

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
June 16, 2010
6:00 P.M.

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

Staff Present: General Manager Jim Taylor, Field Operations Supervisor John Lufrano, Administrative Assistant Karen Ziemer

Others Present: Attorney Scott Brooke, Engineer Tim Russell, Marco Manor, Ron Kruse, Dave Fournier, Carl Carter, Tara Burke, Ann Wiswell, Jim Norton, Penni Eisele, Dale Morlan, Kathryn Clark-Ross, Mike Olsen

1. **Call to Order:** Chairman Patrick called the meeting to order at 6:02 P.M.
2. **Pledge of Allegiance:** Led by Chairman Patrick
3. **Approval of Agenda:**

Secretary/Treasurer Lynch motioned to approve the Agenda as it stands. Trustee Eisele seconded. Motion carried unanimously.

4. **Public Interest Comment:**

Trustee Eisele disclosed that Sandi Eisele works for the District and she is his daughter-in-law. Marco Manor asked General Manager Jim Taylor if the sealing of cracks in the Sunridge area is finished. Jim replied no due to traffic control issues. Marco asked if the District has a crew that works on Sunday. General Manager Taylor replied there is one employee working in the parks on Sunday. The District has coverage 7 days a week, 12 hours per day. Tara Burke appealed to the Board to install speed bumps on Smoketree in the Sunridge housing development. The speed limit is 25MPH and it is very easy to get up to 45 MPH. There are young children in the area, seniors and pets. Drivers are speeding and ignoring the slow for children signs. Tara has done research and found that speed bumps may give a 7-10 MPH reduction on residential streets.

5. **Discussion and possible action regarding Acceptance of a Renewal Proposal from Nevada Public Agency Insurance Pool (POOL) and approval for payment from Fiscal Year 2010-2011 funds:**

Jim Norton from Warren Reed Insurance in Gardnerville commented that Warren Reed Insurance is the liaison with the Nevada Public Agency Insurance Pool. Jim introduced Ann Wiswell, Risk Management Specialist from POOL/PACT. Jim explained the District is looking at a 9% increase in their package for the 2010-2011 policy year. 2009-2010 was a bad year for losses including the earthquake in Wells and the Fernley Canal. The carriers wanted an 8% increase across the board. The Pool was able to absorb this out of reserves so there was no rate increase per say. Any adjustment to members is a result to changes in exposures and or loss experience. In the Districts' case there has been a re-appraisal that

accounts for a 40% increase over last year. Ann Wiswell reviewed a handout of services provided by POOL/PACT (**Exhibit A**).

Public Comment: (none)

Trustee Humble motioned to accept the Renewal Proposal from Nevada Public Agency Insurance Pool (POOL) and approve payment from Fiscal Year 2010-2011 funds. Trustee Eisele seconded. Motion carried unanimously.

6. Reports to the Board:

a. General Manager Report (Exhibit B)

General Manager Jim Taylor reported that staff and RCI are investigating the approach to take for handicap access on crosswalks and their safety requirements. Last year there was a problem on Long Drive with water under houses. This year with the new program of investigating manholes and popping lids, four out of twelve manholes on Long Drive have seepage coming into the manholes at the edge of the top ring. This tells us due to summertime, the water has risen to the top of the manholes. Six weeks ago the manholes were dry. The District is waiting for a USDA response to be able to continue with the pipeline construction schedule.

Chairman Patrick asked if last year's contract for crack sealing in Sunridge is complete. General Manager Taylor replied that section of the contract was completed 5-6 months ago. The contract is complete and paid for.

Public Comment: (none)

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

General Manager Jim Taylor reported this is the smallest overtime report so far. Browns well has been a problem. When the pipeline is turned on, Brown's well problems may go away. Jim Taylor announced the Summer Kick-off will be Saturday June 26, 2010 at 11:00 A.M. at James Lee Park.

Public Comment: Kathryn Clark-Ross commented that the Kick-off party is combining three different events into one. There will be a skateboard competition, barbeque and a concert during the day.

c. District Accountant Report (Exhibit D)

d. Engineer Report

Engineer Tim Russell commented regarding General Manager Taylor's timeline for the pipeline project. USDA will be issuing their Finding of No Significant Impact (FONSI) Report on Friday in regards to their environmental impact reports that were out for public comment the last 30 days. After the FONSI Report is issued there is a 10 day public noticing period. After that we are clear to have USDA start reviewing the design. Tim commented that Jim Taylor's schedule is close but may vary a month or two. Tim met with Dave Wright, IHGID Water Operator and other staff over the last two weeks to coordinate on miscellaneous pipeline and crack repair items.

