

Minutes
Indian Hills General Improvement District
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
August 9, 2006
7:00 P.M.

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

Trustees Absent: Vice Chairman Riley Evans

Staff Present: General Manager Dennis Longhofer, Executive Assistant Vicki Reifer, Administrative Operations Manager Nancy Fredrickson, District's Attorney Jennifer Yurbide, District's Engineer Brian Randall

Others Present: Ron Lynch, Lorre St. Germain, Nevada League of Cities Executive Director David Fraser, Marilyn Foster, Paul Foster, Johnson Consulting Representative Marty Johnson

1. **Call to Order:** Chairman Swanson called the meeting to order at 7:01 P.M.
2. **Pledge of Allegiance:** Led by Chairman Swanson.
3. **Approval of Agenda:** Chairman Swanson asked General Manager Longhofer and members of the public if they requested any agenda revisions. There were no requested changes to the agenda.

Trustee Patrick moved to approve the agenda as presented. Seconded by Secretary/Treasurer Lau. Motion carried 4 to 0.

4. **Public Interest Comment:** Resident of the District and Douglas County's Mosquito Control Supervisor Ron Lynch discussed a reported case of a District resident that contracted the West Nile virus. He mentioned that there was a delay from the Health Department on notifying the County's Mosquito Abatement District of that reported case. He explained the process of trapping and testing mosquitoes for the West Nile virus. He discussed spraying efforts throughout the District. He informed the Board of Trustees and members of the public that a complete spraying of the District would be completed soon.

Secretary/Treasurer Lau inquired if there was anything that the District or residents could do. Ron Lynch discussed the County's Mosquito Abatement District's various methods and efforts to eliminate breeding of mosquitoes. Trustee Patrick asked Ron Lynch if there was any direction or advice that the District could provide to residents in the District's newsletter on reducing the risk of contracting the West Nile virus. Ron Lynch recommended that people wear long sleeve shirts, long pants and use mosquito repellent.

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 commented on additional items. He informed the Board of

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Trustees that the District has applied for solar energy grant funding. He stated that the solar energy project would commence in fiscal year 2007-2008 if the District approves the grant. He explained that the District would be paid \$5 a kilowatt up to 30 kilowatts through Sierra Pacific Power and that the project cost for 30 kilowatts ranges between \$190,000 to \$250,000. General Manager Longhofer met with Douglas County's Community Service Director Scott Morgan in regards to residential construction tax for funding parks project. Scott Morgan recommended that the District apply for funding in order to be included in the County's five year plan. General Manager Longhofer informed Scott Morgan that the District intends on constructing a trailhead at Vista Park similar to the Coloma trailhead. He commented on the expansion of Vista Park's amenities once residential construction tax funding is approved. General Manager Longhofer discussed with Scott Morgan on the condition of grass at various District parks. Scott Morgan informed General Manager Longhofer that Douglas County contracts with a Southern California Company which uses a hydraulic aerator that penetrates eight to ten inches into the ground. District parks employees are working with Valley Turf on researching machines to improve the condition of grass at District parks.

General Manager Longhofer commented that the General Manager's Report was revised to include the status of the District's Reserve Fund Account.

General Manager Longhofer informed the Board of Trustees that the State of Nevada Division of Environmental Protection is requiring that the District submit plans by a deadline date of August 31, 2006 to either line the west sludge pond or abandon the west sludge pond. He discussed options of sludge dewatering. District Wastewater Operator Andy Joyner was present at the meeting to answer questions regarding sludge dewatering.

General Manager Longhofer discussed several uses of the District's Vac-Con Truck. He mentioned that the Vac-Con Truck is being used for sewer operations and for removal of dirt when excavating water and sewer lines.

