

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, JULY 19, 2022**

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 Sandra Parks.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Parks, Nelson, Schorr, Vogt and Yanish. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, Administration & Human Resource Supervisor Judy Brewer, General Counsel Chuck Zumpft, and Matt Van Dyne and Brent Farr of Farr West Engineering. There was no public present.

PUBLIC COMMENT – There was no public comment.

APPROVAL OF AGENDA –

M-7/19/2022-1 - Motion by Vogt, seconded by Nelson, and unanimously passed to approve the Agenda.

APPROVAL OF MINUTES –

M-7/19/2022-2 - Motion by Yanish, seconded by Nelson, and passed to approve the Regular Meeting Minutes dated June 14, 2022.

APPROVAL OF CONSENT CALENDAR – Parks pulled Item A.

M-7/19/2022-3 - Motion by Nelson, seconded by Vogt, and unanimously passed to approve the Consent Calendar Item B: Revision of the Board of Trustee meeting calendar for August 2022.

Regarding Item A: List of Claims, Parks questioned the cleaning bill increase which Brewer explained was due to an extra cleaning in May. She also questioned the payment to Manchester and Brewer explained this due to a storm received in May. She requested explanation of double paychecks and Brewer stated they are sick time payouts occurring semi-annually.

Schorr questioned payments to Pacific States Communication. Dion explained that is monthly IT operations and monitoring services for internet and cyber security for the office. Dion explained the services provided and explained that this work cannot be adequately provided with in-house personnel. Schorr confirmed we are addressing software cost redundancies.

M-7/19/2022-4 - Motion by Parks, seconded by Nelson, and unanimously passed to approve the Consent Calendar Item A: List of Claims in the amount of \$252,174.26 as represented by check numbers 61692 through 61861.

NEW BUSINESS

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

FOR POSSIBLE ACTION:

APPROVE AND AUTHORIZE THE GENERAL MANAGER TO ENTER INTO PURCHASE AGREEMENT OF VAULT LID. Dion provided a written report explaining that the vault lid has been damaged and needs to be replaced. There aren't many options and this one is unsafe to operate and would not likely close if opened.

M-7/19/2022-5 - Motion by Parks, seconded by Nelson, and unanimously passed to approve the purchase agreement of a Vault Lid with Jensen Precast for \$5,215.00.

APPROVE AND AUTHORIZE THE GENERAL MANAGER TO ENTER INTO CUSTOMER SUPPORT AGREEMENT FOR MAINTENANCE OF EQUIPMENT WITH CASHMAN EQUIPMENT COMPANY:

Dion provided a written report. He explained that Cashman is the preferred vendor for equipment and has been used by KGID previously with a good history. This agreement is reviewed annually. Garden clarified this is for use of the stand-by generator service and satisfied with their performance.

Parks requested clarification regarding maintenance on other equipment. Garden explained that for heavy equipment, they perform as much work possible on site.

M-7/19/2022-6 - Motion by Nelson, seconded by Schorr, and unanimously passed to approve Cashman Customer Support Agreement and authorize the General Manager to enter into the Customer Support Agreement of approximately \$10,825.00 annually.

RECEIVE PRESENTATION AND DISCUSS FACILITIES OPTION AND PROVIDE DIRECTION:

Dion provided a detailed presentation and explained that the estimate for downstairs renovation of 160 Pineridge is \$750K. He explained in detail the design and changes, including the elevator requirement. He reviewed the current tenants of the building.

In response to Schorr's question, Dion explained that with this expense, there will be adequate equipment storage and crew facilities. Dion stated the modifications would accommodate equipment needing climate control and some maintenance.

Schorr questioned if the second floor would be adequate for administration. Dion confirmed that the amount of space is adequate, but improvements are needed. Dion reminded the board that the estimate for the entire renovation was approx. \$2M and it was decided to proceed with crew facilities and equipment storage while other were considered. He stated that they do not have an estimate for the upstairs but estimated it would like be similar price per square foot.

Framing and plumbing were reviewed. Nelson suggested having neutral gender lockers in anticipation of future requirements. There was discussion regarding requirements and possible re-configuration.

Parks confirmed that modest finishes will be used, and Dion assured that durability is a priority.

Dion confirmed that he is requesting authorization to obtain a proposal from the architect for 160 Pineridge to be brought to the board for approval. The crew facility improvements could begin early 2023. In response to questions, Van Dyne noted the uncertainty of cost of materials.

Schorr suggested a long-term 20-year lease at 255 Kingsbury Grade. Parks stated her opposition. Dion confirmed that the lease expires in 2024 and offered to bring this item to further discussion on another agenda.

Vogt stated her support of proceeding with design. Dion noted that the architect's expense was approved under two task orders for preliminary work to date of approximately \$10K.

