000 in the budget. The park will most likely be built in phases that can be budgeted over 2-3 years. General Manager Longhofer commented there is already a sign made for the park that will be in place shortly. Trustee Clark-Ross questioned if office staff would be requesting funds from RTC and writing grants, or should we hire a grant writer. General Manager Dennis Longhofer replied he thinks his staff will be capable of doing the work. Dennis stated we would be able to go in to the next Parks Commission meeting and be able to match the \$50,000. Chairman Lau asked District Analyst – Operations, Nancy Fredrickson if we had the money for this. After discussion, Nancy stated \$50,000 could be in the Beginning Fund Balance for the next Fiscal Year. Chairman Lau commented that the Parks Commission stated that no park in Douglas County had been done in one phase. Vice Chairwoman Pierini commented that the Parks Commission was impressed and encouraged with the work that has been done at James Lee Park. The Parks Commission is using James Lee Park as a role model. Trustee Eisele commented that we are continuously doing work still on James Lee Park. Chairman Lau questioned who would be going to the Parks Commission meeting on March 4, 2008. She suggested that whoever speaks for Indian Hills should be sure to do their research to be able to answer questions. Dennis answered he and possibly Sandi Eisele would be attending the meeting.

Public Interest Comment: Resident Harold R. Johnson expressed appreciation to the board for action on this item. He has lived here for 7 years with the promise of a park. He speaks for his neighbors as well.

Vice Chairman Pierini made a motion to commit to budgeting funds to match Douglas County Parks and Recreation (RTC) funds in the sum of \$50,000 to apply to developing Valley Vista Park in budget year 2008/2009. Trustee Patrick seconded. Motion carried unanimously.

The Board of Trustees took a 10 Minute Break from 7:40 P.M. until 7:50 P.M.

11. Reports to the Board:

a. General Manager's Report (Exhibit A)

General Manager Dennis Longhofer discussed items as written in the General Manager's Report. Dennis introduced the new Administrative Assistant, Karen Ziemer to the Board of Trustees. Vice Chairwoman Pierini inquired about the need to purchase a dump truck. Dennis stated we will need a dump truck and that he is looking for a good used one. We have a 1 ton dump truck that does not hold enough. Dennis stated we had to rent a dump truck approximately 5 times this year. This will be something to consider next year. Trustee Pierini stated that she was disappointed with the sign for employees only, installed in the main office reception area. She commented it is neither public friendly or appropriate for a receiving area setting. She suggested a plaque on the wall that asks people coming in to the office to check in with the receptionist. Dennis will remove the employee only sign and get a better sign for an office setting. Trustee Ross suggested a sign in sheet.

Chairman Lau asked if the snow plow repair was done in house. Dennis answered yes; it was a minor replacement of a hose. Dennis commented that the snow plow has saved us a lot of time and money. Chairman Lau asked what kind of horseshoe pit repair was necessary. Dennis answered there was vandalism and the boards were kicked in. There has been an arrest made. Repair will include putting something deep down through the pit to hold the boards.

Chairman Lau asked if information on the water rate increase will be brought back to the board. Dennis stated he thinks this is important to do in the next budget. Dennis will recommend the same water rate fee that we have. Dennis commented there is a possibility for a sewer usage fee. The fee may not be in this year, as we do have bonds that have to be paid. We will be held accountable, so must increase it. The warrant conservation report states they'd like to see 1.5% of the annual average income for the area. We are below 1% and not eligible for some Nevada grants such as a new water tank until we show that we have done something to take care of what we have. Dennis stated this item will come back to board.