District Wastewater Operator Andy Joyner discussed sludge and biosolid problems at the District's Wastewater Treatment Plant. He stated that ABJ informed the District when the Wastewater Treatment Plant was being constructed that the sludge ponds were fifteen year ponds however; the ponds only lasted two years. He stated that high nitrates were detected for Monitoring Well #2 approximately two years ago and at that time, a State Geologist determined that nitrates were not coming from the effluent ponds but from the sludge ponds. Andy Joyner stated that the District's nitrate level is currently at 10 parts per billion and that the State requires implementation of a corrective action plan when nitrate levels are at 9 parts per billion. He explained that lining of the sludge ponds should have occurred every other year but did not get done because of weather conditions and money issues. Andy Joyner stated that it might seem that the State is giving the District a tough deadline, but they actually extended the District's deadline over a year. Andy Joyner stated that the District needs a different type of system which handles biosolids. He mentioned that the system is costly but it would be a long-term remedy for the District's sludge issues. He informed the Board of Trustees that Waters Corporation estimated \$154,000 to pump, haul and dispose of sludge from the west pond. Trustee Patrick inquired if Bently Nevada Corporation was interested in taking some of the sludge. Andy Joyner stated that Bently would not take

that type of sludge but they might accept biosolids or treated sludge. He was unable to make contact with Bently to ask if they would accept any of the District's biosolids.

Trustee Patrick asked how long the west sludge pond has been in operation. Andy Joyner was unable to answer Trustee Patrick's question. There were questions regarding past cleaning of the sludge ponds. Andy Joyner clarified that the east sludge pond was cleaned in the past but he was unaware if the west sludge pond was ever cleaned.

Andy Joyner recommended that the District implement a dewatering system. The dewatering process and sludge disposal was discussed. Andy Joyner informed the Board of Trustees that 400,000 gallons of sludge still needs to be removed from the west pond.

Trustee Patrick asked if the east sludge pond contained the same amount of sludge as the west sludge pond. Andy Joyner stated that the east sludge pond contained less sludge because it was previously cleaned out and was not in use for almost two years. He explained that the east sludge pond had minimal sludge which was pumped and disposed of by the project lining contractor. It was the opinion of Andy Joyner that the west sludge pond should have been lined first prior to lining of the east sludge pond. General Manager Longhofer stated that the east sludge pond would still be used as an emergency pond even if the District decided to use a mechanical dewatering system.

Secretary/Treasurer Lau inquired on the cost for a dewatering system. Andy Joyner was provided an estimate in November or December 2004 in which the dewatering system was \$270,000. Issues regarding the cost of a dewatering system and deadline date to submit plans to the Nevada Division of Environmental Protection were discussed. Andy Joyner stated that sludge ponds will still continue to get full and would need to be pumped and cleaned out probably once every two years.

Trustee Patrick inquired if another employee would be needed to operate the dewatering system. Andy Joyner replied that it would depend on the outcome of the pilot test. General Manager Longhofer commented on his experience with centrifuge systems and that another operator would not be needed.

Chairman Swanson recommended that General Manager Longhofer respond to the Nevada Division of Environmental Protection. There was discussion on providing a schedule of action to line the pond or to abandon the pond which would require approval by the Board of Trustees. Chairman Swanson suggested that General Manager Longhofer, Wastewater Treatment Operator Andy Joyner and the District's Engineer provide a recommendation to the Board to either line the pond or abandon the pond.

Secretary/Treasurer Lau inquired if the "No Motor Vehicles Allowed" signs were installed. General Manager Longhofer mentioned that the District installed a sign by Vista Park. Steve Black from Syncon Homes informed General Manager Longhofer that the area was going to be fenced which would take care of three of the signs. Secretary/Treasurer Lau recommended a follow up because Steve Black is no longer working for Syncon Homes.

Trustee Baer inquired on reasons for the replacement of sixty four meter registers. He asked if any meter registers were sent back for analysis. General Manager Longhofer

was uncertain on reasons for failure of the meter registers. He stated that Western Nevada Supply replaces the register at no charge as long as the meter is registered. Trustee Baer suggested that the registers are examined to determine reasons for their failure because the District might not always get them for free.

