

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
February 13, 2006
7:00 P.M.

Trustees Present: Chairman Charles Swanson, Vice Chairman Riley Evans, Secretary/Treasurer Laura Lau, Trustee Art Baer, Trustee Brian Patrick

Trustees Absent: (none)

Others Present: Rick Watkins, Judy Watkins, Jimmy Weaver, Sandi Eisele, Devin Eisele, Britt Eisele, Scott Brooke, Paul Williams

Call to Order: Chairman Swanson called the meeting to order at 7:00 P.M.

Pledge of Allegiance: Led by Secretary/Treasurer Lau.

Elections of Officers of the Board of Trustees of the District – as provided by for by statute: Officers were elected at the January 18, 2006 Board of Trustees meeting. At the January 18, 2006 Board of Trustees meeting, the Board elected Charles Swanson as Chairman, Riley Evans as Vice Chairman and Laura Lau as Secretary/Treasurer.

Approval of Agenda: *Trustee Baer moved to approve the agenda as presented. Seconded by Trustee Patrick. Motion carried unanimously.*

Public Interest Comment: (none)

Approval of Draft Minutes of Board Meeting of February 1, 2006: *Trustee Baer moved to approve the draft minutes of Board Meeting of February 1, 2006 as presented. Seconded by Vice Chairman Evans. Chairman Swanson abstained. Motion carried 4 to 1.*

Discussion and possible action to amend interview questions for the General Manager position: Chairman Swanson asked the Board if there were any interview questions they would like to revise, delete or add. Secretary/Treasurer Lau requested clarification from the Interim General Manager as to the reason no other candidates were present at the interview session considering that the Board's request at the February 1, 2006 special meeting was to interview other candidates. Chairman Swanson stated that the purpose of the amended interview questions was to get further information from the candidate on their administrative and budget preparation experience. Interim General Manager Williams informed the Board that six remaining qualified candidates were contacted but some were not available. He felt that based upon the Board's discussion at the previous meeting, that some candidates did not possess the expertise in the areas the Board was looking for and therefore, additional candidates were not invited. He mentioned that the interview questions focus on the areas of the Board's concerns as discussed at the February 1, 2006 special meeting.

Vice Chairman Evans commented that the Board had a difference of opinion on the candidates that were interviewed at the previous meeting and that was the reason for interviewing three additional applicants at the meeting tonight.

Chairman Swanson entertained a motion to approve the amended interview questions for the General Manager position. So moved by Vice Chairman Evans. Seconded by Trustee Patrick. Motion carried unanimously.

Interviews of Candidate(s) for the District's General Manager position. (Interview session will be lead by the Chairman of the Board): Due to Chairman Swanson's illness, he asked Interim General Manager Williams to lead the interview session.

Prior to further discussions on this agenda item, Chairman Swanson opened up a public interest comment period on the previous agenda item, "Discussion and possible action to amend interview questions for the General Manager position."

Public Interest Comment: Rick Watkins stated that the interview questions were not in the public's copy of the board packet. Chairman Swanson informed Rick Watkins that the interview questions were excluded from the public's copy of the Board packet because the Board wanted the interview session to be a "level playing field" so that all candidates have equal opportunity during the interview process. Rick Watkins had no comment.

The interview consisted of a question and answer session. Interim General Manager Williams asked candidate Dennis Longhofer a total of thirteen interview questions. The interview questions focused on annual budget preparation, budget shortfalls, working experience with State, Federal, Counties and other units of local government, presentation experience in public meeting and wastewater discharge permit process.

During the interview session, Board members directed additional inquiries to the candidate such as streets experience, Enterprise Fund and General Fund comprehension and initial development of a budget.

During the interview session, candidate Dennis Longhofer commented that he is a quick learner and would seek outside professional assistance in certain areas such as grant writing, if necessary. He mentioned that educating the public on water/wastewater issues is important and that he has been involved with several Committees. He commented that several computer programs were available that would also assist in several areas. He gave an example of a program called "Pavement Management Plan" that might assist the Streets Department.

Trustee Patrick asked candidate Dennis Longhofer on how much salary he might require. Candidate Dennis Longhofer responded that he would like to earn a comparable wage, possibly a bit more, to what he is currently earning.

Chairman Swanson stated that if Dennis Longhofer was to come on board, there would be a learning curve for instance with open meeting law matters and ethics. He mentioned that there are manuals available that are straight forward and would assist in those areas. He stated that, as an option, each Board member has a certain amount of expertise and that they could meet with candidate Dennis Longhofer for training sessions.

He mentioned that an open meeting could be conducted to discuss goals and objectives expected by the Board of the new General Manager.

Candidate Dennis Longhofer was excused from the meeting room in order for the Board to discuss the interview.

