

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
May 21, 2009
5:30 P.M.

Trustees Present: Chairperson Dianne Humble, Vice Chairperson Denise Pierini, Secretary/Treasurer Brian Patrick

Trustees Absent: Trustee Laura Lau, One Vacant Trustee Position

Staff Present: General Manager Jim Taylor, District Analyst Human Resources & Community Sandi Eisele, Billing Coordinator Cheyanne Dahili, Administrative Assistant Karen Ziemer

Others Present: Attorney Charles Zumpft, Engineer Brian Randall, Dale Morlan, Carl Carter, Skip Allen, Sheila Allen, Ron Kruse, Ron Lynch, Dave Fournier, Bill Moriarty, Ron Lynch.

1. **Call to Order:** Chairperson Humble called the meeting to order at 5:32 P.M.
2. **Pledge of Allegiance:** Led by Secretary/Treasurer Patrick
3. **Approval of Agenda:** Secretary/Treasurer Patrick requested to move Item #6 behind Item #7. The Board agreed to the Agenda change. Chairperson Humble read a statement (**Exhibit A**) reminding those present that when Trustee Lau was Chairman, the Board adopted a rule that the Trustees raise their hands to speak. The prior Board also stopped speaking if the Chairman found it necessary to use the gavel. Chairperson Humble requested that Trustees as well as residents agree to cooperate by being silent when she finds it necessary to use the gavel.
4. **Public Interest Comment:** Resident Carl Carter asked for clarification of options available to the District for arsenic treatment. Chairperson Humble answered that it is a federally mandated and unfunded requirement. She suggested Carl listen to Engineer Brian Randall's report on this issue tonight.
5. **Discussion and possible action regarding an IHGID Utility Billing Account Policy amendment to allow a care of name to be used along with the billed owner's name:** Billing Coordinator Cheyanne Dahili reviewed a proposed IHGID Utility Billing Account Policy change that will allow for easier collection of some accounts. Cheyanne explained the difficulty tenants have if an owner is out of town. Some tenants have had their water turned off by the District when the tenant did not know they were responsible for water payment. Putting a care of name for the tenant after the owners name on a bill and sending it to the property address rather than the owner's address has alleviated many tenant and collection problems.

Public Comment: Carl Carter questioned if the tenant had always paid the bill and does the owner know. He commented that it should be an agreement between the homeowner and the tenant as to who pays. Carl stated he thinks the homeowner and the tenant should be notified as to amounts due and if their account is in arrears. Cheyanne Dahili commented that both the homeowner and tenant are notified if an account is delinquent.

Secretary/Treasurer Patrick motioned to amend the IHGID Utility Billing Policy to allow a care of name to be used with the owner's permission. Chairperson Humble seconded. Motion carried 3-0. Trustee Lau absent.

5:55 Recess

6:00 Reconvened

- 7. Public Hearing on the Proposed Action to adopt Resolution 2009-01 establishing a new residential and commercial Sewer Rate Flat Fee by increasing the Sewer Rate Flat Fee by \$5.15 per month, taking the flat rate per month from \$23.54 up to \$28.69 per month: (Exhibit B)** General Manager Jim Taylor reviewed his Rate catch-up letter to the Board dated 4/14/2009. Jim explained that while doing the 2009-2010 budget he realized that both the sewer and water operations are short in the enterprise fund. To bring the budget into the black he and the Board formed a rate committee that included Farr West Engineering. The committee had several meetings and did their best to keep an increase in rate as low as possible. The rate committee came up with the \$5.15 increase to cover the shortfall. Secretary/Treasurer Patrick, a member of the rate committee commented that basically the increase is for paying bills and covering the 2 million dollar bond taken out to fix problems that occurred during a sewage spill. When the sewage spill happened a check valve needed to be replaced. At the same time NDEP came to IHGID and said we needed to bring everything up to code. This meant emergency generators and a better backup system needed to be installed. The District borrowed the money to fix the check valve and to bring everything we had in place up to code to make the sewage system run like it should. Secretary/Treasurer Patrick stated there are still other capital improvement projects that need to be done in this area that will be paid out of the 2 million dollar bond. General Manager Taylor commented there may need to be an increase to water rates for the cost of an arsenic solution to the water system.