Public Interest Comment: (none)

b. Engineer's Report (Exhibit B)

The District's Engineer Brian Randall discussed items as written in the Engineer's Report. He commented on additional items not indicated in the Engineer's Report. He stated that the final application for payment to Telesto Nevada LLC for installation of the east sludge pond liner was received which includes the amounts from change order #3 through change order #6 that were approved at the July 19, 2006 Board of Trustees meeting. The application for final payment will be an agenda item at the September 20, 2006 Board of Trustees meeting. He discussed the deadline date of August 31, 2006 to submit plans to the Nevada Division of Environmental Protection for the west sludge pond. He mentioned that N.D.E.P. might not be aware of the District's consideration of alternatives for waste treatment and dewatering. He commented that lining of the west sludge pond could not be completed by next year because it took two years to dry out the east sludge pond. He informed the Board of Trustees that the District could submit a plan for abandonment of the west pond in response to the Nevada Division of Environmental Protection's August 31, 2006 deadline request for plans.

Engineer Randall was unable to contact Aqua Drilling for status of drilling the exploratory well. He discussed the status of the Hobo lift station replacement. He explained that ROMTEC Utilities suggested a system that was insufficient in capacity because of the District's build out potential. ROMTEC Utilities provided Resource Concepts with an alternative estimate but the cost was not acceptable. He informed the Board of Trustees that the cost for the unit was \$500,000 without installation and that the cost could be estimated at \$700,000 including installation. General Manager Longhofer asked if the cost included a generator. Engineer Randall replied that the cost included a generator.

Trustee Patrick asked if the District had issues with its wells because the District is drilling another well. Engineer Randall explained that the District is entirely dependent on Brown's well during the summer season and that the District would be in a serious situation if Brown's well were to fail. He informed the Board of Trustees that the exploratory well is a supplemental or standby source. He is unaware if the exploratory well will be acceptable for the system as far as its capacity and water quality until it is drilled. He mentioned that the exploratory well could change from a supplemental well to an additional production well if the District had a significant growth in the future and increased its service area. Trustee Patrick inquired if Brown's well was at capacity. Engineer Randall recalled that Brown's well pumps 25% of the day. Engineer Randall discussed the interconnection between the District's system and Douglas County's two million gallon tank which supplies the North Valley commercial area. He explained the purpose of the interconnection. He informed the Board of Trustees that the interconnection is a standby source if there is structural failure of a well. He mentioned that two million gallons of

water would go quickly when maintaining both the District and the North Valley commercial area. He stated that the District should not ignore its potential need for a new water source in the future.

Public Interest Comment: (none)

c. Attorney's Report

There was no written Attorney's Report. The District's Attorney Jennifer Yturbide mentioned that Attorney Brooke was unavailable to prepare a written Attorney's Report because he was on vacation. She reviewed the July 19, 2006 minutes which indicated that Attorney Brooke was working with General Manager Longhofer on drafting an interlocal agreement with Douglas County regarding the transfer of sixteen sewer units. She inquired from General Manager Longhofer on the status of the interlocal agreement. General Manager Longhofer informed Attorney Yturbide that Douglas County is drafting the interlocal agreement which will be reviewed and presented to the Attorney and the Board of Trustees once it is completed. Attorney Yturbide informed the Board of Trustees that she received a letter from Steve Black from Syncon Homes inquiring if the District was going to pursue an interlocal agreement with the County. Attorney Yturbide commented on her presence at the May 18, 2006 Board of Trustees meeting in which the District accepted maintenance responsibilities for the easement and dedicated storm drainage system for Valley Vista, Phase 7 subject to the review of the storm drain facility easement agreement by the District's Attorney and Syncon Homes. She mentioned that there should be an interlocal agreement because one of the conditions by the County for the development was that a portion of the land be dedicated to gain access to the District for maintenance of the detention basin. Attorney Yturbide has not received instructions from the District on the matter. She informed the Board of Trustees that Brooke, Shaw and Zumpft received an executed release in regards to the payment for legal costs that were approved at the July 19, 2006 Board of Trustees meeting for General Manager Longhofer.

Secretary/Treasurer Lau inquired on the status of updating the District's Personnel Policy. General Manager Longhofer informed Secretary/Treasurer Lau that the District's Human Resources Representative was working with a Consultant from CHRM on amending the District's Personnel Policy.

