

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, NOVEMBER 14, 2023**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 5:00 p.m. by Jodie Nelson.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Nelson, Yanish, Trigg, Parks and Schorr. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, Administration & Human Resource Supervisor Judy Brewer and General Counsel Chuck Zumpft. Public included Hanna Pence.

PUBLIC COMMENT – None.

APPROVAL OF AGENDA –

M-11/14/2023-1 - Motion by Yanish, seconded by Parks, and unanimously passed to approve the Agenda.

APPROVAL OF MINUTES –

M-11/14/2023-2 - Motion by Yanish, seconded by Parks, and unanimously passed to approve the Regular Meeting Minutes dated October 17, 2023.

M-11/14/2023-3 - Motion by Trigg, seconded by Parks, and passed to approve the Board Workshop Meeting dated November 6, 2023. Yanish abstained due to her absence.

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

NEW BUSINESS

FOR POSSIBLE ACTION:

LIST OF CLAIMS – Yanish questioned check #63340 to Summit Plumbing for back pay. Garden clarified that these are monthly retention payments that were due upon satisfaction of the entire contract.

M-11/14/2023-4 - Motion by Yanish, seconded by Parks, and unanimously passed to approve the List of Claims in the amount of \$368,358.93 as represented by check numbers 63303 through 63401.

FINANCIAL STATEMENTS – SEPTEMBER 2023

Financials were received and reviewed. It was noted that the Balance Sheet is still not in balance and Dion and Nelson indicated their intent to discuss this in the near future.

Approve 2024 Board of Trustees Meeting Schedule.

Nelson requested the April 2, 2024, Budget Workshop Meeting be changed to April 9, 2024. Schorr requested meeting requests be sent via Outlook as calendar items.

M-11/14/2023-5 - Motion by Nelson, seconded by Parks, and unanimously passed to approve the 2024 Board of Trustees Calendar, as amended.

Approve Professional Services Task Order Stormwater Masterplan.

A presentation on the Stormwater Masterplan in the Andria Dr./Nort area was reviewed. The plan would identify and define the scope of the projects and prepare the plan to address deficiencies for grant or programmed funding. Dion noted that two residents in this area have expressed concerns and were told the district would be making a plan for the area including soliciting public input.

Nelson questioned if Eastern Sierra will consider the discussion with the public prior to implementing engineering for the project. Dion explained the listening session would be early in the process to identify the areas which work needs to be done (maybe multiple projects) however it is possible that not all concerns may be addressed as priority would likely be to repair and renovate currently failing infrastructure such as the swales, walls, stormwater

drains and ponds. Nelson noted that water and ice should be addressed on Andria. Dion noted that the roadway was not properly designed to carry the water which is directed to it.

Schorr questioned whether these funds were for engineering or actual work and inquired if there was any grant writers or assurance of receiving a grant for this project. Dion responded that the proposal is only engineering and explained that the issues must be identified (scoped) and prioritized to have adequate information for a grant writer. Schorr stated that these projects appear to be environmental and according to TRPA's website, \$2.6B has been spent in completed environmental projects since 1997 for the Lake Tahoe clarity by the Lake Tahoe Summit. Noting these contributions to the environment, he suggested foregoing this project due to a potential increase in rates. He stated his opposition to the request.

Nelson clarified that the plan could be completed with a possible match from a 50% grant. Dion explained that without the engineering report, we cannot pursue any grants.

Parks questioned using Eastern Sierra instead of DOWL. Dion explained that DOWL does not specialize in this type of work and their cost would possibly be more. Eastern has been used for other stormwater projects and has been awarded the Masterplan which is being approached in pieces starting from the top of the hill working downward. Parks inquired about the shelf life of the engineering report considering the number of projects in the pipeline. It was explained that there are different funds for different projects. Grant funding is currently available for stormwater and could be explored for projects if the district has them identified.

Yanish stated this is a Douglas County obligation and should not be funded by KGID. She requested this information be sent to the Stormwater Office at Douglas County. She noted a recent Strategic Planning Meeting at Douglas County where stormwater and flooding in the valley was discussed. She noted that the county receives TMDL credits received for work performed by KGID and suggested requesting Douglas County fund this request.

Yanish added that the Forrest Service is responsible for the drainage and damage to the roads. The definition of maintenance and reconstruction was discussed. Garden noted prior KGID projects that were complete road reconstruction. Yanish stated that continuing to fund these projects is not fair to the constituents.

Yanish noted this stormwater project is not for the direct benefit of the property owners and questioned if property owners will receive certificates for BMP's installed. It was explained they will not because improvements are related to the right of way. Yanish stated that this is Douglas County's responsibility and suggested providing this information to the Commissioner and having a meeting with all related parties. The agreements and relationship with Douglas County and the Forrest Service were discussed. Zumpft stated he would need to review the agreements between KGID and Douglas County prior to commenting.

Trigg questioned the first steps to engage Douglas County and request funding. Dion noted that email exchanges are common but prior invoices sent to the county went unnoticed.

Yanish stated a meeting with public officials would be a better approach and reaffirmed her opposition to spending funds prior to having the county's participation. Dion advised that this likely will cause additional delays without resolution. He suggested a meeting to allow customers to express their stormwater issues. Additionally, he will advise Eastern Sierra to modify the proposal and request to be added to the Douglas County Agenda. He supports the proposed Coalition of GID's as an alliance of stormwater utilities to approach the County. Yanish suggested starting with this item for funding separate from the coalition. Her specific request is for Douglas County to direct staff to work directly with KGID on the stormwater utility plan for our area.

Yanish offered to request Wes Rice to add this item to their agenda.

