

**Minutes**  
**Indian Hills General Improvement District**  
**District Office**  
**3394 James Lee Park Rd. #A**  
**Carson City, NV 89705**  
**April 19, 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)

**Staff Present:** General Manager Dennis Longhofer, Executive Assistant Vicki Reifer, District's Attorney Scott Brooke, District's Engineer Brian Randall

**Others Present:** Ed James, Terri Dey, Steve Dey, Roger Gilmore, Ron Lynch

1. **Call to Order:** Chairman Swanson called the meeting to order at 7:00 P.M.
2. **Pledge of Allegiance:** Led by Secretary/Treasurer Lau.
3. **Approval of Agenda:** General Manager Longhofer requested postponement of agenda items #17 and #18. *Vice Chairman Evans moved to approve the agenda as amended with postponement of agenda items #17 and #18. Seconded by Trustee Baer. Motion carried unanimously.*
4. **Public Interest Comment:** There were no comments from the public. Chairman Swanson informed those present at the meeting of the deadline dates to file a candidacy application for the upcoming 2006 elections. Candidate filing dates are Monday, May 1, 2006 to Friday, May 12, 2006. He mentioned that there are four Board of Trustees terms expiring in 2006. He encouraged the public and interested Board members whose term of service is expiring to submit a candidacy application.
5. **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. He informed the Board that he met with Douglas County Manager Dan Holler to discuss several issues including the \$140,000 Vista Grande reimbursement. He mentioned that the meeting was informative and productive. He conducted a staff meeting with all District employees to discuss concerns and expectations. Topics of discussion at the staff meeting included work accountability and loitering in the front office during work hours. He informed the Board that an estimate was received for infield work on ball field #2. The estimate total was approximately \$6,500 which did not include materials. He stated that work on the infield will be performed in-house by District staff.

Trustee Patrick asked how much in-house work could be done by District staff for infield work on the ball fields. General Manager Longhofer informed

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Trustee Patrick that most of the Park projects would be completed by District staff. There was discussion between the General Manager and Board members on reasons for ball field #2 needing sod improvements. He commented that a detailed list of Parks projects for fiscal year 2006-2007 was provided to the Board of Trustees. **(Exhibit D)**

Board members commented on their approval of the detailed format of the General Manager's Report and inclusion of documents with the General Manager's Report that provide supplemental information.

Vice Chairman Evans inquired on the scope of work to be performed on the ball field. General Manager Longhofer explained that infield sod would be removed and then decomposed granite would be installed and compacted for a dirt infield. He suggested that the ball field be converted to accommodate soft ball to generate more income.

Chairman Swanson inquired on the District's plans on borrowing a grader for the infield work. General Manager Longhofer commented that the District has a past working relationship with MKD Construction and that their grader is more efficient than the District's grader. Chairman Swanson advised General Manager Longhofer to be cautious when borrowing equipment from others.

**Public Interest Comment:** A resident, no name stated, inquired on certificates as mentioned in the General Manager's Report. General Manager Longhofer informed the resident that a District Water Operator received a Grade III Distribution certification and a District Wastewater Operator received a Wastewater Grade I Collections certification.

**b. Engineer's Report (Exhibit B)**

The District's Engineer Brian Randall discussed items as written in the Engineer's Report. In addition, Engineer Randall informed the Board of Trustees that construction has commenced on the sludge pond liner project and that the sludge pond liner project should be completed by June 2006.

Trustee Patrick inquired on the agenda item, Change Order No. 2 in the amount of \$3,840.00 under the contract with Telesto Nevada, LLC for the East Sludge Pond Liner Installation, to authorize extending the anchor trench and liner to the top of the pond slope. Engineer Randall explained that extending the liner to the top of the pond slope would provide easier trenching conditions for the liner anchor and reduce future sloughing and erosion of side slope soil into the pond.

Trustee Baer inquired on the lift station replacement project status. Engineer Randall commented that a preliminary design was received and would be reviewed soon.

Vice Chairman Evans inquired on the cost estimate for the lift station replacement project. Engineer Randall explained that the cost for the lift station is approximately \$275,000. In addition, there would be electrical, controls and other costs associated with the lift station replacement. Engineer Randall stated that the lift station project costs would be in the vicinity of \$400,000 to \$500,000.