Discussion and possible action on direction regarding the General Manager position: Trustee Patrick stated that candidate Dennis Longhofer is willing to get professional assistance if necessary and that the District has an Attorney and Engineer available to make presentations or discussions at State, Federal or County meetings. Secretary/Treasurer Lau stated her approval of candidate Dennis Longhofer's statement of going out to look for expertise if needed because of his lack of hands on administrative experience. She appreciated his comment regarding Committees.

Trustee Baer is concerned with the candidates' lack of budget development. Trustee Patrick stated that figures in the budget might come from the Engineer and an individual has to know where to find the figures. Chairman Swanson clarified that Trustee Baer's concern might be with the details involved when developing a budget such as personnel costs, overhead, and historical data.

Vice Chairman Evans stated his concern with the candidates' response for the wastewater discharge permit process question. He was concerned that other applicants were not interviewed at the meeting. He stated that the District advertised the position requiring a Bachelor's Degree and that the candidate lacks the educational requirement.

Chairman Swanson requested clarification from the Interim General Manager on the educational requirement. Interim General Manager Williams explained that the educational requirement was a Bachelor's Degree or equivalent with a Master's Degree as desirable.

Chairman Swanson stated that the candidate lacks the educational requirement. Vice Chairman Evans did not like the candidates' responses regarding budget preparation.

Chairman Swanson stated his opinion that candidate Dennis Longhofer is acceptable and trainable. He mentioned that training could last up to six months and if the candidate is not up to speed after the six months, the Board has options as indicated in the employment agreement. He mentioned that the Board has expertise and that they could assist with the training process.

The Board discussed the candidates' extensive water and sewer experience. Vice Chairman Evans questioned the candidates' sewer knowledge due to his response to the wastewater discharge permit question.

Break at: 7:50 P.M.

Reconvened at: 7:54 P.M.

Public Interest Comment: Rick Watkins stated that he was disappointed with the Board. He commented that he reviewed the criteria for the position that was advertised. He questioned the reasons for the District lowering their standards. He stated that the District needs an individual that has budgetary and administrative knowledge with experience. He stated that if the District does not have the right candidate, he suggested that the District re-advertise the position again.

Chairman Swanson repeated the agenda item. Discussion and possible action regarding the General Manager position. Chairman Swanson was open for a motion. Vice Chairman Evans moved to re-advertise the General Manager position. Seconded by Trustee Baer. Discussion followed immediately after Trustee Baer seconded the motion.

Trustee Patrick discussed the Board's candidate selection process, raising the salary level and the reasons for obtaining a General Manager within a reasonable time frame. Secretary/Treasurer Lau stated that she has some concerns; however, the District has a deadline to submit annual budget and budget augmentation documents. She mentioned that if things do not work out, the District has a thirty

day notice per the employment agreement. Vice Chairman Evans commented that there are two highly qualified District office personnel that could possibly bring a reasonable and accurate budget to the Board. He is concerned with the educational requirements not being met and the possibilities of a lawsuit against the District due to the educational requirements. Interim General Manager Williams informed Vice Chairman Evan's that his statement regarding a potential educational requirement lawsuit would not be true because of the words, "or equivalent." He stated that Dennis Longhofer has an Associates degree and twenty nine years experience when the minimum was ten years experience. Interim General Manager Williams stated that the matter would be the Board's decision. Chairman Swanson clarified that the employment agreement offered to candidate #2 would be similar to the employment agreement offered to candidate #1.

Vice Chairman Evans moved to re-advertise the General Manager position and to implement a new recruiting action as requested by Trustee Baer. Seconded by Trustee Baer. Vice Chairman Evans and Trustee Baer voted aye. Chairman Swanson, Secretary/Treasurer Lau and Trustee Patrick voted nay. Motion defeated 2 to 3.

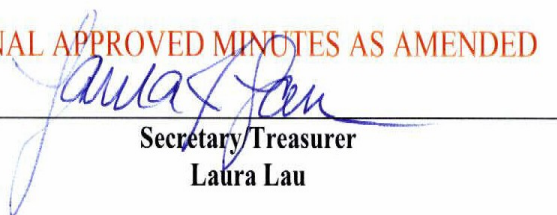
Trustee Patrick moved to accept Dennis Longhofer for the General Manager position and to cap the salary at \$75,000. Seconded by Secretary/Treasurer Lau. Trustee Patrick, Secretary/Treasurer Lau and Chairman Swanson voted aye. Vice Chairman Evans and Trustee Baer voted nay. Motion carried 3 to 2.

Rick Watkins asked for public comment on the agenda item. Chairman Swanson informed Rick Watkins that the public comment period was closed.

Chairman and Trustees' Reports: (none)

Adjournment: *Vice Chairman Evans moved to adjourn the meeting at 8:10 P.M. Seconded by Secretary/Treasurer Lau. Motion carried unanimously. The next regular Board of Trustees meeting will be on Wednesday, February 15, 2006 at 7:00 P.M.*

FINAL APPROVED MINUTES AS AMENDED



Secretary/Treasurer
Laura Lau