Public Comment: Carl Carter asked how long the sewer rate raise will take care of the budget problem. General Manager Taylor replied until the District needs to borrow money to do another project at the sewer plant.

Vice Chairperson Pierini motioned to adopt Resolution 2009-01 establishing a new residential and commercial Sewer Rate Flat Fee by increasing the Sewer Rate Flat Fee by \$5.15 per month, taking the flat rate per month from \$23.54 up to \$28.69 per month. Chairperson Humble seconded. Motion carried 3-0. Trustee Lau absent.

- 8. Discussion and possible action to amend Section 5, Monthly Service Charge, of the Commercial/Industrial Sewer Service Policy in conformance with adoption of Resolution 2009-01 establishing a new commercial sewer service monthly rate:**

Public Comment: (none)

Secretary/Treasurer Patrick motioned to amend Section 5, Monthly Service Charge, of the Commercial/Industrial Sewer Service Policy to conform to the adoption of Resolution 2009-01 establishing a new commercial sewer service monthly rate in the amount of \$28.69. Chairperson Humble seconded. Motion carried 3-0. Trustee Lau absent.

- 6. Reports to the Board:**

- a. **General Manager's Report (Exhibit C):** General Manager Jim Taylor reviewed his report to the Board. Jim commented that he should be getting some good cost figures soon from Manhard Consulting for the proposed pipeline. Jim and Engineer Brian Randall will then review the proposal. Jim hopes to have a full report by the June 2009 Board meeting for the Board to digest which way IHGID should go with regards to arsenic treatment of water. Jim asked the Board to call him with any comments they have regarding a proposed vehicle policy. Jim introduced Joe Beard from Farr West Engineering who has been working on IHGID wellhead protection. Joe Beard made a presentation to the Board regarding wellhead protection and how land use is tied to water quality. Joe showed and explained a map created for Douglas County to execute their wellhead protection program. Farr West Engineering is working to make IHGID wellhead protection program similar to Douglas County's. Joe explained an IHGID community map created in the original 2002 wellhead protection program. He commented that not a lot has changed in this area in terms of a water quality standpoint. The arsenic in IHGID water is naturally occurring and not pollution. The ground is rich in arsenic. Joe commented that federal regulations are getting more stringent because of better monitoring and detection technology, since you can only regulate what you can detect. Wellhead protection involves developing policies that discourage non-compatible use and education of the public regarding pollution prevention. Joe stated that the IHGID 2002 plan is being updated now and can be viewed in the General Manager's office.

Public Comment: Carl Carter asked Joe Beard if arsenic in water used for bathing, watering lawns or cooking would cause any problems if you get it on your skin. Joe Beard responded that the assumption is no and as far as drinking water studies Carl could probably get a report from a Consumer Advocacy group.

- b. **District Analyst-Community & H.R. Report (Exhibit D):** Sandi Eisele reviewed her report to the Board. Sandi commented that for the Summer Kick-Off we are working to get donations for the entire event.
- c. **District Accountant Report (Exhibit E):** Accountant Stacie Hunter absent.
- d. **Engineer Report:** Engineer Brian Randall commented that the District is required to have a system in place by July, 2010 that will reduce the arsenic in our water from 50 parts per billion to 10 parts per billion. Brian stated the District is not in compliance from its own primary well, Browns Well, which is in the range of 17-20 parts per billion. Brian stated that after much expense, testing and a review by Roger Gilmore, the solution offered to the District for your own control will be treatment in your own water system. Roger Gilmore has determined that micro-filtration is most appropriate. Micro-filtration is very expensive and will cost more than originally anticipated. Roger Gilmore's estimate is approximately 4.3 million for the system. Brian Randall stated that the alternative to the District's own water treatment system is the extension of a large capacity water line from the Town of Minden north to Carson City to provide service along the way to Douglas County's Johnson Lane area, IHGID, the North Commercial area, Carson City and potentially Vidler Water Company. Brian stated the pipeline program is going forward. There is still a question of how much the pipeline will cost, what the schedule is, and if it represents the best decision for IHGID. Brian suggested the Board is facing a decision now on the District's own water treatment system or a single service water line being constructed. Douglas County has executed a