Chairman Swanson commented on the District's Stormwater Management Plan. He reminded the General Manager and District's Engineer on the importance of understanding the District's boundaries and responsibilities in conjunction with the District's Stormwater Management Plan. District Engineer Randall clarified that his involvement with the District's Stormwater Management Plan is to prepare and provide a storm water system map.

Chairman Swanson reminded the General Manager and District's Engineer that a high priority is the District's Streets Road Maintenance Plan. He advised General Manager Longhofer to consider its impact in the General Fund budget.

**Public Interest Comment:** A resident, no name stated, asked if the reason for replacing the lift station was because of the sewer spill. Chairman Swanson and Engineer Randall clarified that the Nevada Department of Environmental Protection required that the District submit an Engineer's Evaluation Report as a result of the sewer spill and that N.D.E.P. is requiring that the lift station be replaced because it is inadequate and outdated.

**c. Attorney's Report (Exhibit C)**

The District's Attorney Scott Brooke discussed items as written in the Attorney's Report. In addition, Attorney Brooke is investigating the ownership of the easement near Plymouth Drive to determine maintenance responsibilities and reasons that the easement was never conveyed to the District for ownership and maintenance responsibilities. A report on the easement ownership issue would be provided to the Board of Trustees at the May 18, 2006 meeting.

Trustee Patrick inquired if it would be acceptable for the District if Mr. Serpa maintained ownership of the easement. Attorney Brooke stated that the Board of Trustees should determine if ownership remaining with Mr. Serpa would be acceptable. He explained that legal research efforts might disclose if there were some donation or dedication requirements as part of the condition of the final development map. He mentioned that the parcel was set aside for drainage purposes. Subdivision conditions would be reviewed by Attorney Brooke to determine if Mr. Serpa was or was not required to donate the property to the District.

Secretary/Treasurer Lau asked if Mr. Serpa constructed the homes surrounding the easements and if that was the reason for Mr. Serpa owning those easement parcels. Attorney Brooke informed Secretary/Treasurer Lau that Mr. Serpa was the developer of the subdivision and that the easement parcels were a remnant of the subdivision development properties. Secretary/Treasurer Lau requested clarification that the Attorney was conducting research to determine if Mr. Serpa was suppose to dedicate or not dedicate those parcels to the District. Attorney Brooke clarified that historical research on the subdivision's development conditions would disclose any dedication information. He clarified that research efforts would determine if the District has any interest or obligations.

Trustee Baer commented on closing access to the easements to alleviate future erosion and flooding problems due to vehicle traffic from residents accessing their back yards. Attorney Brooke stated that closing the access might be a future action by the Board of Trustees. Attorney Brooke stated that researching the background of the property is important because who owned it and how the

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property has been used over a period of time would determine what the District can or cannot do or what rights the adjacent owners have regarding access to those easements.

Trustee Patrick commented on the installation of a lead motor and pump at the North Sunridge pressure booster station. He asked what costs were involved with the motor and pump installation and the life expectancy of the pump and motor. General Manager Longhofer stated that he would research equipment costs and their life expectancy. He recalled that the back up pump and motor expense was not large.

General Manager Longhofer mentioned that the next Valley Vista phase for thirty six single family dwellings through developer Syncon Homes would be starting soon. He mentioned that Syncon Homes is requesting the Board's consideration to accept the storm drainage system maintenance responsibilities which would be an agenda item at the next meeting.

Vice Chairman Evans asked who actually owes the \$14,000 settlement amount to Interstate Utility Constructors. Attorney Brooke mentioned that he is reviewing the matter and will provide a report to the Board of Trustees at the May 18, 2006 meeting.

**Public Interest Comment:** (none)

- 6. Approval of Draft Minutes of Board Meetings of March 15, 2006 and March 29, 2006:** Chairman Swanson requested a word revision on a motion when there is no second. He requested a revision of the words "Item defeated" to "Item failed."

*Chairman Swanson entertained a motion to approve the draft minutes of Board Meeting of March 15, 2006 as amended with the revision of words "Item defeated" to "Item failed". So moved by Trustee Baer. Seconded by Vice Chairman Evans. Motion carried unanimously.*

*Trustee Baer moved to approve the draft minutes of Board Meeting of March 29, 2006 as presented. Seconded by Secretary/Treasurer Lau. Motion carried unanimously.*

**Public Interest Comment:** (none)

- 7. Acceptance of Budget Status Reports for March 31, 2006:** The Board of Trustees discussed the loss of \$164,700 in the Enterprise Fund water connection fee revenue.