Public Interest Comment: (none)

General Manager Longhofer asked Chairman Swanson if agenda item #11, Discussion and possible action on Loan Options for Water and Wastewater Capital Improvements could be moved up in order for the Representative from Johnson Consulting to get to the airport. Chairman Swanson requested a motion from the Board of Trustees on the matter.

Trustee Patrick moved to amend the order of the agenda items by moving agenda item #11 before agenda item #6. Seconded by Secretary/Treasurer Lau.

Chairman Swanson opened a public comment interest period in regards to moving agenda item #11.

Public Interest Comment: (none)

Trustee Patrick moved to amend the order of the agenda items by moving agenda item #11 before agenda item #6. Seconded by Secretary/Treasurer Lau. Motion carried 4 to 0.

- 11. Discussion and possible action on Loan Options for Water and Wastewater Capital Improvements. (Presented by Johnson Consulting)** General Manager Longhofer stated that Johnson Consulting was recommended to the District by the Nevada Department of Taxation and that the District plans on combining all costs for water and wastewater capital improvement projects into one loan amount. Marty Johnson from Johnson Consulting provided the Board of Trustees with documents that explain financing alternatives. **(Exhibit C)** He recommended either General Obligation/Revenue Supported Bonds or Revenue Bonds. He discussed the differences between General Obligation/Revenue Supported Bonds including the requirement of approval by the Douglas County Debt Management Commission for General Obligation/Revenue Supported Bonds.

Chairman Swanson discussed his concerns with having a General Obligation Fund backing up an Enterprise Fund. He asked if the District has done this before. Johnson Consulting's Representative Marty Johnson responded that the District has done this type of financing previously and that 90% of water and sewer financing in the State of Nevada is done that way. Chairman Swanson discussed the District's obligation to review its water and sewer rate structure. Johnson Consulting's Representative Marty Johnson reviewed the operating revenues less the operating expenses in the District's 2006-2007 budget which determined that the District could afford to make payments. He commented on the uncertainty of knowing if the District would be capable of building its ending fund balance target or capable of funding other projects in its five year capital improvement plan. He suggested that the rate structure be reviewed.

There were further discussions on the District's capability of repayment of a \$1.7 loan and re-evaluation of the District's water and sewer rate structure. Johnson Consulting's Representative Marty Johnson recommended that the District's five year capital improvement plan be reviewed in order to determine if revenues would be available to support that plan. He suggested that the District authorize a maximum amount of bonds.

Chairman Swanson commented that the recommendation by Johnson Consulting is that the District considers General Obligation/Revenue Supported Bonds. Trustee Baer inquired on the total amount for water and sewer capital improvement projects. There were discussions on the costs associated with water and sewer capital improvement including the Hobo lift station replacement, dewatering system, back up power and arsenic removal.

The Board of Trustees discussed postponement of the agenda item. Johnson Consulting's Representative Marty Johnson informed the Board of Trustees that the Douglas County Debt Management Commission conducts meetings when requested. Trustee Patrick requested further clarification on the difference between the General Obligation/Revenue Supported Bonds and Revenue Bonds. Chairman Swanson stated that revenue bond payments are based on revenue created by the Enterprise Fund which would impact the bonds' interest rate. Johnson Consulting's Representative Marty Johnson discussed the interest rate differences between Revenue Bonds and General Obligation/Revenue Supported Bonds.

Public Interest Comment: (none)

Chairman Swanson requested that the General Manager develop a five year capital improvement plan which would include associated costs for the improvements and time

schedule to commence the improvements; and time schedule for issuance of the bond for the General Obligation/Revenue Supported Bonds or Revenue Bonds.

No action.

- 6. Approval of Draft Minutes of Board Meeting of July 19, 2006:** *Secretary/Treasurer Lau moved to approve the Draft Minutes of Board Meeting of July 19, 2006 as presented. Seconded by Trustee Patrick. Chairman Swanson voted aye. Secretary/Treasurer Lau voted aye. Trustee Patrick voted aye. Trustee Baer abstained. Motion carried 3-0.*

Public Interest Comment: (none)

- 7. Acceptance of Budget Status Reports for July 31, 2006:** There were discussions on water revenue amounts and water/sewer debt payments.

