

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, AUGUST 18, 2020**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 4:02 p.m. by Jodie Nelson.

PLEDGE OF ALLEGIANCE

ROLL CALL – Present at the office were Trustees Nelson, Parks & Vogt. In attendance via Zoom were Trustees Schorr and Yanish. Also present at the office were General Manager Cameron McKay, Operations Superintendent Brandon Garden, and Judy. Public attending via Zoom included General Counsel Chuck Zumpft, Matt Van Dyne and Brent Farr of Farr West Engineering, Charles Hancock, Traci Mitchell of Lakeside Inn, and John Edelen.

PUBLIC COMMENT – McKay introduced Judy Brewer, Administrative and HR Supervisor and Carrie Bauwens, Billing Coordinator, who then exited the meeting.

Nelson stated that in order to make the meeting run smoothly and to allow for accurate records, comments will be taken on each agenda item in addition to the beginning and end of the meeting. She advised that comments regarding items on the agenda should be addressed at each item and recommended the comment policy be followed. There were no other comments.

APPROVAL OF AGENDA – There was no discussion or public comment.

M-8/18/2020-1 - Motion by Vogt, seconded by Parks, and unanimously passed to approve the Agenda.

APPROVAL OF MINUTES – Nelson requested a change on Page 1 under Public Comment, Paragraph 2, to read: “Nelson acknowledged his concerns” instead of “her concerns”.

M-8/18/2020-2 - Motion by Vogt, seconded by Parks, and unanimously passed to approve the Minutes of the Meeting dated July 28, 2020, as amended.

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

ENGINEER’S REPORT – Parks questioned if a portion of the payment to the contractor is withheld pending confirmation of satisfaction of work performed as this may not be known until mid-winter. Van Dyne confirmed that there is a retention of all payment until a substantial completion is achieved. Upon substantial completion, the retention is reduced and the balance is released at final completion. However, a 1-year warranty for work is held from the completion date, which is estimated for mid-September. McKay added that if something breaks down, they are required to repair it. Addressing her concerns regarding quality, he explained that construction is built to the engineer’s specs; however, they are responsible for faulty construction. He added that 10% is retained for a warranty for 1 year. Van Dyne explained that this follows State Law, and stated that the legislative changes the retention balance periodically, which is amended as necessary. Upon Final Completion, a full inspection is performed, at which time all funds will be disbursed to the contractor. The 1-year warranty follows that date.

Nelson questioned the inspection schedule and Van Dyne explained that they are full time, every day. They are present any time the contractors are there. Due to this contractor, inspections are full time on Andria. Nelson questioned the effect on our costs and he replied that full time inspection costs are included in the task order for a 40-hour workweek. The contractor is putting in overtime; therefore, Farr West is adjusting their schedule. He feels the projections at completion are within budget at this time.

Nelson questioned the road condition standards at the end of each day or week, noting terrible conditions. Parks agreed that the Juniper project was also terrible. Van Dyne explained that they clean up each day; however, this

project consists of tearing up a roadway on a steep hillside. When the public drives up, debris is moved onto the road which is maintained during the day by sweeping and hosing with a water truck, noting it will erode over time. They have made contact with the contractor every Wednesday evening; they comply with all EPA measures, and TRPA requirements, etc. Nelson noted the dangerous driving conditions and questioned the approval each night. Van Dyne replied that the site condition is reviewed each night and offered to address her concerns. The inspector is Tom Watford, who is very detail oriented ensures items are addressed. When traffic continues on the unfinished surface, it will erode.

Nelson questioned the pool of water and if there are any adjustments to the retainage basin. Van Dyne explained that it is not yet installed and not expected to work at this time. Garden added that the full drainage aspect of the gravel going into the sub-drain has not been fully installed for the full distance, as they are working from the bottom up. As of yesterday, they were about halfway up Andria and the full infrastructure is not in working order currently. Garden explained the puddle on Aspen is temporary as there aren't drainage structures for the water at this time as there is no grade of the road to send it to the gutters. Garden confirmed that upon paving it will shift the water on the roadway to the curbs and gutters on the side, and the drainage structures will take the water. Van Dyne added that the sub grade layer is only rough graded and not final, and does not yet have an exit point.

Nelson offered for any other questions.

BOARD REPORTS – Nelson offered for any other board reports; there were none.