*Trustee Patrick moved to accept the Budget Status Reports for March 31, 2006 as presented. Seconded by Vice Chairman Evans. Motion carried unanimously.*

- 8. Acceptance of Bank Accounts' Reconciliation at March 31, 2006:** There were no comments from the Board of Trustees regarding the March 31, 2006 Bank Account's Reconciliation.

**Public Interest Comment:** (none)

*Secretary/Treasurer Lau moved to accept the Bank Accounts' Reconciliation at March 31, 2006. Seconded by Trustee Baer. Motion carried unanimously.*

General Manager Longhofer informed the Board of Trustees that the District received a check for over \$82,000 from the Insurance Company for the July 9, 2005 sewer spill claim.

9. **Presentation on the development of a Regional Water Plan and discussions regarding that plan. (Presentation by Carson Water Sub-conservancy District):** The Carson Water Sub-conservancy District's General Manager Ed James gave a PowerPoint presentation on information pertaining to a Regional Water Plan. He informed the Board of Trustees that the Carson Water Sub-conservancy District was established by the Nevada Legislature in 1989 for the purpose of assisting with the management and control of the limited resources for the Carson Valley water shed and that they work with all water purveyors. He mentioned that the Carson Water Sub-conservancy District does not have regulatory authority so any of their requests would need to be adopted by the water purveyors governing Board.

The presentation focused on several aspects of the Regional Water Plan as followed.

The Regional Water Plan must balance the following water demands:

- § Agricultural
- § Domestic
- § Environmental

The Regional Water Plan does not:

- § Promote Growth
- § Allow for One Large Water Purveyor

The Regional Water Plan does:

- § Use Existing County Master Plans
- § Evaluate Alternatives

Goals of the Regional Water Plan include:

- § Enhance Water Supply Reliability
- § Enhance Fire Code Protection for Communities
- § Meet New Water Quality Objectives (Arsenic, Radon)
- § Benefits to Environment
- § Provide Lower Overall Costs to Communities
- § Protect Agriculture

Ed James explained that the Carson Water Sub-conservancy District had a few past projects where studies were conducted that include:

- § Marlette Water System (Mudd Lake)
- § Pipeline through Douglas County to Carson City
- § Pipeline from Carson City to Mound House
- § Pipeline from Mark Twain to Stage Coach
- § Underground Storage in Stage Coach
- § Pipeline from Stage Coach to Silver Springs

Ed James commented on some issues that affect the Carson Valley water shed that include:

- § Alpine Decree (Carson River if fully appropriated)
- § Over Appropriated Groundwater Basins
- § Surface Groundwater Interface
- § Paper Water Versus Wet Water
- § Domestic Wells

- § Maintain Farming in the Watershed
- § Open Space
- § Floodplain Protection
- § Recharge Groundwater
- § Global Warming

Ed James informed the Board of Trustees that the Carson Water Sub-conservancy District is gathering information on all major water purveyors to evaluate water supply versus water demands for 5 year and 30 year planning to promote a regional watershed wide vision. The Carson Water Sub-conservancy District will meet with each water purveyor and their elected officials to determine needs, obligations and future visions.

Ed James requested comments and questions from the Board of Trustees and members of the community present at the meeting.

**Public Interest Comment:** Ron Lynch asked if high nitrate levels would be a problem due to the increase of housing developments that install wells or septic tanks. Ed James informed Ron Lynch that the Carson Water Sub-conservancy District is monitoring nitrate levels in three to four areas in Douglas County. Ed James stated that the areas are currently at 5 milligrams per liter which is below the standard 10 milligrams per liter. He mentioned that a few years ago, the levels were at 2 milligrams per liter and that levels are increasing rapidly which is a concern of the Carson Water Sub-conservancy District.

A resident, no name stated, asked if there were any programs where reservoirs would be built to retain water. Ed James stated that there is no water to retain. He mentioned that all water goes to Lahontan Reservoir and that all water is appropriated. He stated that the only way to retain water would be to purchase all the agriculture rights and then transfer those water rights. He mentioned that a flood control facility could be built but when assessing the economics, it would never justify itself.