Public Interest Comment: (none)

Chairman Swanson entertained a motion to accept the Budget Status Reports for July 31, 2006. So moved by Trustee Baer. Seconded by Trustee Patrick. Motion carried 4 to 0.

- 8. Acceptance of Bank Accounts' Reconciliation at July 31, 2006:** Administrative Operations Manager Nancy Fredrickson mentioned that the Money Market account reconciliation shows the withdrawal amounts for the water/sewer loan payments and the Operating account reconciliation shows additional withdrawals for payroll direct deposits and merchant charges for credit card payments.

Public Interest Comment: (none)

Trustee Patrick moved to accept the Bank Account's Reconciliation at July 31, 2006. Seconded by Secretary/Treasurer Lau. Motion carried 4 to 0.

- 9. Presentation by the Nevada League of Cities to review NLC&M Bill draft requests for the 2007 Legislative session, NLC&M legislative Advocacy Policy and NLC&M Legislative Compact:** Nevada League of Cities Executive Director David Fraser informed those present at the meeting that the Nevada League of Cities represents all incorporated Cities in the State of Nevada as well as many unincorporated Towns and Improvement Districts in the State of Nevada including a Homeowner's Association called Spring Creek. David Fraser referred to the 2007 Legislative Compact, Legislative Advocacy Policy, and the 2007 BDR Proposals documents which were included in the Board meeting packet. David Fraser explained that the 2007 Legislative Compact is a collective value statement from Nevada League of Cities members. He discussed components of the 2007 Legislative Compact which include Financial Stability, Taxation, Economic Development and Redevelopment, Government Operations, Labor/Management, Public Safety and Development and Growth. Chairman Swanson inquired from Board members and those present at the meeting if there were questions regarding the 2007 Legislative Compact.

Public Interest Comment: (none)

Nevada League of Cities Executive Director David Fraser discussed the Legislative Advocacy Policy. He stated that the first section of the document explains details of the Nevada League of Cities communication efforts to their members regarding pending legislation and that the

second section of the document explains the League's determination of its position in regards to various legislative issues, particularly bills. He explained that the League's position in the 2003 Legislative session was that the League would only take a position on bills for which its members were unanimous. David Fraser discussed the changes to the Legislative Advocacy Policy. The Legislative Advocacy Policy states that if there is a conflict between or among League members regarding a position on a specific bill, the League will use mediation techniques in an attempt to resolve the conflict and if a mutually agreeable solution can not be reached, the League may take a position that it finds to be in the strong interest of the majority of its members without adversely impacting any members. If the League finds that such a position would adversely impact one or more members, the League will not take any position on the particular issue in question.

Nevada League of Cities Executive Director David Fraser gave an example at the last Legislative session regarding a bill which dealt with prevailing wages. He explained that the League sought to raise the prevailing wage for public works projects but there were two Cities that cast dissenting votes. He commented that the bill was not harmful to the Cities but the Cities had their own opinion of the legislation.

Trustee Patrick commented on #3, Unfunded Mandates in the Financial Stability section of the 2007 Legislative Compact documents. He commented on the Federal mandate that the District remove arsenic from its water system. He inquired if the League had specific unfunded mandate legislation or if the League was broad on its position. Nevada League of Cities Executive Director David Fraser clarified that the unfunded mandates statement is broad because it is a statement of principle on which the League would base a specific position on specific legislative items. He explained that the League would oppose legislation which would require that the local government provide new services, expand existing services or conduct new or additional governmental functions without appropriating or designating state funding sources to support said new services, expansion of existing services and new or additional governmental functions. He mentioned that the League does get involved with Federal legislation through Lobbyist of the National Nevada League of Cities. Trustee Patrick inquired if the National League of Cities or Nevada League of Cities made any statements regarding the mandate by the Federal government for arsenic removal. David Fraser responded that he is unaware of any statement of position from the Nevada League of Cities regarding arsenic removal. He informed the Board of Trustees that there is a process at the Nevada League of Cities annual meeting where members could submit positions to the League's Resolution Committee. Trustee Patrick commented on the lack of effectiveness of a Resolution for arsenic removal. David Fraser responded that the most effective solution would be to submit a Resolution to the National League of Cities. He stated that the Lobbyist for the National League of Cities would actively advocate the position if the Resolution is adopted.