STAFF REPORTS –

GENERAL MANAGER'S REPORT – Parks addressed the issue with Virginia Toy stating that after her visit with McKay to the property, she contacted a few programs: Senior Services and Mobile Outreach Safety Team (MOST) who has an EMT, Phycologist and a Social Worker. She advised that there is concern of someone living without water over twelve years and provided Toy's name and address. Parks added that is seems unsafe noting Toy's last letter regarding showers and cooking.

McKay confirmed that Nelson received one letter and he has received two since their visit to the property. McKay noted that one letter indicated \$1,200 was spent at a hotel room. Parks questioned if there are any active utilities at the residence and confirmed that Toy stated she cannot talk on the phone. McKay speculated that she was staying somewhere else.

Vogt questioned future changes in the standard construction bid documents to alleviate issues that occurred in Juniper waterline replacement contract. She noted the proposed position. McKay explained the standard contract is the CJCDC. He explained that the older documents limits on mobilization and traffic control, which resulted in problems on the Juniper project because Aspen Construction was \$142 over the 5% limit, resulting in protest. He noted there are other updates, adding this is a standard contract for the, contractor, owner and engineer, to ensure everything is fair. Van Dyne has the updated version and when ready, it will be presented to Zumpft for review. Future projects will use the updated form.

Nelson questioned next phase of Toy. McKay offered for another attempt to meet with her personally. Parks added that it is unclear if she lives there and they noted the deterioration of the property. Parks explained that they were there 30 minutes, yelling and banging on the door. Vogt appreciated the efforts and commented that this may be all we can do. Parks explained she contacted someone regarding utility payment assistance, but amount is way too high for their program.

Nelson questioned the how KGID allowed the bills to go 12 years past due without continued service. McKay explained that service includes fire protection and the base rate covers debt service and infrastructure. He added there is also a requirement for the ability to serve. He explained that collection at this point is a lien, foreclosure or sale. He confirmed that we cannot go through property taxes or tax returns. Zumpft explained that he doing a utility collection for the City of Yerington and there is a specific Statute that allows the entity to turn the collection over to the County Assessor to collect on a tax roll. He was unsure if this was applicable to Sewer Districts and offered to research it. Nelson stated that it should have been handled at 6 to 12 months instead of

allowing a customer to get so far behind. Parks added that electric and gas services aren't charged if disconnected. McKay explained that is different because of the fire protection and infrastructure. Parks suggested a lowered amount which McKay explained would have to be added to the ordinances. Nelson offered to write a letter to Toy to set something up. Parks noted that communication is difficult.

Parks questioned 104 Meadow and McKay explained was a sewer back up in August 2018 due to a blockage within the sewer main that forced a backup. The house sits low on the street and is the second to the last house, previously owned by Farnsworth. McKay explained that the line was previously cleaned in April of that year; sewer backed up and flowed into the building as they did not have a back water valve, which resulted in damage. McKay reported a claim on the insurance which was denied as KGID was not responsible for an unknown cause. No other houses were affected. We were notified and Summit responded immediately. Insurance replied that the home-owners insurance should be contacted for repairs and the process has taken time. Zumpft confirmed he doesn't have any reason to second guess the determination of our insurance carrier regarding the District's immunity to this claim and he didn't have anything to add. He noted it will be up to Mr. Protell to take necessary action to satisfy his client.

Schorr stated his concern regarding this event is that occurred over two years ago. He noted letters with discussion of litigation regarding payment from KGID. He has concerns over legal costs and escalated expenses for the timeframe. Zumpft explained that property damage has a 3-year Statute of Limitations and we cannot control how diligently they pursue claims.

Nelson confirmed we are in a waiting period and information must be provided. McKay explained that all of the documents will be addressed within this letter within 30 days. Included was information regarding a 10-mile radius, which is from Glenbrook to the "Y" and includes sewer lines that don't have to do with this side. Garden explained that there was a blockage on the line at Meadow, downstream. A wire basket was put in the line to catch debris in the line and nothing was collected in the basket. Two days later, there was a blockage at Meadow and Kingsbury Grade with chunks of asphalt in the sewer line. It appeared to be intentional vandalism of a manhole because of the size of debris which could not fit down a toilet. Unfortunately there are no ways to track these types of actions. There were chunks of asphalt that migrated from the areas that were jet rodded to clean at that time. There was no blockage but the damage had been done.

