

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
MONDAY, SEPTEMBER 22, 2008**

CALL TO ORDER – The meeting was called to order at the KGID office, 160 Pineridge Drive, Stateline, Nevada at 8:00 a.m. by Chairman Cook who led the pledge to the flag.

ROLL CALL – Present were Trustees Cook, Hayes, and Beattie. Schussel was not present. Also present was Legal Counsel Scott Brooke, General Manager Cameron McKay, Business & Contracts Manager Michelle Runtzel. Present and for a portion of the meeting was homeowner Ron Ratti.

PUBLIC COMMENT – Customer questioned the metered rates. Water bill going from \$139 to \$237/mo. Bill will not change much if you use 11,500 gallons. The letter that went out with the last bills is somewhat confusing. Customer questioned if everyone is getting meters. Cook explained eventually we plan to meter the whole district. Beattie added that by installing meters and replacing water lines we would be able to save operating costs of the district due to existing leaks. Is Park property planning development? We can't answer that.

UNFINISHED BUSINESS –There was no unfinished business.

NEW BUSINESS –There was no new business.

CONDEMNATION OF EASEMENT RIGHTS FOR UTILITY LINES AND ROADWAY FOR APN#1318-26-101-077, 111 DAGGETT WAY, OWNER MYRIEL & SAMUEL HUBER TRUST; APN#1318-26-101-078, 107 DAGGETT WAY, OWNERS BRIAN & LAWRENCE HORINE; APN#1318-26-101-079, 103 DAGGETT WAY, OWNERS RONALD RATTI; APN# 1318-26-101-082, 106 CYPRESS WAY, OWNER JEFFREY COATES; APN#1318-26-101-081, 104 CYPRESS WAY, OWNER JOHN & KRISTEN STONE; APN#1318-26-101-080, 100 CYPRESS WAY, OWNERS DAVID LEE WOLFE, AND TO AUTHORIZE STAFF TO PROCEED WITH LITIGATION AND TO OBTAIN AN APPRAISAL OF SAID PROPERTY – McKay reported that these six properties have been contacted several times in attempt to gain an easement in the road in front of the properties. We are looking to condemn the area that is already being used by KGID for roads, sewer and water. We want to install a new waterline in front of the properties and run a service line to each property. We do not want to condemn any property that is outside of the road right-of-way.

Beattie, property runs to the middle of the road. Beattie asks if there is already an easement for this purpose. McKay explains that there are no utility easements within the roadway.

M-9/22/08-1 – Motion by Beattie, seconded Treanor and unanimously passed to authorize staff to work with legal council to proceed with litigation to condemn property for the purposes of utility and road easement and right-of-ways and obtain appraisals for the following properties:

APN 1318-26-101-077	111 Daggett Way	Myriel & Samuel Huber Trust
APN 1318-26-101-078	107 Daggett Way	Brian & Lawrence Horine
APN 1318-26-101-079	103 Daggett Way	Ronald Ratti
APN 1318-26-101-082	106 Cypress Way	Jeffrey Coates
APN 1318-26-101-081	104 Cypress Way	John & Kristen Stone

Cook asked if completing appraisals for the properties could create a problem with other properties that have already signed off. Brooke, it's possible, if the appraisal shows any monetary value. This is a matter for the board to consider at a future time. The appraisal is an opinion, and can be challenged if determined to be higher or lower in court based on judge or jury.

Ron Ratti asks if on the appraisal of the property, we may in fact that value the property at some value. Brooke replies that the value will be based on litigation. These are condemnations for the record for rights that the district believes it already has. Mr. Ratti asked why don't we leave the line where it is. McKay explains due to separation standards, we can't put it in the same area. Mr. Ratti also asked what advantage do the residents have for metering? McKay explained we are mandated by NDEP to install meters. McKay believes the yearly water bill should be about the same as it has been in the past. Mr. Ratti believes that the bill will be about \$270 as opposed to \$139/mo. What happens 2-3 years down the road. Where does it end? Mr. Ratti claims there is no wasted water whether there is a leak or not because it all goes back to the lake or stream. Fixed income, seniors, will have to reduce the amount of water because they can't afford it. He believes that the whole plan is to reduce the consumption of water to sell more water to property developers.

Cook explains that KGID only has a couple of hundred parcels left to be built on. Cook also explains that the metered rates may be set a little high, we will have to evaluate that and adjust accordingly to preserve revenues necessary. We are almost built out.

Mr. Ratti may be the only one not willing to sign due to threats. He is offended that KGID is moving towards condemnation. Cook explains we have a contractor on site, we must construct this year. Grant funds save all residents money. Cook added that customers elected this board.

Hayes comments we have been trying to educate the owners over the last year. We've had many meetings to try to explain the math on this. The government is providing money to repair the water lines, their stipulation is that we install water meters. He believes we are making a smart financial move. Structuring the rates so that metered users will spend less than the rest of the customers. Trying to get residents to help us to save money. We've been going through public hearings. Mr. Ratti thinks Hayes is being terribly naïve, we are paying by raising rates installing meters. Mr. Ratti is opposed to the metering. Cook informed Ratti he would not take any more comment from him at this meeting but he would be happy to sit down with him and discuss it further after the meeting.

Treanor asks if do we think the reason people are holding out is because they don't understand the rates. Runtzel comments that she had not heard that concern from residents but that she has been able to contact and discuss this only with Mr. Ratti. The other properties simply have not responded either by phone or mail to our requests. If we didn't receive grant funds the entire district residents would be paying for the new lines.

ADJOURNMENT

M-9/22/08-2 – Motion by Treanor, seconded by Beattie and unanimous approval the meeting was adjourned at 9:29 a.m.

Respectfully submitted,

Robert Cook - Chairman

Attest:

Carolyn Treanor, Secretary