Nevada League of Cities Executive Director David Fraser discussed the 2007 BDR Proposals. He mentioned that the League's Board of Directors tentatively approved the proposals and that they are subject to change at their annual meeting. He informed the Board of Trustees that the items are bill drafts recommended by the League's Legislative Committee to the League's Board of Directors. He discussed components of the 2007 BDR Proposals which include Creation of New "local option" Diesel Road Tax, Impact Fees for Police and Fire, Undergrounding of Utilities, Residential Construction Tax, Effective Date of Enacted Legislation, State Disaster Relief Funding and Substance Abuse.

David Fraser discussed an additional BDR proposal not listed in the 2007 BDR Proposals documents titled Inter-Local Purchase Agreements. He explained that the League would

propose to revise language in the legislation and increase the \$2,000 amount for inter-local purchase agreements.

Chairman Swanson questioned if there were budgeting challenges due to implementation of various treatment programs because of the increase in substance abuse cases. David Fraser commented that the purpose of the proposal is to make certain that funds would be available for treatment and prevention of methamphetamine abuse.

Chairman Swanson inquired from Board members and those present at the meeting if there were questions regarding the Legislative Advocacy Policy and the 2007 BDR Proposals.

Public Interest Comment: (none)

Break at: 8:45 P.M.

Reconvened at: 8:55 P.M.

- 10. Discussion and possible approval for an Easement reduction located near 3524 Silverado Drive (APN #1420-07-214-013). (Requested by resident Lorre St. Germain)** This agenda item was discussed at the July 19, 2006 Board of Trustees meeting. General Manager Longhofer informed the Board of Trustees that the area was surveyed by himself and Water Treatment Operator Dave Wright. General Manager Longhofer determined that the land is not being used and that there should be no problem with reducing the size of the easement. He mentioned that there may be an issue with Sierra Pacific Power if Lorre St. Germain wanted to extend the area.

Chairman Swanson recalled that at the last meeting it was discussed that the property owner would be responsible to obtain and pay for a survey and appraisal of the property. Chairman Swanson asked if there were any further determinations other than the concept that the size of the easement could be reduced. General Manager Longhofer determined that the size of the easement could be reduced. Lorre St. Germain informed the Board of Trustees that she paid an additional \$40,000 for the additional area which is the easement when she purchased the 3524 Silverado Drive parcel. She stated that Douglas County determined that 12,000 square feet would be a minimum lot size for the parcel and that 6,000 square feet would be needed to build the home. She mentioned that Douglas County might require that the lot be split in half if a 12,000 square foot minimum lot size is required. Chairman Swanson asked Lorre St. Germain on the total footage of property that would be removed from the easement. Lorre St. Germain referred to a map which was included in the Board meeting packet. It was determined through discussions between Lorre St. Germain and the Board of Trustees that the 3524 Silverado Drive property would be extended up to the cyclone fence that surrounds the District's water tank. Chairman Swanson asked General Manager Longhofer if there was any problem extending the property to that location. General Manager Longhofer responded that there might be a problem with Sierra Pacific Power due to a transformer and power pole on the easement. Lorre St. Germain mentioned that she contacted Sierra Pacific Power to inquire about the pole. She provided Sierra Pacific Power with the pole number and that they concluded that the pole is theirs and that it is an underground utility source for the District's water tank. Lorre St. Germain contacted Underground Service Alert to request that the underground utilities are located and marked.