Parks questioned complaints regarding odor. Nelson questioned if anyone is capable of popping a man-hole. McKay and Garden explained a pick or a digging bar could be used to pry it open, but it could take a lot of force. It appears to be an intentional act outside of our control. McKay explained that as a government we aren't responsible and NRS states we have immunity for situations like this.

Vogt stated that she is sympathetic to these situations, but it is a liability of home-ownership. Garden explained that since the incident, 104 Meadow has installed a back water valve to prevent sewer from entering the house which is less expensive than the repairs. Garden recommends this if the lateral with a lower elevation. McKay explained that it is installed outside the foundation behind the sewer line. Any plumber can install and digging labor is a majority of the cost. Garden explained that Parks' property sewer lateral goes to Juniper and it would take a substantial blockage to affect her property.

Vogt questioned who absorbs the costs for documents. McKay explained that costs over \$200 will be paid by the customer and KGID will track time and material. Another hard drive was purchased to save out sewer cleanouts and videos which will be an added expense.

Nelson questioned Beach Club status regarding the next phase and revised plans. McKay explained that the project has had many changes, which are reviewed by Van Dyne. They want to run another water line but they have to take out the 10-inch line. The first two buildings have underground parking, but the next will be above ground and building layouts will change. Prior water meters were installed inside and this approval requires meters at each unit have to be outside for access. When completed, the water line will be deeded to KGID. He added there are 4 buildings remaining to be built. McKay confirmed the waterline infrastructure is already installed and tie-ins to the existing main will be installed to run service over to the building. We bill for each unit

and today one unit closed escrow which is the first private sale, as the initial sale was from the Beach Club to the new owner. KGID gets \$2,750 for each third party sale per the initial agreement; Brittany noted the sale today.

Nelson questioned the Tahoe Water Suppliers and Tahoe Keys Property Association eradication. She questioned the bubble curtains on the home-owner's side, to which McKay indicated were installed last year. It was found to be effective to control the weed particles after they dredge. He noted there is a backup station for boats to reverse and clear the prop to prevent weeds from being carried to the lake.

Nelson questioned the County Manager's Meeting. McKay noted planning with the elected officials and concerns regarding a Bill Draft Request (BDR) from Incline Village regarding a study on GID's. He added that a BDR isn't made public until it becomes a law. He has asked the League of Cities to research this item.

Nelson questioned how the change in staff and commissioners could affect our operations. McKay explained that ongoing discussion is needed and the effects are unknown.

Schorr questioned the status of vacancies at 298 Kingsbury Grade and potential advertising. He also questioned Brittany's monthly report. McKay explained that Brittany will obtain information regarding the financial status and Judy will get information regarding vacancies. He confirmed that there will be a rental sign and they work with other real estate agencies with offered incentives. The commission is 6% on top of any new lease, which is split with any referral. He is not aware of any inquiries regarding leases. Schorr noted this is the second month that he hasn't seen any advertising or signage. McKay noted that the sign has taken time to make since his request on July 28, 2020.

Nelson confirmed that rents are lower than the rent roll when the property was purchased. She questioned vacancies and counted at least 9 tenants that haven't paid their rent since the report. McKay offered to research. She questioned if Tallac Hospitality Partners was a new tenant. McKay noted that Judy will provide this information in the future.

Nelson noted that should be addressed to KGID and not addressed to McKay. She questioned how Brandy accounts for rental income and McKay replied that it is in a suspense account until Beth Kohn can advise further. Nelson requested research regarding the unpaid rents.

Nelson offered for any public comment on any of the reports.

Nelson reminded McKay about Yanish's request for board training. McKay and Judy will be meeting with Judy Norbick to discuss training next week. Nelson questioned answers regarding accounting from the last meeting. McKay explained that 319 Non-Point Source EPA Grant funds of \$140K are for the sweeper and there was a FEMA payment of \$135,927 received for the 2016/17 event at the MaryAnn water line.

Nelson offered for any other questions.