Ed James commented on water in the Carson Valley being fully allocated. He stated that every twenty-five years there might be excess water. He informed the Board of Trustees that the Carson Water Sub-conservancy District is working with Alpine County to determine if excess water from the Lahontan Reservoir could fill the Indian Creek Reservoir for recreational purposes. He stated that it is a one time deal which can occur once every twenty-five to thirty years.

Vice Chairman Evans commented on a drought situation in the Mid West when water was pumped back into the ground when there was a flood. Ed James commented that the Carson Water Sub-conservancy District is reviewing ground water recharge and that Lyon County is currently recharging their ground water. He explained that the agriculture right is no longer used and surface water is pumped back into the ground.

**Break at: 7:55 P.M.**

**Reconvened at: 8:10 P.M.**

**10. Discussions related to the Proposed Sewer Monthly Service Rate, including but not limited to:**

- a) **Review of the District's Enterprise Fund Sewer Budget.**
- b) **Evaluation and review of a flat rate structure with a possible rate increase implemented in steps (annually).**

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The Board of Trustees did not need to discuss this agenda item. Chairman Swanson accidentally missed agenda item #10. Issues pertaining to agenda item #10. a) Review of the District's Enterprise Fund Sewer Budget and agenda item 11. b) Evaluation and review of a flat rate structure with a possible rate increase implemented in steps (annually) were addressed during agenda #11 discussions. However, Chairman Swanson did open a public comment interest period.

**Public Interest Comment:** (none)

- 11. Recommendations by the Board as to the monthly sewer service fees and rates which should be charged, and including discussion/possible action by the Board as to adopting a proposed monthly sewer service fee and rate structure, and also including scheduling a Public Hearing on Thursday, May 18, 2006 for the adoption of the proposed monthly fees and rate structure:** The Board of Trustees reviewed Resolution 2006-02 which states that the sewer service monthly rate structure is changed to \$23.54 per month for residential customers, with a possible further rate increase up to \$2.00 each year over the next three years as determined by a vote of the Board of Trustees. Commercial establishments which discharge a residential-equivalent standard wastewater quality will be charged a flat rate of \$23.54 per EDU per month of sewer service provided, with a possible further rate increase up to \$2.00 each year over the next three years, as determined by a vote of the Board of Trustees.

Attorney Brooke clarified that the format and the language of Resolution 2006-02 was acceptable.

Vice Chairman Evans stated that he was uncomfortable with a possible \$6.00 sewer rate increase but after reviewing the operating costs, the initial proposed sewer rate of \$18.66 increase would not be sufficient. Trustee Patrick inquired on the possibilities of lowering the proposed \$23.54 sewer rate by a few dollars. There was discussion amongst the Board of Trustees that Sewer Enterprise Fund operating costs were analyzed and reviewed. The consensus of the Board of Trustees was that there is currently inadequate revenue for the Sewer Enterprise Fund to be self-sustaining.

**Public Interest Comment:** Ron Lynch requested clarification from Vice Chairman Evans on his comment pertaining to the sewer rate increase. Vice Chairman Evans clarified that the initial proposal was to increase the sewer rate to \$18.66 (flat rate) or an increase of \$1.06 (6%) a month for all customers which would be inadequate to cover operating expenses. He stated that over \$500,000 would be spent on sewer improvements this fiscal year. Ron Lynch commented on increasing the rate to cover expenses. He stated that the District cannot be spending more money than the District is taking in and that the District needs to look into the future. He suggested that rates need to be adjusted in order to build up its reserve. He stated that the public needs to be informed and aware of the reasons for the sewer rate increase such as repairing and replacing sewer infrastructure. He recommended that the District increase the sewer rate appropriately to cover its sewer expenses.

The Board of Trustees discussed depreciation. Chairman Swanson explained that the District has a depreciation schedule which changes when assets are replaced such as the lift station. He mentioned that depreciation is not an expense item on the budget. Chairman Swanson suggested that depreciation is discussed at an upcoming goal setting workshop meeting.

There was discussion on the possibilities of the District receiving connection fees to assist with the Enterprise Fund year end balance. Chairman Swanson clarified that connection fees pay for capital improvements and not operating costs.