contract with Manhard Consulting in Carson City to look at the alternatives available for the water system. IHGID has the option to participate or not, but doesn't have the option of avoiding the water treatment issue. Brian commented that the best opportunity to provide the Board with some reasonable economic analysis should be by the June, 2009 Board meeting. All of the information will not be available then, but a sufficient amount to understand which of the two options would be best from a cost standpoint. Brian believes the two options will be competitive as far as cost. Long term maintenance will need to be factored in. Brian and General Manager Jim Taylor would like to give the Board an estimate of costs and an estimated present worth analysis of the two options. The Board may then decide if in the long run it is going to be better to operate and maintain our own system for the next 50 years, or is it going to be better to be a participant in the water line, where essentially the District becomes a service connection to the water line coming from Minden.

Brian Randall recommended that IHGID go with the recommendation provided by Gilmore Engineering. Brian noted there are other options that have arisen lately from folks who have systems proposed to be just as effective, but he doesn't know if the District can wait any longer for them to prove their solutions due to the time available to meet deadlines with the state to have a system in place and in operation. Brian stated he does not believe that any of these other proposed systems would be appreciably less in cost. Brian stated that Roger Gilmore has recommended the District go forward with just the two options. Brian commented that the pipeline is a fortunate, viable option that takes IHGID out of being alone.

Chairperson Humble asked how we can know that we won't have silica coming from the pipeline in Minden or that our maintenance costs won't be prohibitive. Engineer Brian Randall replied that silica is in IHGID water and not in Minden. Brian explained that the chemistry of water changes in very short distances in Nevada. The quality of water in Minden is significantly better than the water coming from Browns Well. Brian stated the District can't be assured they will not have issues with water coming from Minden. The advantage of the pipeline system, instead of being on your own, is that you are with other entities to share in the benefit of the pipeline as well as the cost of problems. Brian commented that you can never get an assurance that the quality of water today will be the same years from now. Brian noted that IHGID is out of water in the summertime and with the pipeline we would have the capacity for full build out.

Secretary/Treasurer Patrick commented that his understanding as part of the redundancy issue is do we have enough water for fire suppression if we have a problem? With Browns well it is a big question mark. If the District hooks up to the pipeline, we will have enough and can keep Browns well if needed.

Vice Chairperson Pierini asked Brian Randall about Water Supervisor Dave Wright's report regarding emergency power for the ozone generator and a meeting held on April 30, 2009. Brian Randall replied that with the recent replacement of the lift station and the emergency power for the wastewater treatment plant, Browns Well and the lift station, there was also emergency power installed for the water treatment plant. Before then there was not enough emergency power to run the plant itself. Brian stated an electrical engineer designed it, the generator was installed and has adequate power but does not run the ozone system. If the power goes out the ozone system cannot be run from the emergency generator. The ozone system does not have to run all the time,

there can be brief periods of power outage and we will not have a problem with the water system, and not have a need for ozone, even in summertime. Since we have the capacity, the electrical proposal was to reconfigure the control system so when the emergency power system goes off it will run our pumps and our wells automatically.

e. **Attorney Report:** Attorney Charles Zumpft had no report.

9. **Public Hearing on the previously adopted Tentative Budget for the District for next Fiscal Year 2009-10, and including adoption of a Final Budget for Fiscal Year 2009-10 with direction to the General Manager to have the adopted Final Budget for FY 2009-10 prepared on the appropriate forms and timely submitted to the State Department of Taxation:** General Manager Jim Taylor commented that as of July 1, 2009 the Quickbooks format of the budget entitled Profit & Loss Budget Performance will be provided to the Board at each monthly Board meeting.

Public Comment: (none)

Chairperson Humble motioned to adopt the Final Budget for Fiscal Year 2009-10 and direct the General Manager to have the adopted Final Budget for FY 2009-10 prepared on the appropriate forms and timely submitted to the State Department of Taxation. Vice Chairperson Pierini seconded. Motion carried 3-0. Trustee Lau absent.