Dion confirmed there is no action required and he has the direction needed.

RECEIVE PRESENTATION AND DISCUSS SNOW REMOVAL FUND ASSESSMENT AND REVENUE CONFIGURATION:

Dion provided a written report and explained that rate setting will not be addressed in this item. He reviewed expenses and budgeting, noting that the Snow Fund is not sustainable at current rates. He provided a Snow Rate estimate example of 10-years and reviewed calculations.

Dion addressed the capital improvements including vehicle replacement. He also addressed storm water fees as there is no mechanism to collect funds. He explained that that a new enterprise fund can be created if it is the will of the board. Yanish noted that Douglas County owns the roads. Dion agreed, reminding all that KGID is responsible for maintaining the facilities, including many retaining walls now determined to be owned by KGID. He stated that a new stormwater enterprise could be assessed among the accounts.

Yanish questioned the allocation of stormwater assessments to different types of properties. Dion explained that the allocations can be adjusted at a more complicated rate assessment. Yanish suggested a meeting regarding stormwater issues with the officials including the County Commissioner. Dion noted TMDL's and stormwater issues are discussed regularly, and he supports expanding the attendees.

Nelson commented that the Snow Fund administrative fee seemed too high. Dion stated this along with the other items will be discussed thoroughly at the rate workshop. The board recalled that the Snow Fund rates were decreased in 2014 to offset large water rate increases related to the water meter replacement project. The Snow Fund likely had a surplus at that time.

Dion confirmed with the board that a drainage fee scenario should be included as other utilities have significant expenses in foreseeable future. Referring to obligations in wastewater pertaining to the lift stations and estimated \$4.6M in expenses identified in addition to Market Street lift station. Water tank replacement and pumpstation improvements are upcoming large expenses in the Water Fund.

BOARD REPORTS – Yanish noted the time change of the Douglas County Vacation Home Rental Meeting is 9am in Minden tomorrow. Vacation Home Rentals were briefly discussed.

STAFF REPORTS -

GENERAL MANAGER'S REPORT –Dion discussed the weekly report on the herbicide project. The Keys has expanded boating prohibitions in areas affected by herbicides and maintained safety screens. There are no results regarding the success of the project. Biomass, water temperatures and boating access are factors.

UTILITY OPERATIONS SUPERINTENDENT'S REPORT – In response to Nelson's request, Garden explained that USA North has a ticket management system which would be an additional annual expense that can be handled in-house. Regarding Sunflower and Donna, construction is managed by FarrWest daily and Garden visits the project 4 times per week.

Garden provided illustrations for the retaining wall improvements. Boulders on Forrest Service property at risk of falling were also discussed. Garden has notified the USFS and continues to monitor the situation.

ADMINISTRATIVE AND HUMAN RESOURCES REPORT – There were no questions regarding Brewer's report.

ATTORNEY'S REPORT – Zumpft stated he is working on reimbursement for property owner for repairs and a ground water issue. Nelson confirmed that there are at least two cases with Alling & Jensen. Zumpft clarified there is one more.

ENGINEER'S REPORT – Van Dyne explained that FarrWest reviewed projects including the sealing and other active projects along with the Beach Club. He announced that FarrWest has merged with Dowl Engineering to expand and improve services. He confirmed that they are maintaining staff and intend to continue providing services to KGID. Brent Farr added that this is a true merger and owners have new positions as owners of Dowl. He stated that the cost of living in Nevada makes recruiting and retention of employees difficult. He addressed the office locations and services of Dowl.

CORRESPONDENCE – Yanish added that Incline Village has a stakeholder group that is interested in incorporating under Washoe County. She noted prior litigation between the Incline Village GID and Washoe County regarding taxes that is similar to the issue in Douglas County.

FINAL PUBLIC COMMENT – There was no public present.

UNFINISHED BUSINESS

ADJOURN TO A CLOSED SESSION –

M-7/19/2022-9 - Motion by Nelson, seconded by Vogt, and unanimously passed to adjourned to Closed Session at 7:15 p.m., pursuant to NRS 604C Discussion and Guidance on Possible Litigation and pursuant to NRS 288.220 Discussion and Guidance on Labor Negotiation 2022.

RETURN TO OPEN SESSION

M-7/19/2022-9 - Motion by Nelson, seconded by Vogt, and unanimously passed to return to open session at 8:35 p.m.

Zumpft confirmed that the board has provided instruction for staff to negotiate within parameters.

FINAL COMMENT - There was none.

ADJOURNMENT

M-7/19/2022-9 - Motion by Nelson, seconded by Parks, and unanimously passed to adjourn the meeting at 8:37 p.m.

Respectfully submitted,

Sandra Parks, Chair

Attest:

Craig Schorr, Secretary