Chairman Swanson suggested that a survey and appraisal of the property be completed. General Manager Longhofer responded that he thought there would not be a need for the

survey or appraisal because Lorre St. Germain stated that she paid \$40,000 for the area which is the easement. The District's Attorney Jennifer Yturbide informed the Board of Trustees that an easement can exist on a piece of land and the District could be burdened with that easement but the District could still have a property interest which would have an associated value.

Trustee Patrick requested clarification from Lorre St. Germain that she paid \$40,000 for the area which is the easement. Lorre St. Germain clarified that she did pay for that area.

Attorney Yturbide inquired if the Board of Trustees had sufficient information on the proposed change of the easement. She presumed that Lorre St. Germain would have to propose how the easement would be modified which might impact the value of the easement. Chairman Swanson requested that Lorre St. Germain obtain a detailed final map which would include a detailed description and illustration of her requested proposal.

Public Interest Comment: (none)

No Action.

- 12. Discussion and possible action to approve a Resolution concerning the financing of water and sewer improvement projects; directing the secretary to notify the Douglas County Debt Management Commission of the District's proposal to issue General Obligation Bonds additionally secured by pledged revenues.** This agenda item's subject matter coincides with agenda item #11.

No Action.

- 13. Discussion and possible action to approve an interlocal contract between IHGID and the State of Nevada Employees' Deferred Compensation Committee to join the State of Nevada deferred compensation plan.** General Manager Longhofer informed the Board of Trustees that the deferred compensation plan is an additional employee benefit with no cost to the District and that Douglas County and the State of Nevada are on the plan. Trustee Patrick requested clarification that there would be no cost for the District. General Manager Longhofer discussed various options of the plan and clarified that there would be a minimal cost for the District to set up payroll.

Trustee Baer inquired if the Union would need to be notified and approve the deferred compensation plan. General Manager Longhofer responded no.

Public Interest Comment: (none)

Trustee Patrick moved to approve an interlocal contract between IHGID and the State of Nevada Employees' Deferred Compensation Committee to join the State of Nevada deferred compensation plan. Seconded by Secretary/Treasurer Lau. Motion carried 4 to 0.

- 14. Discussion and possible action to approve attendance at the Nevada League of Cities 47th Annual Conference to be held in Incline Village, Nevada from October 4, 2006 to October 7, 2006.**

Trustee Patrick moved to approve attendance at the Nevada League of Cities 47th Annual Conference to be held in Incline Village, Nevada from October 4, 2006 to October 7, 2006 for Board members and the General Manager.

Secretary/Treasurer Lau requested clarification if the approval was for registration and lodging. Chairman Swanson clarified that the District would pay for registration and lodging.

Trustee Patrick's motion was seconded by Trustee Baer.

Chairman Swanson recommended that the motion include that the District would pay for registration including the POWER workshop and lodging.

Public Interest Comment: (none)

Trustee Patrick moved to approve attendance at the Nevada League of Cities 47th Annual Conference to be held in Incline Village, Nevada from October 4, 2006 to October 7, 2006 for Board members and the General Manager and that the District pay for registration including the POWER workshop and lodging. Seconded by Trustee Baer. Motion carried 4 to 0.


15. Chairman and Trustees' Reports. Chairman Swanson informed the Board of Trustees that he would be traveling in the month of September and would not be present at the September 20, 2006 Board of Trustees meeting. Executive Assistant Vicki Reifer informed the Board of Trustees that the open house event to meet the Indian Hills General Improvement District's Board of Trustees candidates will be held on Saturday, October 14, 2006 from 1:00 P.M. to 4:00 P.M.

16. Adjournment: *Chairman Swanson entertained a motion to adjourn the meeting at 9:24 P.M. So moved by Trustee Baer. Seconded by Trustee Patrick. Motion carried 4 to 0.*

The next regular Board of Trustees meeting will be on Wednesday, September 20, 2006 at 7:00 P.M.

Exhibit A *General Manager's Report*
Exhibit B *Engineer's Report*
Exhibit C *Financing Alternatives - Johnson Consulting*

FINAL APPROVED MINUTES AS AMENDED



Secretary/Treasurer
Laura Lau