*Chairman Swanson entertained a motion to approve the form and format of Resolution 2006-02, A Resolution to amend the monthly service rate structure and the rates charged for sewer service provided by the District to all customers. So moved by Trustee Baer. Seconded by Trustee Patrick. Motion carried unanimously.*

Secretary/Treasurer Lau commented on the letter dated April 10, 2006 from the Nevada Department of Taxation that noted that the District's Water and Sewer Enterprise Fund completed the fiscal year with another net loss.

- 12. Discussion and possible action on reconsideration of the District's Custodial Services. (Requested by Terri Dey, District's current custodial service provider):** General Manager Longhofer mentioned that Terri Dey was present to discuss her position regarding the discussions at the March 15, 2006 Board of Trustees meeting. He stated that District staff is in support of Terri Dey's position. Terri Dey introduced herself to the Board of Trustees and that she wanted to address some comments that were made at the March 15, 2006 meeting. Terri Dey has been the District's custodian for almost eight years and that she charges the District a flat rate of \$150.00 per visit. The time frame to clean can range from one hour and a half to four hours depending on the condition of the main office and that the television is not watched. She stated that certain sections of lights are on in the main office depending on what area of the office is being cleaned. She does not use the building for any purpose other than cleaning. She felt that her integrity was in question and that comments made at the last meeting were unjustified. She has worked hard to maintain the condition of the new building. She understood the Boards decision at the last meeting on taking bids due to her rate increase but she felt that she should have the opportunity to continue services to the District because of her past eight years of service. She was surprised that the previous General Manager approved her rate increase without any discussions on the matter. She is willing to negotiate her rate increase with the General Manager and Board of Trustees.

Trustee Patrick commented on the issue of the television being on in the main office when he was not a member of the Board and the issue of the custodial services rate increase. He recognized that the custodial services provided have been exceptional and that District staff appreciates the work performed by Terri Dey. However, as a Board member and representative of the residents, he felt obligated to question the rate increase.

Secretary/Treasurer Lau commented on Terri Dey's positive reputation from District staff. Terri Dey explained that she performs several tasks that are never billed to the District such as shopping to refill janitorial cleaning supplies and flexibility of changing the District's main office cleaning schedule to accommodate when the meeting room is rented.

Chairman Swanson commented that the Board of Trustees is obligated to periodically review the District's contract services. Chairman Swanson inquired from the General Manager if the District was receiving value for their money. General Manager Longhofer stated that the District is receiving value for their money. He requested that the Board of Trustees observe the windows in the meeting room. He mentioned that Terri Dey cleans the windows when needed and that District staff never has to ask her to clean windows.

**Public Interest Comment:** (none)

Chairman Swanson stated that he had no problems continuing custodial services from Terri Dey because service provided for the cost is fair and reasonable.

*Vice Chairman Evans moved to retain Terri Dey as the District's custodial service contract at \$150 per visit. Seconded by Trustee Baer. Chairman Swanson, Vice Chairman Evans, Secretary Treasurer Lau, Trustee Baer voted aye. Trustee Patrick voted nay. Motion carried 4 to 1.*

Terri Dey thanked the Board of Trustees.

- 13. Discussion and possible action to accept and authorize finalizing of Gilmore Engineering's draft Technical Memorandum Assessment of Arsenic Removal Alternatives dated March 2006:** Roger Gilmore from Gilmore Engineering was available to answer questions from the Board of Trustees on the draft Technical Memorandum Assessment of Arsenic Removal Alternatives. He recommended the Mobile Process Technology (MPT) because the process is substantially lower in projected operating cost, and the capital cost is the lowest of any of the alternatives. The process also produces no backwash water, and does not require pH adjustment and can utilize the Calgon tanks. He advised the Board of Trustees to review the capital and operating costs on page 14 of the draft Technical Memorandum Assessment of Arsenic Removal Alternatives. He suggested that the District procure the MPT media directly from the Vendor.

Roger Gilmore recommended a thirty day long pilot test to determine the media life and to gain approval for the process from the Nevada Bureau of Safe Drinking Water.