UTILITY OPERATIONS SUPERINTENDENT'S REPORT – Garden stated that as a result of NV Energy contractors doing work on the grade, there was a surge of power on Andria that affected Station 4 and took out a main fuse block on our incoming power. The generator at Station 4 ran for 2 days before an electrician could replace the fuse block and transfer to utility power. He noted this is part of the crucial aspect of generators needed for infrastructure. He explained that they cannot pursue damages with NV Energy as the power is unreliable for control of surges. He commended work performed by the crews. He added that a nearby resident did not like hearing the generator and the crew has attempted to muffle the sound with the exception of moving it or putting a building around it. He noted this was not included in his report.

Vogt questioned the cost including employee expenses. Garden estimated it was close to 10 hours of overtime expenses for the on-call operator for switching power and they haven't received an invoice from the electrical contractor. He noted the invoice should be reasonable as he understands our system. Vogt thanked Garden for their efforts and he noted the time spent by the operator.

Nelson questioned the water loss report and if the prior data was lost. Garden explained that the June meter reads did not include sufficient data for the water loss report because of the manual billing and estimates. He suspects there is an area of loss in the inter-tie which wasn't previously accounted for because of by-pass water that goes through to assist with current live actual readings on the chlorine analyzers as required by State Law. He is looking at installing a meter on the line to account for wasted water as it is a steady of stream that adds up over a month. This is for the inter-tie with Edgewood Water Company. Nelson offered for any other questions.

ATTORNEY'S REPORT – Zumpft did not have anything to report.

CORRESPONDENCE – None.

APPROVAL OF CONSENT CALENDAR – Parks requested to pull Items A, Nelson requested to pull Items B, D and E. Nelson stated all items would be approved at the end.

Regarding Item A: List of Claims, Parks confirmed Digital Technology Solutions is our IT service provider and noted the payments seem high. She questioned check #59304, to which McKay explained is new service for security cameras included in the budget. Server monitoring and upgrades includes work performed on the server. Parks noted check #59347 for server monitoring and work stations and commented that these amounts seem higher than payments to Ed. McKay explained that there is more security monitoring and Parks questioned if this is needed. McKay explained is necessary and explained that KGID was previously hacked. Garden added that this check also included setup of the new phone system which was also budgeted. McKay explained this is VOIP instead of a phone line and the payment amounts were budgeted items, but not recurring.

Nelson questioned if there will be a monthly server charge of \$1,588 to which McKay estimated will not be that high. He noted it includes the phone service connection and going forward they will monitor security of computers and install upgrades as necessary. Garden added this includes full back-up on servers on a regular basis.

Parks questioned payment to IVGID, which McKay explained is the Tahoe Water Supplier Association which monitors all samples of water flowing into the lake. They do this basin wide which alleviates KGID from having to do the monitoring for all creeks, etc. The Bureau of Safe Drinking Water allows them to perform this for all GID's. These are yearly dues.

Parks questioned the additional payment to Mountain Greenery on Page 6 which McKay explained is for the required property tax payment as part of the rent agreement. He confirmed this is an annual assessment. She questioned the cleaning fees for 298 Kingsbury and 160 Pineridge. McKay explained this is charged to the tenants but KGID pays the cleaners. Nelson suggested accounting for this under Property Management to group these items together.

Nelson questioned check #59328 for \$50 for theft of cash drawer. McKay explained that Brandi discovered the outage on Monday morning and it is unknown who took it. The drawer was left open and not locked properly. He explained that the camera didn't show detail of the area. McKay explained that it was a \$50 dollar bill from the \$200 cash drawer that he had asked Brittany to change before the weekend. McKay stated more cameras are being installed.

Nelson questioned check #59388 to Summit Plumbing for monthly maintenance on a portable toilet. McKay explained this is up at the Operations Yard and is not new. Garden explained that it is on a trailer for the crew to utilize when it is not feasible to go back and forth. McKay added that it is State Regulation to have on a jobsite.

Vogt confirmed with McKay that the petty cash drawer only contains \$200-\$300 in cash at any given time.

Nelson offered for any public comment.

Hancock questioned check 59321 to Minden Lawyers, LLC for legal fees. McKay explained this was in regards to the protest on the original Juniper Lane bid for review, new bid and review of the contract. (Hancock made an

inaudible statement.) Parks confirmed that we paid Farr West and our lawyers for the re-bid. McKay noted that a great contractor was obtained in the process.

Nelson offered for any other public comment. There was none and she closed public comment. She offered for any other board questions.