Chairman Lau asked for an update on the well with nitrates. Dennis stated that Water Supervisor Dave Wright will drain the tank next week and inspect it. Dennis commented this is not a domestic system; we can use it until it falls apart. We can patch it, and need to put a 4" water line to it. We need to look at the feasibility of doing the work in house by putting off other things. Dennis stated he has an estimate that Engineer Brian Randall pulled together 2 or 3 years ago. Trustee Patrick commented that we have a well that we are not using with water we can give. In the summer about 10% of the water we are paying to be treated is going on the ground. If we can give ourselves a bump for water use in homes, he'd like to start on this project in the next 6 weeks; before summer when park work must be done. Dennis commented this would be a project for next year. Trustee Eisele asked if this is the tank that leaks and is it going to be drained to see if it can be lined inside. Engineer Brian Randall answered he was not sure. The tank has been looked at before. This is an old tank in poor condition. Lining the tank would be an interim fix, not long term. The two alternatives looked at and settled on were rehabilitation of the tank, or building a new tank. Engineer Randall commented he was not sure a new tank is the way to go since there are numerous tanks out there that are being upsized, leaving a decent smaller tank that could be utilized. Because of the cost of a new tank, the solution was to continue to use the tank in place. This tank does not meet engineering design standards such as seismic issues and overturning. If it did fall over it would only damage your property, although anchors could be put in place. If we are going forward with purchase and the economy as it is, it would be hard to justify staff working on it. Engineer Randall commented he thinks we could find tank contractors looking for work now that could work more efficiently for less cost than staff could do it. This has been well planned out and once the decision is made to go forward it can go forward quickly.

Public Comment: (none)

b. District Analyst-Operations Report (Exhibit B)

Nancy Fredrickson reported she spoke with Comptroller Claudette Springmeyer and Kathy Lewis from Douglas County last week to discuss what they would be looking in to. Secretary/Treasurer Bill Eisele suggested they look into the current financials.

Trustee Patrick suggested looking into past years financials. The research has been done and given to Douglas County. Trustee Patrick asked about payroll services being contracted out to Nevada Payroll Services. Nancy stated it was very inexpensive at approximately \$125 per month for their services. Sandi Eisele currently does the payroll. The contracted services will be a great time saver. The services include PERS, taxes and other deductions as well as all tax reports.

c. District Analyst-Community & H.R. Report (Exhibit C)

d. Engineer Report

Engineer Brian Randall commented regarding the nitrate well. If the board wants them to proceed they can begin the process. There is some work that needs to be done in addition to getting the line to the tank or wherever the storage is going to be. There is a need for automatic control as you don't want to do this manually. We need to extend a line in to the park also. This might be the best place for staff to work on the system. It would be nice to have this in place this summer to give relief to demand on the portable water system. General Manager Dennis Longhofer commented on the construction of the Romtec Package lift station system that is now under way. HDR approached the district to allow them to begin construction of the lift station package unit, because this is a slow time of year for them. The original contract with them has a provision for paying for storage of the unit before it is delivered for installation in the district. They have forgiven that as a requirement. Brian Randall added that the submittals have been approved, and they have been authorized to proceed with construction of that package system. Remember this is a 2 phase program where we will have the package system construction, then the installation which will include sticking the lift station in the ground as well as a number of emergency power improvements to the water and sewer system. These will all go out as a single installation bid. Brian received plans and specifications today from the electrical engineer, which is a very large part of this project. Engineer Randall stated he will be going forward with bids for the installation of the lift station as soon as the bid can be put together.

Brian commented on an interesting development in the last few weeks for potential service out of the Indian Hills District to the Clear Creek development. It is intended to be a high end residential area with approximately 360-370 residents, a golf course and clubhouse. It is significantly removed by at least 1 mile from the District. The intent had been that Douglas County would provide wastewater service to the Clear Creek development, using their newly upgraded North Valley wastewater plant. Hopefully, in the near future it will take all of the new commercial area also. The County is now suggesting they may not have the capacity to handle Clear Creek. Douglas County has asked Clear Creek to approach Indian Hills about the possibility of Indian Hills providing service. Clear Creek came to General Manager Longhofer, who in turn asked Brian to look at our wastewater conveyance system. Brian reviewed the system to see if there would be problems created for our District by Clear Creek being served. IHGID has their own system and it would not be fair to residents and the community to pay additional costs for updating our system to provide Clear Creek with service when they are not in district. Brian finalized his review of the system and sent a memo to Dennis. His memo essentially says the IHGID system on this side of the district can handle not only Clear Creek but potentially Jacks Valley and Alpine Estates as well. This would require minor upgrades to our system in the amount of approximately \$100,000 to