Vice Chairman Evans inquired on an estimated amount to get the arsenic system in operation. Roger Gilmore clarified that the arsenic capital costs were estimated to be \$1.25 million when the ozone project commenced which did not include other costs such as administrative costs. Roger Gilmore stated that the arsenic design report submitted three years ago indicated \$760,000 for the arsenic system capital costs and that the cost now would be less than \$760,000.

**Public Interest Comment:** (none)

Trustee Patrick inquired on the \$3,500 pilot test costs. Roger Gilmore explained that the pilot test estimate of \$3,500 does not include the cost of engineering supervision and preparation of a pilot test report.

*Trustee Baer moved to accept and authorize finalizing of Gilmore Engineering's draft Technical Memorandum Assessment of Arsenic Removal Alternatives dated March 2006. Seconded by Trustee Patrick. Motion carried unanimously.*

- 14. Discussion and possible action to approve an amendment to increase Gilmore Engineering's professional services agreement by \$5,000 to conduct a pilot test of the Mobile Process Technology system, and to provide a technical report required by the Bureau of Safe Drinking Water:** The Board of Trustees did not need to discuss this agenda item. Issues pertaining to the arsenic media pilot test were addressed during agenda #13 discussions.

**Public Interest Comment:** (none)

*Trustee Baer moved to approve an amendment to increase Gilmore Engineering's professional services agreement by \$5,000 to conduct a pilot test of the Mobile Process Technology system, and to provide a technical report required by the Bureau of Safe Drinking Water. Seconded by Vice Chairman Evans. Motion carried unanimously.*

- 15. Discussion and possible action on approval of Change Order No. 2 in the amount of \$3,840.00 under the contract with Telesto Nevada, LLC for the East Sludge Pond Liner Installation, to authorize extending the anchor trench and liner to the top of the pond slope:** Engineer Randall informed the Board of Trustees that there will be one more change order in the amount of approximately \$1,000 for the sump. Secretary/Treasurer Lau advised that the change order amount of \$3,840 indicated on the agenda item be revised to show the correct change order amount of \$3,830.

**Public Interest Comment:** (none)

*Secretary/Treasurer Lau moved to approve Change Order No. 2 in the corrected amount of \$3,830.00 under the contract with Telesto Nevada, LLC for the East Sludge Pond Liner Installation, to authorize extending the anchor trench and liner to the top of the pond slope. Seconded by Trustee Baer. Motion carried unanimously.*

- 16. Discussion and possible action to approve a settlement agreement with Interstate Utility Constructors for litigation Case #05-CV-0233 and to authorize payment of \$14,677.70 to the plaintiff as payment due under that agreement:** Attorney Brooke clarified that the settlement amount was determined to be owed by the District's Engineer as part of the contract with Interstate Utility Constructors.

Vice Chairman Evans requested verification from the District's Attorney if Douglas County was to repay the District per an agreement. Attorney Brooke clarified that the District entered into a contract with Interstate Utility Constructors and that he is reviewing the matter and will provide a report to the Board of Trustees at the May 18, 2006 meeting.

*Trustee Baer moved to approve a settlement agreement with Interstate Utility Constructors for litigation Case #05-CV-0233 and to authorize payment of \$14,677.70 to the plaintiff as payment due under that agreement. Seconded by Trustee Patrick. Chairman Swanson, Secretary/Treasurer Lau, Trustee Patrick and Trustee Baer voted aye. Vice Chairman Evans voted nay. Motion carried 4 to 1.*

**Public Interest Comment:** (none)

- 17. Discussion and possible action to approve a Professional Services Agreement with MJM Certified Consulting for providing various computer related services including, but not limited to, network software installation, data migration, data conversion and networking services.**

*Agenda item postponed.*

- 18. Discussion and possible action to approve a Professional Services Agreement with Management Support for providing various accounting related services.**

*Agenda item postponed.*

- 19. Discussion and possible action to approve an Annexation Instruction and Request for Annexation of Property(s) form:** Executive Assistant Vicki Reifer explained that the District

never implemented a standardized method of obtaining documents and information from property owners that request annexation or a will serve and that the District has never charged the petitioner for reviewing and processing annexations or will serves. She suggested that the District collect fees for reviewing and processing both will serve and annexation requests.

Trustee Patrick inquired if the District's Attorney and District's Engineer reviewed the annexation and will serve documents and if they had any recommendations or revisions.