Regarding Item B: Nelson requested further clarification regarding purchase and repairs. Garden explained that Cashman's proposal included in the packet for \$6,593.50 is for labor and associated parts. The repairs to the generator are not included which have been initially estimated at \$1,500-\$3,000. Garden confirmed there are two items; radiator and generator. Service maintenance is included in preventative maintenance with generators through Cashman twice annually. They perform a huge service on the generator and every six months perform a general overview and oil analysis. The price provided includes known repairs and up to \$3,000 for radiator repair. A new radiator would be \$7,000; however extent of repairs is unknown until it is taken out to repair.

In response to Parks' question, Garden speculated a warranty repair would be approximately 3 months versus a 12 month warranty on a new one. Garden added that these radiators are robust and made out of good materials; therefore, it is cost effective to repair.

Nelson offered for public comment, there was none. There were no other board questions.

Regarding Item D: Garden explained that the human machine interface is the SCADA computer that controls the water system and gives operators access to remote from home. The old machine is operating Windows 7 which is a security issue. This is a proposal to upgrade the whole system and update with the latest software. A few operating systems utilized are outdated and will not correspond with Windows 7. He explained that Station 2 the central hub for everyone to access the SCADA system. Operators log in to that computer to control system. McKay confirmed Station 2 is on Terrace View and talks to the other stations.

Nelson questioned why Digital Technology Solutions isn't being utilized. Garden explained that the SCADA system is separate from other work stations serviced by DTS. Tom handles Wonderware which stands alone from other software in the office setting. Garden explained this will bring us up to date and will last as long as Windows 10 is maintained by Microsoft. McKay added that it is a high powered computer to collect and analyze data throughout the mountain and is an expensive computer needed to operate. Garden explained that it updates within microseconds with live fees for tank zones and pumping status.

Nelson noted it will take 7 days and Garden noted that travel and lodging is included \$1,040 per day. Garden explained that it could take that long because after installation, the FIU will need to be reprogrammed at Station 2, the main station receives data and requires updates at other stations. Garden confirmed we will not be down during this time and the old system will be utilized during the transfer. McKay agreed with the time needed. Garden confirmed down time will be planned for with adequate water in tanks so that pumping is not needed.

Nelson offered for additional questions or public comment. There were none.

Regarding Item E: Nelson questioned one year intervals instead of the State provided 5 year intervals. She questioned how this will be better and more cost effective for the district. Garden explained that it will be a cheaper cost from the diving company. He noted the very expensive costs of having them come for 5 days every 5 years of \$4,000 per tank. This will bring prices down to \$2,500-\$3,700 depending of the size of the tank per inspection. He explained it has to do with a savings in mobilization costs for servicing other areas at the same time. McKay added that all 8 tanks will be serviced in 4 years with one year off.

McKay explained that they go in with a dry suit, as wet suits aren't permitted. Garden added that they are sprayed with chlorine before entering the tank and they follow all AWWA regulations for tank inspections. He offered for the board to attend. Nelson confirmed that the water is still utilized for the district. McKay explained that the person is sanitized and breathes through an oxygen hose as a tank is not permitted. The water does not touch the diver, and a helmet with a hose it utilized. The board can observe at the tank to watch preparation and then observe video data that transmits what the driver sees. He will be inspecting for coating issues, sediment buildup

on the bottom and a full inspection. Prices include cleaning up to 2” of sediment. Vogt noted that more sediment is more expensive. Garden noted that sediment buildup is minimal due to inspection schedules and frequency.

Nelson offered for any other questions, there were none.

M-8/18/2020-4 - Motion by Vogt, seconded by Parks, and unanimously passed to approve the following Consent Calendar Items:

- Item A: List of Claims in the amount of \$692,599.30 as represented by check numbers 59286 through 59391;
- Item B: Approval for proposal #79693 for repairs to standby generator at Station 4, Nelson;
- Item C: Approval for purchase of 2 Masterflex L/S peristaltic pumps for Station 1;
- Item D: Approval for purchase of new SCADA computer for Station 2;
- Item E: Approval for diving inspections and cleaning for Tank 3 and Tank 4.

Nelson, Parks and Vogt requested to view inspections. Garden offered to send the schedule to everyone. There was no further comment.