7:05 Recess

7:09 Reconvened

10. **Discussion and possible action regarding review and/or recommendation of an applicant for appointment as an IHGID Trustee to the Douglas County Board of Commissioners:** Chairperson Humble explained that General Manager Jim Taylor and she had received a letter from Douglas County Manager T. Michael Brown and the Douglas County Board of Commissioners asking the IHGID Board to recommend an applicant for appointment as Trustee to the IHGID Board of Trustees. Chairperson Humble explained that the IHGID Board does have a quorum tonight to do that. Applicants in attendance Ron Kruse, Ron Lynch and Bill Moriarty each came up to the podium and spoke with the Board.

Vice Chairperson Pierini motioned to recommend Ron Kruse for the Trustee Vacancy. Chairperson Humble seconded. Motion passed 2-1. 2 ayes by Chairperson Humble and Vice Chairperson Pierini; 1 nay by Secretary/Treasurer Patrick. Trustee Lau absent.

Secretary/Treasurer Patrick motioned to nominate Bill Moriarty. Chairperson Humble seconded. Motion failed 1-2. 1 aye by Secretary/Treasurer Patrick; 2 nays by Chairperson Humble and Vice Chairperson Pierini. Trustee Lau absent.

Chairperson Humble motioned to nominate Charles Swanson. Vice Chairperson Pierini seconded. Motion failed 1-2. 1 aye by Secretary/Treasurer Patrick; 2 nays by Chairperson Humble and Vice Chairperson Pierini. Trustee Lau absent.

Chairperson Humble motioned to nominate Art Baer. No Second. Motion failed.

Secretary/Treasurer Patrick motioned to nominate Ron Lynch. Chairperson Humble seconded. Motion failed 1-1-1. 1 aye by Secretary/Treasurer Patrick, 1 nay by Chairperson Humble, 1 abstained by Vice Chairperson Pierini. Trustee Lau absent.

Secretary/Treasurer Patrick motioned to nominate Charles Swanson again. No Second. Motion failed.

Secretary/Treasurer Patrick motioned to nominate Ron Lynch again. No Second. Motion failed.

Attorney Charles Zumpft was consulted regarding the 2 ayes and 1 nay vote for Ron Kruse being a valid passing motion. Mr. Zumpft acknowledged that with 3 Board members present there is a quorum and a 2-1 vote is a passed motion.

The IHGID Board of Trustees will recommend that Mr. Ron Kruse be appointed to the IHGID Board of Trustees to fill the Trustee vacancy.

- 11. Discussion and possible action regarding updating the Neighborhood Watch Program in Indian Hills and soliciting for volunteers:** Chairperson Humble stated that in talking to the Police Department at the Neighborhood Watch presentation, she found out there has been an outbreak of robberies, break-ins and odd things happening on both sides of Highway 395. The Police are asking us to begin a Neighborhood Watch Program and ask for Block volunteers.

Chairperson Humble motioned that this item be put in the Newsletter and tabled for a later meeting. Vice Chairperson Pierini seconded the motion.

- 12. Discussion only regarding a 6 month evaluation of General Manager Jim Taylor:** Chairperson Humble stated that General Manager Taylor's contract contains a 6 month evaluation. Chairperson Humble, Secretary/Treasurer Patrick and Vice Chairperson Pierini each provided comments verbally to evaluate Jim Taylor's performance.

The Board of Trustees agreed to discuss a possible pay increase for General Manager Jim Taylor at their June 17, 2009 Board Meeting.

- 13. Discussion and possible action on approval of Draft Minutes for the April 13, 2009 Board Meeting:**

Chairperson Humble motioned to approve the Draft Minutes for the April 13, 2009 Board Meeting. Secretary/Treasurer Patrick seconded. Motion carried unanimously.

- 14. Chairman and Trustees Reports, Correspondence:** Chairperson Humble stated she would like to discuss and possibly amend an IHGID Records Request policy to clarify whether Board members are exempt from payment of fees. This item will be placed on the June 17, 2009 Board Meeting Agenda.

- 15. Adjournment:**

Chairperson Humble adjourned the meeting at 8:35 P.M.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Brian Patrick**