

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
March 17, 2010
6:00 P.M.

Trustees Present: Chairman Brian Patrick, Vice Chairman Denise Pierini, Secretary/Treasurer Ronny Lynch, Trustee Dianne Humble, Trustee Laura Lau

Staff Present: General Manager Jim Taylor, Administrative Assistant Karen Ziemer

Others Present: Attorney Scott Brooke, Engineer Tim Russell, Marco Manor, Art Baer, Ron Kruse, Dave Fournier, Chuck McCready, Dale Morlan, Carl Carter, Steve Weaver

1. **Call to Order:** Chairman Patrick called the meeting to order at 6:00 P.M.
2. **Pledge of Allegiance:** Led by Chairman Patrick
3. **Approval of Agenda:**

Secretary/Treasurer Lynch motioned to approve the Agenda as written. Trustee Lau seconded. Motion carried unanimously.

4. **PUBLIC HEARING Discussion only on the Intent of the Board of Trustees of the Indian Hills General Improvement District, Nevada, to issue General Obligation (Limited Tax) Water Bonds (additionally secured by pledged revenues) for the purpose of financing projects for the District:**
 - a. **Public Comment:** (none)
 - b. **Close Public Hearing:**
Public Hearing Closed at 6:02 P.M. by Chairman Patrick
5. **Open Regular Meeting of the Board of Trustees:**
Regular Meeting opened at 6:02 P.M. by Chairman Patrick
6. **Public Interest Comment:** (none)
7. **Discussion only and Public Comment regarding an application filed for a loan/grant with the USDA-Rural Development utilities programs for the purpose of financing a waterline intertie project:**
Lisa Garland, USDA Community Programs Specialist was available for public comment or questions.

Public Comment: (none)

8. **Discussion and possible action to set a date for mandatory Board training by NvRWA (Nevada Rural Water Association) required by the USDA Grant Eligibility Program:**
General Manager Taylor reported the NvRWA required training can take place before the April 14, 2010 regular Board Meeting at 4:30 P.M. sharp. The training topics are Board

Responsibility and Authority and Board Meetings. All Board of Trustees agreed to attend the April 14, 2010 NvRWA training.

9. Reports to the Board:

a. General Manager Report (Exhibit A)

General Manager Jim Taylor reported that due to better weather, Valley Vista Park is back on track and being worked on now. Jim commented he has been working on the budget and will contact the Board by phone to let them know when the budget is ready prior to the April 14, 2010 Board meeting. Jim reported he has been looking into renewable energy generation with solar power for use at the Wastewater Treatment Plant and for sludge removal. Jim will address the Board on this subject at the April 14 Board meeting as IHGID has until April 21, 2010 to submit an application.

Vice Chairman Pierini commented she was glad to hear that IHGID is talking with Douglas County about Vista Grande Road. General Manager Jim Taylor stated he would like Douglas County to take responsibility for bringing their portion of the road up to standards and then IHGID will maintain them. Staff is in discussion with Douglas County regarding IHGID's time and money spent on Vista Grande. Staff will be taking pictures of work they do and sending a bill to Douglas County for that work.

Jim reported that crack sealing will be completed later this month if the weather stays good.

Trustee Humble asked if the projection for solar energy shows that IHGID could produce enough energy to run the Wastewater Treatment Plant and sell additional energy. Jim Taylor replied the projection will be as big as possible. The program is to include enough energy to operate sludge removal and possibly cover the whole cost of energy at that location. Trustee Dianne Humble commented she wanted to know if it would be possible to sell additional energy to NV Energy. She asked if Vista Grande was abandoned several years ago by Douglas County when they asked IHGID to take it. Dianne thought that IHGID said they would take Vista Grande if Douglas County brought it up to code. Steve Weaver commented that he did not think Vista Grande was abandoned.

Trustee Lau asked General Manager Jim Taylor if he had heard anything about the abandoned subdivision. Jim replied yes. Amber Hill is an extension of an old subdivision. Wells Fargo owns it now. It has been foreclosed on and they will sell off lots one at a time.

Chairman Patrick asked for clarification about a gentleman the District contracted with for crack sealing. He asked if the contract was completed. General Manager Jim Taylor replied the contract is completed. Jim commented that at the end of this month District staff will be filling little cracks like they have done in the past. Jim stated if there is money in the budget next year he plans to ask the Board to do more crack sealing.

Public Comment: (none)

b. District Analyst-Community & H.R. Report (Exhibit B)

The Board had no questions regarding this report.

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c. District Accountant Report (Exhibit C)

The Board had no questions regarding this report.