UNFINISHED BUSINESS

NEW BUSINESS

DISCUSSION ON FARR WEST TASK ORDER #53; 2021 WATERLINE AND ROAD REPLACEMENT PROJECT: McKay reported in writing: *We have three waterlines that are our highest priority for replacement. They are Sunflower Circle, Griffin Court and Tina Court.*

The road surface on Sunflower and Griffin Ct have a low PCI count and will be replaced once the new waterline is installed. The paving on Tina Court is in good shape so only the trench portion will be replaced. This project, like the Juniper Waterline Replacement Project combines both the waterline replacement and road reconstruction into one project instead of separating them.

This Task Order includes a significant increase in Geotech costs. In the past road reconstruction projects, Geotech work was done on the shoulder of the road. While this gave a vague indication of what might be in the center of the road, it by no means gave an accurate thickness of the pavement or makeup of the roadbed. Without this information, contractors will either raise their prices to cover an unknown or request a change order for the extra work it takes to remove and/or grind the extra thickness. An example of this is the change order for the extra pavement thickness on Andria of \$17,375 from Aspen Developers.

The percentages listed in the task order are at the low end of the accepted normal engineering cost.

McKay explained we have older lines on Sunflower, Griffin Court and the bottom of Tina Court that need to be replaced. There was a new water line installed on the right, not the left with a short portion that wasn't replaced and there are many leaks that damage the road. Farr West has provided quotes for design, engineering, new water line installation, and new roads upon completion. Tina will not require new roads as the PCI is higher. This includes increased geo-tech costs for digging. Previously, the shoulder was used, but this doesn't adequately reflect the road condition or depth. With geo-tech, the contractor is aware of what is under ground and will ultimately result in keeping the costs down. McKay noted that an extra \$17K was spent on extra grading on Andria. Geo-tech doesn't increase costs too much and is split between roads and water of \$19K. This project is for next year as it takes time for engineering, etc.

Van Dyne explained that geo-technical investigations are generally included for significant road projects, including subgrade work such as Quaking Aspen or Andria projects. Other roadway projects such as Juniper did not receive geo-tech investigations. The risks are with asphalt thickness for best design of the roads. There are benefits mentioned and it depends on the contractor as some up front information proves to be a negative to our projects. He noted that contractors use this information for their bids. Results can also modify the scope of the project for KGID. Van Dyne noted the availability of technologies for contractors, how they are approaching projects and what other entities are doing regarding a design level approach for projects. Van Dyne explained that

survey work on road jobs is limited and boundary and rights of way aren't as accurate from the County information in some areas. They aren't saying that there is anything critical or not of substantial quality for contractors to bid and successfully complete. However, these are areas of improvement that other entities and contractors are setting a standard and having the expectation. This project will include improvements. He noted the contract field upgrades and approaches to the contracting items can be utilized by multiple projects in the future. He offered for any questions or concerns.

Nelson questioned what makes these three areas priorities for replacement. McKay explained that the quality of the lines are an issue as these lines are steel, rusted and past the end of their life resulting in leaks. Parks confirmed that KGID has information regarding each waterline age and size. McKay explained that Farr West's water model shows pressures and quality and quantity of lines. This is how projects are prioritized. McKay explained that sewer repairs have potential to contaminate the water in the line. This is a public health and safety issue.

In response to Parks' question, McKay explained that Andria service lines from Bradbury were installed incorrectly and not installed at the side of the road to the valve. We are now responsible for replacement. Parks confirmed that costs of \$192K include Farr West engineering and the project start to finish. Nelson questioned if construction management includes the bid process through engineering line item, preliminary and actual design construction management and observation, and support through project close out. There are benefits to the GIS in water modeling and MicroPaver as the streets are lined with vaults. With leaks, these areas are undersized and they are improving fire flow quality and all the parameters for the water system. These systems are getting established, the geo-tech information can also be added to MicroPaver resulting in benefits of these systems.

Vogt questioned the linear feet of the projects. Van Dyne estimated 2,000 for water and 18 for roadway for patching at Tina Court West. In response to Nelson's question, Van Dyne stated this project is scheduled with Summit Plumbing to video, make the USA's and mark waterlines. The sub consultant will go up for USA's and test pits at which time we can send the survey crew to denote utilities for the design. He anticipates a survey by mid-September, with a push for design reviews to get this out to bid early for contractors to plan schedules. Van Dyne estimated this would return in March or April for approval. He recalled the fraction plumbing is budgeted. The project could be started potentially May 1, depending on TRPA opening grading season.