Public Comment: (none)

e. Attorney Report

Attorney Scott Brooke reported he has been working with the District Engineer and General Manager on documents for projects. He is preparing two memorandums to the Board. One is a summary of outstanding litigation and complaint matters. Another memorandum is a summary of research the Board asked him to do regarding CC&R's and their applicability to this District. Scott has already provided the Board a memorandum for the first portion of this issue which covered whether the District had authority to enforce any private CC&R's and that answer was no. The second request was whether property received from Sunridge was subject to the CC&R's of Sunridge. The answer to that is also no. He will be attaching documents validating that the open space parks the District received are not subject to the CC&R's, so there is no obligation or opportunity by the District to utilize them. Scott rephrased that the CC&R's don't attach to any property the District owns. There is no association, so any resident subject to the CC&R's has the opportunity to enforce them. This could be done by a resident writing a letter to the offending party. If they did not abide by the request they could be taken to court. Scott Brooke clarified there is no association existing and CC&R's run for the benefit of every property and lot in the subdivision. Each owner has the right to request that other owners abide by the provisions of CC&R's. That would be the function of a homeowners association if there were one.

Public Comment: (none)

7. Discussion and Possible Action to approve or approve with conditions, a contract with ARMAC Construction for the 2010 Coloma Drive Area & Smoke Tree Crack Repair Project:

General Manager Taylor reviewed the three bids for the contract. Jim commented that ARMAC was the lowest of the bids. Jim wants to keep the crack replacement project going and recommended ARMAC to the Board. Jim stated the money will come out of this year's budget. Tim Russell reported that one of the bid items was an alternate to remove and replace base material under the road if during the course of construction it was found to not be in good condition or not there. This turned up in a few instances during last year's project. Tim recommended that the Board allocate \$5,300 as a contingency to allow for that to occur. This amount allows for about 20% of the cracks to be re-patched or 20 cracks out of 100.

Public Comment: (none)

Trustee Humble motioned to approve with conditions, a contract with ARMAC Construction for the 2010 Coloma Drive Area & Smoke Tree Crack Repair Project. Trustee Eisele seconded. Motion carried unanimously.

8. Discussion and Possible Action to approve formulation of a District Policy requiring new, out of District water service requestors to dedicate water rights to the District in an amount matching the proposed water usage, as verified by the District:

General Manager Jim Taylor explained that when new construction comes in to the District, this policy would ask them to bring their water rights instead of the District subsidizing them with our water rights. Jim would like written and clear guidance to be passed out to construction people asking for service. Both Jim and RCI will work on a clear cut policy along with the District's attorney. Engineer Tim Russell commented that the District has set block of water rights that have been used for new development. The District only has a certain buffer left and if that is retained only for in District service such

as Sunridge Casino when it comes in, that will take a large block of our available water rights to service that casino site. So in the interim before the casino site comes forward, if a project such as the Hotshot facility by the water plant comes forward and they are not required to bring their own water rights to the District, that could put a big dent in the Districts' buffer. Then if the casino comes in the District could be in a difficult situation. Tim Russell clarified that as far as he knows the Hotshots will be relocated to Carson City on a parcel behind the IHGID water plant. They are working on their environmental improvements for the site. Currently that parcel is not in the IHGID District but it might be worth requiring them to annex into the District.

Public Comment: (none)

Trustee Humble motioned to approve formulation of a District Policy requiring new, out of District water service requestors to dedicate their water rights to the District in an amount matching the proposed water usage, as verified by the District. Vice Chairman Pierini seconded. Motion carried unanimously.

9. Discussion and Possible Action to change the July 21, 2010 Board Meeting to Wednesday, July 14, 2010 at 6:00 P.M.:

General Manager Taylor explained this request came from Marty Johnson of J&A Consulting which is the firm working on the financing and bonding for the pipeline project. Vice Chairman Pierini asked General Manager Taylor to consider Mondays for future Board Meeting date changes.

Vice Chairman Pierini motioned to move the July 21, 2010 Board Meeting to Monday, July 12, 2010 at 6:00 P.M. Trustee Eisele seconded. Motion carried unanimously.

10. Discussion and possible action on approval of Draft Minutes for the May 10, 2010 Special Meeting and the May 20, 2010 Public Hearing and Regular Business Meeting:

Vice Chairman Pierini asked for a change to the May 20, 2010 Minutes, page 4, second paragraph to read "a previous" instead of "the previous" General Manager.

Secretary/Treasurer Lynch motioned to accept the Minutes for the May 10, 2010 Special Meeting and the May 20, 2010 Public Hearing and Regular Business Meeting as amended. Vice Chairman Pierini seconded. Motion carried unanimously.

11. Chairman and Trustees Reports, Correspondence

Trustee Humble asked Administrative Assistant Karen Ziemer to place Exhibits A, B, and C from the May 20, 2010 Board Meeting in her mailbox.

Vice Chairman Denise Pierini expressed concern with safety on a corner of her street where shrubs are growing over the sidewalk and the sidewalk cannot be walked on. General Manager Taylor responded that this will be addressed. Denise reported that near the south exit on James Lee Park Road, at the back alley, dirt has been kicked out in the sidewalk and can be dangerous. General Manager Taylor responded that sidewalks are the District's responsibility.

12. Adjournment:

Trustee Eisele motioned to adjourn the meeting. Trustee Humble seconded. Motion carried unanimously. Meeting adjourned at 6:55 P.M.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Ronny Lynch**