Public Comment: (none)

d. Engineer Report

The District's Engineer Tim Russell reported it has been a busy month. He has been focusing on necessary reports, permits, easements and designs associated with the pipeline intertie with Minden and Douglas County. General Manager Jim Taylor and he went to the State Board for Financing Water Projects last week. They approved a loan and grant for the shared portions of the pipeline. Of special note, the State Board commended IHGID for all of the progress they have made on this project. The State Board was very supportive.

e. Attorney Report

The District's Attorney Scott Brooke reported he has continued to work with engineers on pipeline contracts and documents. As was discussed at the last Board of Trustees Meeting, he has drafted an amendment to the General Manager's Employment Agreement for Board consideration. The amendment will be presented at the next Board Meeting.

10. Discussion and possible action regarding CC&R's within IHGID, what authority the District has to enforce them, and how to police a request of any nature. Discussion regarding how this would relate to all homeowners in the District:

General Manager Jim Taylor reported that enforcement of CC&R's has been talked about for a long time. Jim decided to ask the Board of Trustees to vote for weather he as General Manager , should pursue the CC&R's or not. Jim has had discussion with the District's Attorney Scott Brooke. Scott Brooke commented he does not have enough background on this subject and would need to get copies of CC&R documents to see if the Board can enforce CC&R's and then question if the Board wants to do this.

Chairman Patrick commented that he has reviewed IHGID Resolutions made in the past and none of the Resolutions assume any tasks for Homeowner Association control. IHGID has assumed responsibility for infrastructure according to our NRS statutes. The NRS statutes say nothing about Homeowner Associations giving control. Chairman Patrick stated IHGID has no way of enforcing CC&R's now. He commented that as we go forward, it may be a very libelous situation for the District if we were to involve ourselves in enforcing the CC&R's.

Trustee Humble commented she thought there was a ruling passed in the last legislative session, that contractors who built Districts and formed a Homeowner Association (HOA), even if they had no HOA Board, could relinquish authority to any Board that oversees that District. Scott Brooke agreed to research legislation.

Trustee Humble commented that the three listed areas in the District have HOA files with Douglas County. This was a requirement by County to the developer. Sunridge does not have a HOA. It is her understanding that since we have a General Improvement District and per the ombudsman of the State of Nevada, the District oversees HOA's. In other words the restrictions of the HOA's are given to IHGID as a District. Trustee Humble did not know where this is printed, or if it is true. She commented that it may be found in NRS (Nevada

Revised Statutes). Trustee Humble stated the District has not done anything in these 3 areas since the establishment of the District.

The Board asked Attorney Scott Brooke to look into this matter. Scott Brooke agreed to research legislation. Scott stated he will get copies of all CC&R's recorded in Douglas County and review them to see if they are private CC&R's and privately enforced. Scott commented there may be CC&R's that exist without an association. He will give a summary to the Board by their next meeting.

Public Comment:

Steve Weaver, a 31 year resident of IHGID commented that he lives in Silverado Heights. It has been 30 years since he read the CC&R's, but he remembers there are some restrictions on free standing outbuildings that are not allowed. Steve stated probably ½ the residents have them. He noted residents are not allowed to have motor homes parked in front of their residence. Steve commented that the CC&R's may have been part of the conditions of purchasing a home and there may be more than 3 sets of CCR's. Steve believes that 75% of residents need to vote in favor to make changes to CC&R's. He does not know if there are any HOAs in the District.

Charles McCready, a Sunridge resident, commented he has investigated and believes the responsible party is Las Vegas Paving. Charles stated the Ombudsman had a discussion with Las Vegas Paving. The CC&R's are in effect if they are filed with Douglas County. Whether they are enforced is another matter. Declarants have the responsibility, which in the case of Sunridge, is Las Vegas Paving Company to enforce the CC&Rs. Las Vegas Paving has not been doing this. They could hire a manager of course, such as Jim to do this and would have to pay him. That is an option. They are responsible. NRS 116 came out 5-6 years ago regarding state guidelines on HOA. Charles suspects a lot of these declarants don't know the NRS exists and they can be fined. Charles suggested it may be a help to Las Vegas Paving if they could set up IHGID to do the work and be paid for it.

Steve Weaver stated his recollection of the law is that the developer is on the hook until 75% of lots are sold. Steve commented that Las Vegas Paving may no longer be responsible because more that 75% of lots have been sold.

11. Discussion and possible action on approval of Draft Minutes for the February 17, 2010 Board Meeting:

Vice Chairman Pierini motioned to approve the Draft Minutes for the February 17, 2010 Board Meeting. Trustee Lau seconded. Motion carried unanimously.

12. Chairman and Trustees Reports, Correspondence:

General Manager Taylor reminded the Board that their next meeting is April 14 rather than April 21, 2010.

Trustee Laura Lau read in to the record her statement of resignation (**Exhibit F**) from the IHGID Board of Trustees due to changes in her personal life. Laura wished the Board and employees the best of luck. She stated the April Board Meeting will be her last.

13. Adjournment:

Trustee Humble motioned to adjourn the meeting. Vice Chairman Pierini seconded. Motion carried unanimously. Meeting adjourned at 6:38 PM.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Ronny Lynch**