Nelson stated her support for funding this item as long as there is a meeting to discuss the actual stormwater plan. After Eastern Sierra prepares a report, she requested Wes Rice to be contacted and for the item to be added to the Douglas County Agenda to request they share in the cost. She supports the GID's coming together as a coalition in order to address items further with Douglas County.

Hanna Pence questioned if one contractor quote is sufficient for this project. It was explained that professional engineering is not competitively bid for price, but the engineers were competitively selected and awarded projects due to qualifications. Eastern Sierra has performed the first two pieces of the Master Plan and was selected based upon their professional qualifications. Parks added that there will be bids for the construction portion.

Nelson supports having projects identified in order to seek money. Per Schorr's request for clarification, Nelson explained that during her meeting with Governor Lombardo last year, he requested she identify a project for funding and she had none.

M-11/14/2023-6 - Motion by Nelson, seconded by Trigg to approve Professional Services Agreement Task Order number 5 with Eastern Sierra Engineering for Stormwater Masterplan in the vicinity of N. Benjamin and Andria roadways for approximately \$75,000 and authorize the General Manager to execute appropriate contracts. Yanish, Parks and Schorr opposed, motion failed.

Parks exited the meeting at 6pm.

M-11/14/2023-7 - Motion by Yanish, seconded by Trigg, and approved to direct the General Manager to have Eastern Sierra prepare a public workshop in the amount not to exceed \$4,000 and provided necessary support for materials to be used in a presentation agenized with Douglas County with the intention that funding would be included in their Stormwater Utility Plan.

Schorr questioned if additional engineering expenses are needed for the presentation. Yanish stated that having a neutral party facilitate the meeting would be more effective and Dion explained that the engineer would be augmenting the presentation with additional documentation. Dion added that he would present the professionally prepared report from Eastern Sierra, along with two trustees. He suggested that KGID customers attend the meeting as well.

There was a 5 Minute break at 6:15. The meeting resumed at 6:20 without Trustee Schorr.

Approve Change Orders for Building 160 Pine Ridge Drive (Bay Doors and Siding Repairs).

A report was provided and it was explained that the bay doors require substantial repairs or replacement. It was recommended that all of the doors be replaced and upgraded. Secondly, a moisture barrier is required along the gables prior to insulation installation and the large gaps in siding were not visible until the ceilings were torn out.

M-11/14/2023-8 - Motion by Yanish, seconded by Trigg, and passed to approve both change orders for the combined sum of \$23,624 and authorize the General Manager to execute appropriate contracts.

Schorr returned to the meeting at 6:28 p.m.

Review and Discuss OPEB Liability as Human Capital Reserve.

A written report and summary were provided for discussion. The OPEB liability is \$70K-\$80K annually and district policy is to fund 50% of the liability, which is \$600K+. The Public Agency Retirement System (PARS) specializes in prefunding OPEB for public agencies and Dion has worked with this company in the past. They also manage OPEB for the City of Reno using their expertise to optimize investments to fit the actuarial. However, due to governance statutes it was unsure if PARS could serve the district.

Schorr suggested contacting US Bank for assistance. Yanish questioned if the Nevada League of Cities and Municipalities could assist with PARS legislation and suggested the League push this through as a Bill Draft Request. She noted that the League didn't utilize all of their BDR's last year.

Dion clarified he is requesting the board's input regarding the investment. He stated that the public often perceives KGID's \$20M cash fund as significant; however, it is insignificant compared to the liabilities. He confirmed he will pursue options with US Bank. He will contact the League to request a poll with other communities on this item.

The amounts will be confirmed with the auditors next month. Nelson suggested classifying the liability separately to aid third parties reviewing the statements.

Board Reports

None.

Management Reports

General Manager's Report

A brief water resources report was provided. Yanish stated that there are pine needles on Forrest Service lands blocking storm drains and she suggested reaching out to Lake Tahoe Basin Management.

Nelson questioned the past due accounts noted in the audit findings. It was explained that when accounts become 60-days past due, they are accounted for differently because the Snow Fund is a government fund versus enterprise funds. Nelson requested clarification regarding the Sewer District invoice and payment. It was explained that payment is based upon an estimate which is adjusted annually in September. Nelson suggested obtaining the adjustment earlier for the books.

Utility Operations Superintendent’s Report

Yanish questioned why water loss is less than last year. Garden explained that we have been trying to locate areas with losses and reduced number of leaks. One possibility is less due to reductions in Tahoe Douglas Fire District Usage.

Administrative and Human Resources Report

Brewer indicated that they are sorting boxes and preparing for digital imaging.

Yanish questioned when foreclose on liens will commence. Nelson mentioned probate in the event of a death. Zumpft explained that the lien is tied to the property but there are other ways to assert the claim. Nelson supported discussion and further review. Yanish noted additional costs associated with pursuing a lien and the property status would have to be determined after foreclosure. Nelson clarified with Zumpft that utilities have priority over mortgages and he offered to confirm other lien priority. Dion noted there are other accounts with past due amounts not included on the report as they are making progress via satisfactory payment agreements.

Engineer’s Report

There were no questions.

Attorney’s Report

There was nothing to report. There has been no correspondence or communication from Fire Department.

CORRESPONDENCE – None.

FINAL PUBLIC COMMENT –

UNFINISHED BUSINESS

ADJOURNMENT

M-11/14/2023-9 - Motion by Trigg, seconded by Nelson, and unanimously passed to adjourn the meeting at 7:03 p.m.

Respectfully submitted,

Jodie Nelson, Chair

Attest:

Cindy Trigg, Secretary