\$150,000. Brian presented the information to Clear Creek today. IHGID may hear back from them about annexation of future service to Clear Creek. Brian commented that it appears a number of areas that we thought Douglas County might want to serve in the future may now be brought to the service area of Indian Hills. This is due to all the explosion of service that the County will have on the East side of the highway with Big George, the casino site and development that will be coming forward very quickly. This could be a big commitment to our service in the future. Trustee Clark-Ross asked if Clear Creek does bring the request to IHGID, can we ask them to bring the \$150,000 for the upgrade. Engineer Randall replied he spoke with Dennis about this and then told Clear Creek he was fairly certain that any sort of request would carry with it an additional charge or surcharge to the typical service connection fee. This is necessary to upgrade capacity for Clear Creek and other developments that will pay their fair share as they come on line. General Manager Longhofer commented that \$300 per house could be put aside to specifically take care of that one sewer line. It might be several years before an upgrade is needed. These funds will grow over time for replacement and repairs. Vice Chairwoman, Denise Pierini commented that this money should be used specifically for this purpose. Engineer Randall commented there is potential for Jacks Valley to need service, as the state may require them to go on a wastewater collection and treatment system. IHGID operates the system for the support of the elementary school. His review includes a probable construction of a new school. Brian explained that the school has its own well. IHGID operates the system and provides them their water. Two permits are in the schools' name and two are in IHGID name along with some fire protection permits on their well for emergency purposes.

Chairman Laura Lau commented on the nitrate well being a beneficial project. Laura inquired about the cost and specifics of how long it would be until we can utilize it. Engineer Brian Randall answered he preciously completed a 2-3 year old projected cost estimate at \$100,000. This cost estimate will need to be updated. Brian commented that this cost includes running a 4" pipe as well equipping the well with a radio control system. The well would be operated by storage level within the tank. We must run a 4" line from the current terminus to connect into the existing water line at the canyon well. At the tank you have to reconfigure the water line connections to be sure you don't mix the water from the nitrate well with the domestic system. At the present time it is all one domestic system. There will be a lot of plumbing work to isolate this from the rest of the system. General Manager Dennis Longhofer recalled a cost of \$140,000-150,000 for a new tank, and \$80,000 plus to use the existing tank. Dennis stated there will be costs for isolating James Lee Park and running irrigation to the ball field.

d. Attorney Report (none)

12. Discussion and possible action on approval of Draft Minutes of Board Meeting on January 16, 2008.

Vice Chairwoman Denise Pierini requested an amendment to the Draft Minutes for January 16, 2008 to include discussion regarding the General Manager part time position under the Chairman and Trustees Reports. Denise requested this item be added to the next agenda.

Chairman Laura Lau requested staff go through the previous month minutes and one year ago minutes for items that need to be brought forward to the next regular board meeting draft agenda.

Trustee Kathryn Clark-Ross moved to approve the Draft Minutes of Board Meeting on January 16, 2008, as amended. Motion seconded by Trustee Eisele. Motion carried unanimously.

13. Discussion and possible action on acceptance of Budget Status Reports for January 16, 2008.

Trustee Eisele commented he likes the new report format; it is excellent and easy to read. Trustee Patrick asked about the budgeted Enterprise Fund water line item for capital maintenance in the amount of \$60,000. He inquired about funding of the program to move the nitrate water. Would the costs come out of the Enterprise or Parks Fund? General Manager Dennis Longhofer answered it may have to be moved to the next year budget or use the insurance refund that is undesignated. Trustee Patrick asked if the cost could come out of the streets budget of \$200,000 for capital maintenance projects, only \$114,000 has been spent. Trustee Patrick commented he is looking at the possibility of being able to go forward with a project that is necessary and sees money available in the budget already.

Public Comment: Art Baer commented on Trustee Patrick's question about the \$60,000 in water. Art stated you can't mix enterprise funds into the general funds. Parks and streets come under the general fund. Art stated he will find \$65,000 in the general fund that you don't know you have. Trustee Patrick commented he probably knows we have it.

Trustee Brian Patrick made a motion to accept the Budget Status Reports for January 16, 2008 Motion seconded by Vice Chairwoman Denise Pierini. Motion carried unanimously.

14. Discussion and possible action on acceptance of Bank Account Reconciliation for January 2008

Public Comment: (none)

Trustee Brian Patrick made a motion to accept the Bank Account Reconciliation for January, 2008. Motion seconded by Secretary/Treasurer Bill Eisele. Motion carried unanimously.