Nelson offered for public comment or other board comments. There were none.

M-8/18/2020-5- Motion by Vogt, seconded by Parks, and unanimously passed to approve Farr West Engineering Task Order #53 for \$192,293 plus a 10% contingency for a total of \$211,522.

DISCUSSION ON JOB DESCRIPTION AND WAGE RANGE FOR WATER TREATMENT/DISTRIBUTION LEAD OPERATOR: McKay reported in writing: *The Water Treatment/Distribution Lead Operator (WT/DLO) position is being proposed to make the communication from the Utility Operations Superintendent (UOS) to the Water Crew more efficient and effective. Currently the UOS discusses daily operations with all members of the crew. At times this creates confusion as to daily duties and who helps who. The UOS job has evolved to require more administrative duties to meet regulatory constraints, work with engineers on project design and review, plus other administrative duties. A single point of contact is needed to clear up communications.*

The WT/DLO will be in direct contact with the UOS daily and will direct daily operations for the Water Crew. The WT/DLO will still be responsible for being on call and assisting with daily Water Crew operations and maintenance of the water system and all related infrastructure. This position will provide a steppingstone for progression within the district from the Water Crew to middle management.

Wage range for the WT/DLO is: \$28.60 to \$35.75 per hour. This is a non-exempt position. These wage scales are competitive with other public entities in the area and include all benefits afforded other KGID employees. This position will top out after one year.

McKay explained that changes in the industry are coming from mainly the regulatory side. More time is spent preparing reports for the Bureau of Safe Drinking Water. McKay noted that more samples are required for various regulatory agencies resulting in changes for Garden and his job description. He clarified this is not a supervisory position, it is a lead. This will be the operator to direct the staff regarding daily job activities. Garden will deal with the Operations Superintendent. This position has been part of the industry for years. There is not a huge increase in payroll, and we are still under budget. This will help streamline operations. He noted that Garden and McKay's job descriptions will be presented later.

Garden added that they have a lead position in the road crew and he deals with the street maintenance specialist which is considered the lead. Time is spent each morning discussing with each operator and this provides one direct line of contact for each person for operators, who report to the lead, who reports to Garden.

In response to Parks' question, Garden explained that Joe is operating under this job description without it being official. He noted we are walking a fine line for the union by having him work outside of his current job description. His current hourly is 10% less than this is proposed. Parks questioned the gap in the proposed salary. Garden explained that the \$28.60 is the 80% starting rate as this position would include a probationary period. Garden explained that if this position is filled by a current employee, the same rate of pay is required to start for 6-12 months. Parks noted this is a big jump and questioned the increase. Garden explained that we do not have wage ranges and confirmed the difference in the wage is 80% to 100%. McKay added this is per the Union Collective Bargaining Agreement.

Parks questioned if Garden does not have enough time to manage the road crew. Garden explained that we are managing the crews as needed, but this change will improve communication functionality. A lead is needed to oversee and she questioned Garden's job description regarding being on the road. McKay explained that a supervisor will monitor and move around. Parks commented that it sounds like there will be two supervisors. McKay reiterated that it is not a supervisory position. The new position will provide direction.

Nelson questioned the status of Garden's job description to compare. McKay explained that much of Garden's time in the summer is working with the contractor and someone else is needed in the field. He noted this would be like a foreman and is not a supervisor. Parks noted this is only a concern in the summer and suggested that reorganization should be on hold until a new manager is in place. McKay replied that his end employment date may be extended. He clarified that his contract ends on June 30, 2021, **although it isn't confirmed that he is leaving. He noted** succession planning is necessary.

McKay explained that in the meantime he attempting to restream the operations and feels it is his duty as manager to do so. Parks reiterated her opinion to put it on hold as a new manager may make changes. McKay cautioned that Joe is getting paid a 10% extra in the meantime. In response to Nelson's question, McKay explained that we will advertise in house; with conditions and specifications based on the job description. McKay and Garden noted that there is one person on staff that meets all of the qualifications of the job description.

Garden explained that if the current Water Operator moves up to Lead, they will hire **not** another water operator. He is still full functional within the water and distribution system and stays on call rotation. He will have the added designation as Lead Operator and main contact. Parks commented that the \$10 per hour raise is outrageous and McKay disagreed with her calculations.