Attorney Brooke commented that the District might want to develop an annexation policy. Engineer Randall reviewed the annexation and will serve forms before the meeting and that his recommendations were included in the documents presented to the Board of Trustees.

Secretary/Treasurer Lau requested clarification that the intent of the form was to have a process and that the District charge fees associated with processing annexations or will serves. Executive Assistant Vicki Reifer confirmed that the intent of the annexation and will serve forms are to have a standardized process and that annexation/will serve requestor's should be charged for the District's efforts to review and process annexations and will serves.

There was discussion between the Board of Trustees on the various costs associated with processing will serves and annexations. Executive Assistant Vicki Reifer explained that the District's Engineer reviews various design plans including but not limited to plumbing, streets and storm drainage which is a cost associated with reviewing and processing will serves for commercial and home subdivision developments. Engineer Randall clarified that after annexation of a property, if the development is commercial or a home subdivision, he reviews the developer's plans and then charges the District for his services. He explained that an invoice from Resource Concepts submitted to the District includes both the customer's name and project. He suggested that the District pass those charges to the entity requesting the District's service.

Chairman Swanson requested that an annexation policy and annexation fee structure is developed.

*Agenda item tabled until an annexation policy and annexation fee structure is drafted.*

**Public Interest Comment:** (none)

- 20. Discussion and possible action to approve a Will Serve Instruction and Request for Water/Sewer Availability Letter form:** The Board of Trustees had limited discussions on this agenda item. Issues pertaining to agenda item #20 Will Serve Instruction and Request for Water/Sewer Availability Letter form were addressed during agenda #19 discussions.

Chairman Swanson requested that a fee structure is developed for processing will serves. There was discussion on connection fees covering administrative costs associated with reviewing will serve requests. Chairman Swanson clarified that connection fees are used for capital improvements. Engineer Randall commented that review of commercial development plans get involved when reviewing service requirements.

*Agenda item tabled until a will serve fee structure is drafted.*

**Public Interest Comment:** (none)

**21. Chairman and Trustees' Reports:** Trustee Patrick suggested that a goal setting workshop meeting is scheduled soon. Chairman Swanson requested that General Manager Longhofer confer with each Board member on their availability to conduct a goal setting workshop meeting in the middle of June 2006.

Trustee Baer commented that he is reviewing the District's depreciation and fixed assets. Chairman Swanson suggested that depreciation and fixed assets are discussed at the goal setting workshop meeting.

Vice Chairman Evans commented on a possible agenda item at the May 18, 2006 Board of Trustees meeting regarding stand by. He commented that several employees are paid for being on stand by on each District payroll period. Chairman Swanson requested a discussion agenda item relating to standby issues at the May 18, 2006 Board of Trustees meeting.

Chairman Swanson reminded the Board of Trustees of his absence at the May 18, 2006 Board of Trustees meeting and that Vice Chairman Evans would be conducting the meeting.

Chairman Swanson recommended that Board members conduct conversations and requests directly with the General Manager and not with District staff. He reminded the Board of Trustees to have mutual respect when dealing with and addressing each other and members of the community.

**Public Interest Comment:** Ron Lynch inquired if the final budget would be an agenda item at the May 18, 2006 meeting and if the tax figures received from the Nevada Department of Taxation changed the District's budget. Chairman Swanson clarified that the Board of Trustees decided the District's tax rate when the tentative budget was discussed and approved. He informed Ron Lynch that the final budget will be an agenda item at the May 18, 2006 Board of Trustees meeting and the 2005-2006 budget augmentation would be an agenda item at the June 2006 Board of Trustees meeting. Ron Lynch informed the Board of Trustees that they are doing a great job.

**22. Adjournment:** *Chairman Swanson entertained a motion to adjourn the meeting at 9:21 P.M. So moved by Vice Chairman Evans. Seconded by Secretary/Treasurer Lau. Motion carried unanimously. The next regular Board of Trustees meeting will be on Thursday, May 18, 2006 at 7:00 P.M.*

- Exhibit A General Manager's Report*
- Exhibit B Engineer's Report*
- Exhibit C Attorney's Report*
- Exhibit D Parks Department Fiscal Year 06-07 Project Expenses*

**FINAL APPROVED MINUTES AS AMENDED**  
  
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Secretary/Treasurer  
Laura Lau