15. Discussion and possible action on acceptance of Paid Current Bills as presented.

Public Comment: (none)

Secretary/Treasurer Bill Eisele moved to accept Paid Current Bills as presented. Motion seconded by Trustee Kathryn Clark-Ross. Motion carried unanimously.

16. Discussion and possible action on purchase of Caselle Utility Billing software.

District Analyst–Operations Nancy Fredrickson stated she, General Manager Longhofer and utility personnel were impressed with the Caselle software demonstration. The report writing is excellent; re-sequencing is included and cannot be done on the current RVS system. General Manager Dennis Longhofer commented it is capable of showing water usage by month for prior years. New home construction with skipped lots can be sequenced automatically as you add them to the system. The current system takes a lot of manual effort to re-sequence. Dennis commented he wants to see the program installed before the next budget year to start the fiscal year with good records. Secretary/Treasurer Eisele commented the new software will be compatible with future needs such as if we go forward with a new tracking system. The current software is 20-25 years behind where we should be. The new software will do a lot of what we

are not capable of doing now. The new program will save a lot of money in the way we read meters. A big selling point is this software is completely compatible with meter reading. Trustee Clark-Ross questioned who would be doing the data entry update and running it after installation. Nancy Fredrickson stated that Jimmy Weaver, our Utility Coordinator will have training and she will learn to operate the new system. Vice Chairwoman Denise Pierini commented it would be a good idea to send a second person to training if we are considering purchase of this package. Denise stated she would like to get input from Jim Weaver since this is his area of expertise. She would like to contact Caselle regarding sending 2 people to training. Chairman Lau commented she would like to see this item come back before the board at the next meeting with specific travel costs for 2 or 3 people to go to training.

Public Comment: Bill Moriarty commented he was excited that Nancy Frederickson had found a company that works well with local government. He wants the board to make a decision now to purchase the program and estimate travel costs. Bill stated this program does support winter water and sewer rates. Bill commented the current rates are too high and inappropriate.

Trustee Brian Patrick made a motion to purchase Caselle Utility Billing Software in the amount of \$14,500 and Professional Training in the amount of \$2,250. Motion seconded by Secretary/Treasurer Eisele. Motion carried 3-2, 3 Ayes by Secretary/Treasurer Eisele, Trustee Patrick, Trustee Clark-Ross. 2 Nays by Chairman Lau, Vice Chairwoman Pierini

17. Discussion on recommendations made by Trustee Eisele in a letter to the Board of Directors dated February 10, 2009.

Chairman Lau reiterated she placed this item on the agenda to prevent the District from violating the open meeting law. Trustee Clark-Ross commented that she thought there was no reason to discuss item #17, Secretary/Treasurer Bill Eisele was trying to clarify issues and the letter has become public record. Trustee Brian Patrick commented regarding staff job descriptions for the half time Administrative Assistant and half time General Manager position. Brian stated he had called our consultant, Ms. Haugen regarding approval of the job descriptions. Ms. Haugen told Brian that what we approved was the job description, not the note. Trustee Patrick asked Ms. Haugen specifically what she had in mind when she explained this. Ms. Haugen answered that 3-5 years down the line as the district develops and we see how things happen with the analysts we have, then we can look at a half time General Manager. Trustee Patrick asked Ms. Haugen for a written statement. Ms. Haugen answered that she was quite certain Trustee Patrick could convince the board of this. Chairman Lau asked Attorney Scott Brooke to research specifically what we actually voted on. Scott agreed to do the research. Chairman Laura Lau commented that historically board members as a whole have gone through evaluations of the General Manager and made decisions collectively. Chairman Lau commented regarding “micromanaging” the District. Laura read a definition of micro management. Trustee Eisele spoke to respond. Chairman Lau stated she had the floor. Secretary/Treasurer Eisele cursed, stated he resigned and left the meeting at 9:08 P.M. Trustee Patrick inquired if discussions regarding an agenda item such as item #17, which was passed out to board members, would be a breach of the open meeting law. Attorney Scott Brook stated that Chairman Lau was acting on counsel advice regarding the open meeting law and this item was being treated as correspondence.

Public Comment: Bill Moriarty commented that at the last meeting Chairman Lau talked about the spirit of the Board.