Nelson requested clarification on the hiring process. Garden confirmed they are only posting this position in house versus finding a new person outside and this will result in a raise and job description change. Garden explained that if a Water Operator within the organization gets the job, they will receive a \$3 hour raise. Joe, for example makes \$32/hour and the new rate will be \$35, after one year. Joe would have to get his grade three certification to be qualified.

McKay explained that the office positions were posted externally as they did not have anyone qualified in house. Vogt questioned if a new manager has the right to change these job descriptions. She confirmed that McKay has the right to make changes and is providing the changes to the board as a courtesy. She suggested that they trust McKay and Garden's judgement regarding this based on their past performance. She recommends considering

the changes based on their recommendations. McKay confirmed the employee would be part of the Union and questioned additional benefit costs, noting changes from hourly to salary among positions.

Yanish requested Zumpft address the hiring discrimination laws. She questioned hiring in house without public notice. She also questioned succession plan for hiring a new General Manager and suggested a committee. Zumpft explained that they can hire in house, based on knowledge and expertise. He confirmed a subcommittee.

Vogt stated she was unaware of the contract end date and appreciated the discussion. McKay stated it will be done via committee with open interviews that are not in closed session. He explained that KGID is a complex system because of the elevations for pumping, valve pressure regulations, and zones. A superintendent from 2000 from Texas stated he couldn't handle it and left to work for CA Rural Water. He noted it is not complicated if you work with it every day and he suggested hiring in-house, which eliminates training as well.

Nelson offered for public comment. There was none and she closed public comment.

Nelson requested additional clarification regarding the existing employee performing these functions. Garden stated that he currently relies heavily on communications with Joe. He is an experienced operator in the field that performs all duties per his job description. He is currently a Water Operator II at the highest classification. A Water Operator III would include special skills. Joe is not currently working outside of his job description, as duties are included as otherwise directed. Parks questioned if he has complained about the additional duties. Garden explained that he has not been very vocal about the compensation. Garden noted that he was hired in 2007.

Vogt commended KGID's handling of public safety issues in the past. She is pleased with the professional manner and would like to support the employees. She added she would rather see cuts elsewhere as employees provide health and safety. She would like to give the acknowledgement of a higher level position for work possibly being performed. She made the recommended action.

Parks confirmed that Joe does not have the classifications required and questioned the other employee's rate with special classifications which Garden explained is the same. Garden explained that their base rates are the same and the other employee has special skills that are added at 1% to 2% special skill rate, which is negotiated per the Union Agreement.

Nelson confirmed that the employee has the opportunity to obtain the third certification within 12 months. She noted the importance of revising Garden's job description at the same time for duplicate duties. McKay explained that he is working on the two job descriptions along with the Personnel Policy. He noted Garden's awareness of the changes and suggested making the change to the Lead Operator at this time. Vogt agreed that this change should be made now.

Nelson argued that the two job descriptions don't agree with one another and include the same functions. McKay explained that we can direct as needed within the district. Nelson prefers to do it right and once.

Yanish agreed with Nelson but supports the staff requests as this will help with the staff processes and internal structure. Vogt agreed with Nelson's order. She suggested that Garden review his job description within 30-60 days for board review. Garden stated that his job description should come from the General Manager and offered to provide assistance. She requested his recommendations for improvement.

Garden confirmed that overlap of the Lead job description is there knowing that change to description is pending. He noted some overlap is necessary to fill in during absences. McKay noted that Garden's job description will be revised to include more duties. Garden explained that there are more duties performed that are not on his job description at this time including project management and other aspects. Vogt stated that it is not her responsibility as a board member to know all of their duties.

Nelson offered for any other comments; there were none.

M-8/18/2020-6 - Motion by Vogt seconded by Schorr and passed to Water Treatment/Distribution Lead Operator job description and approval of wage rate as described. Nelson and Parks opposed.

PUBLIC COMMENT – There was no public left in attendance.

ADJOURNMENT

M-8/18/2020-9 - Motion by Vogt, seconded by Parks, and unanimously passed to adjourn the meeting at 6:10 p.m.

Respectfully submitted,

Jodie Nelson, Chairman

Attest:

Sandra Parks, Secretary