Secretary/Treasurer Eisele made a motion to delete item #17 from the Agenda. Trustee Clark-Ross seconded. Motion did not carry, 2-2. 2 ayes by Vice Chairwoman Pierini, Trustee Clark-Ross. 2 nays by Trustee Patrick, Chairman Lau. Secretary/Treasurer Eisele absent.

18. Discussion and possible direction to hire consultant Jerry Hall of Strategic Project Management, to assist the District by providing strategic planning to establish a mission, vision, and set goals, which may include a process for evaluating the executive staff and define the responsibilities of the Board and executive staff. Laura Lau, Denise Pierini, and Dennis Longhofer

Jerry Hall, owner of Strategic Project Management introduced himself as a provider of technical and professional consulting services to clients in the public and private sectors. Mr. Hall reviewed and discussed his proposal regarding strategic planning with the Board of Trustees. Jerry commented on tasks and activities he could undertake cooperatively with the Board and General Manager which would result in the preparation of a vision statement, confirmation of a mission statement, development of goals, objectives and strategic plan if that is what the Board chooses to do. Jerry explained the separate activity in his proposal to help the Board with the evaluation process of a General Manager. Trustee Clark-Ross stated she would like to wait on this item due to timing. Next month the Board will decide on General Manager Longhofer's contract renewal. Trustee Clark-Ross commented that the District had just spent a lot of money for a consultant to evaluate employees. She likes the idea of the planning session, but would like to wait until the next Fiscal Year to put out the money. Trustee Patrick commented he would like someone to facilitate discussion between the Board and General Manager. The process needs to be more professional. The Board discussed timing of the strategic planning session and evaluation of the General Manager with Mr. Hall. A 4-6 hour special Board of Trustees' planning workshop was discussed.

Public Comment: Bill Moriarty commented if possible the Board could extend General Manager Longhofer's contract 2-3 months, to allow for the planning session with Mr. Hall. Trustee Patrick commented this could not be legally done now, as it is not on the Agenda.

Ron Lynch agreed with Bill Moriarty that that Board should wait to evaluate the General Manager so he gets a fair evaluation. Financially the district is in better shape than it has ever been. Mr. Lynch commented that board members should not have the right to individually tell the General Manager what to do. Mr. Lynch commented the board should get together as a whole and decide on tasks for the General Manager to do. Mr. Lynch stated he does not think it is fair to evaluate the General Manager before meeting with Mr. Hall regarding the General Manager evaluation process.

Jim Murphy commented the greatest asset this district has is its diversity because it opens up communication. He commented that Mr. Hall knows some of the parameters for executing many duties and can be utilized to benefit the district by bringing everyone together as a team.

Trustee Patrick motioned to hire Mr. Hall to do the planning session and assist the Board in the General Manager evaluation process in the amount of \$4,500 at a Special Board of Trustees' meeting on March 2, 2008, at 9 A.M. Motion seconded by Vice Chairwoman Pierini. Motion Passed 3-1, 3 ayes by Trustee Patrick, Chairman Lau, Vice Charwoman Pierini, 1 nay by Trustee Clark-Ross, Secretary/Treasurer Bill Eisele absent

19. Discussion and possible action regarding a separate special meeting of the General Manager's performance evaluation and contract renewal.

The Board of Trustees discussed dates of a special meeting to be held before the General Manager's contract expires on March 21, 2008.

Trustee Clark-Ross motioned to set a Special Meeting of the Board of Trustees' regarding the General Manager's performance evaluation and contract renewal on March 10, 2008 at 6:00 P.M. Motion seconded by Trustee Patrick. Motion carried unanimously.

The board discussed dates for the planning session with Mr. Hall to be March 2, 2008 9A.M.

20. Chairman and Trustees Reports.

Trustee Clark-Ross commented that the water bills were printed with a note on them to call Sandi Eisele with comments and suggestions on Valley Vista Park. These comments will be compiled by Sandi and taken to the next Parks and Recreation Commission meeting.

Vice Chairwoman Pierini stated she would like an agenda item at each board meeting that will inform the board about development status of the new soccer field.

Chairman Lau requested that staff send Draft Board Meeting Minutes to the board as soon as they are available, via email.

21. Adjournment *Trustee Patrick motioned to adjourn the meeting. Vice Chairwoman Pierini seconded. Motion carried unanimously. Meeting adjourned at 10:20 P.M.*

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
William Eisele**