

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, AUGUST 17, 2021**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 5:00pm by Natalie Yanish, Chair.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Yanish, Parks, Vogt, Nelson and Schorr. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, KGID employee Judy Brewer, and General Counsel Chuck Zumpft. Public attending included Charles Hancock via Zoom and Larry Schussell.

PUBLIC COMMENT – Larry Schussell of 367 Terrace View explained that he had another issue with the drainage in his area. He thanked Garden and his crew for being very responsive in removing water from the drain a couple times. This issue was reviewed and inspected by Dion. He commented that there appears to be a better direction regarding this issue, and he is hopeful a permanent solution can be reached. Per Garden’s request, Courtney Walker from the County also reexamined the site. He thanked the KGID board, especially Yanish who also visited the property.

Parks questioned Garden if this issue can be fixed, and he indicated it would be. Yanish noted that it is a stormwater issue. She added that Schussell was a trustee for 20-years on the KGID board and thanked him for his service. Vogt noted this was before term limits.

Schussell confirmed he is the fire ward and Parks questioned the fire out of the area near Pollock Pines. He noted evacuations may be expanded and the road is currently open. He was unsure on containment. Garden recommended the website called inciweb.com for daily updates.

Schussell added that his drain has filled back up again, noting that the KGID crew is busy.

Yanish offered for additional public comment; there was none.

Yanish offered a warm welcome to Mitch Dion, the new General Manager. She thanked him for meeting with the trustees and offered for him to use the board as a resource as needed. She noted his kindness engaging the board and welcomed him to the KGID family.

There was no other public comment.

APPROVAL OF AGENDA –

M-8/17/2021-1 - Motion by Vogt, seconded by Parks, and unanimously passed to approve the agenda.

APPROVAL OF MINUTES – Regarding the minutes dated June 16, 2021, and June 22, 2021, Nelson noted the roll call includes “Operations” in front of KGID Employee Judy Brewer and this should be removed.

Vogt noted on June 16, 2021, minutes, under public comment Russ Rice should be Wes Rice.

Amy commented that the July 20, 2021, minutes should be submitted by Natalie Yanish as Chair, instead of Sandra Parks as Vice-Chair as Yanish conducted the meeting. Yanish thanked Amy for the excellent job taking minutes.

Brewer requested a change to the June 16, 2021, minutes page 3, second paragraph, third row, to read Nelson confirmed rather than Schorr. Note: Per review of the recording, Amy verified that the sentence should read “Schorr confirmed with Nelson that she would prefer to re-open the application process, to potentially receive

another 50 applications”. Yanish recalled the conversation. She clarified that Amy is clear on the requested changes.

Garden requested July 20, 2021, minutes, page 2, approval of Consent Calendar, second paragraph, to be changed to reflect those 30 registers and receivers were purchased, not meters. Also, page 3, Waterworth should be changed from Wonderworth.

Hancock requested the word “never” be stricken from his statement on the June 16, 2021, minutes, page 13, second paragraph. The sentence should be modified as follows: “He disagrees that a contractor should set their own hours as a consultant that works for the Board.” Yanish confirmed his requested change for his intended statement.

Yanish noted there were quite a few changes that are minor and noted this does not reflect Amy’s hard work. She offered for any other changes.

Yanish offered for public comment; there was none.

M-8/17/2021-2 - Motion by Nelson, seconded by Vogt, and unanimously passed to approve the Special Meeting Minutes dated June 16, 2021, and June 22, 2021, and Regular Meeting Minutes dated July 20, 2021, as amended.

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

APPROVAL OF CONSENT CALENDAR – Schorr requested to pull the List of Claims. Nelson noted that a financial report was not provided, which should have been noted in the agenda. Vogt noted a cash position was provided but not a full report. Yanish confirmed with Zumpft that it is acceptable to take action on this item even though the agenda incorrectly noted a full report.

Yanish offered for any public comment; there was none.

M-8/17/2021-3 - Motion by Nelson, seconded by Vogt, and unanimously passed to approve the Consent Calendar Item B: Proposal #85182 of repairs to standby generator at Market St. Lift Station and Item C: Diving inspections and cleaning for Tank 5, Tank 6, and Freshwater Tank at Station 1.

Regarding Item A: List of Claims, Schorr questioned check #60591 for \$11,580 to Tahoe Water Suppliers Association and services provided for membership. Dion explained it is for our membership with TWSA that does public outreach and are hands-on with lake cleaning funding. The only members are within the Lake Tahoe Basin, and he considers this a quality investment. Parks confirmed with Dion that this is separate from the Mutual Aid Agreement.

Yanish explained that the TWSA is an organization similar to the League of Cities where member’s fees pay for public relation along with lobbying and advocacy. She provided an example of Lahontan approving herbicides and TWSA getting involved on behalf of the members. She noted the value of the membership. Garden noted that in addition to herbicides, they have been very involved in the invasive species issue.

Parks questioned if the membership is based on size and questioned the allocation. Garden explained that size determines the rates and noted that KGID, Incline Village and Tahoe City are the largest members involved. The majority of the public agencies are member and recalled there are nine agencies involved. Glenbrook HOA is private but included as a public water system. Schorr confirmed this is worthwhile.

Parks questioned \$8K payment to McKay and questioned if any of the checks were repeated from last month. Brewer confirmed no, and Parks noted this is an additional payment.

Schorr questioned check #60599 to Minden Lawyers for \$5,369 which he noted should be accounts receivable for the Tahoe Beach Club and questioned the reimbursement. Brewer noted any related amounts were billed to the

Beach Club. Nelson speculated that some of this would be the retainer and approx. \$4K would be Beach Club. Zumpft noted a small amount would be recording fees.

Schorr questioned check #60633. He noted this payment is for the lease and speculated that the amount of \$15,319 is higher due to prorated share of rent and property taxes. He requested someone verify the lease payment terms and verify that this is correct. Brewer confirmed that this invoice has been reviewed and \$10K was allocated to property taxes. Schorr requested that the tax portion be verified as pro-rata share of lease space. Dion confirmed it is pro-rated based on building occupancy. Nelson verified this is an annual expense.

Schorr questioned check #60650, as the description says Runtzel. He questioned if this is additional benefits. Brewer stated that we are paying for a portion of retirement benefits. Schorr questioned the separation agreement and continuation of benefits. Zumpft stated that it would be related to PERS and could not comment regarding the amount. Schorr did not have any other questions.

Parks questioned if the sweeper had maintenance. Garden explained that the first line item is for annual service of at 500 hours. The second line should reflect that a broom within the sweeper head was replaced. Yanish confirmed that there are no other questions.

Yanish offered for public comment; there was none.

M-8/17/2021-4 - Motion by Vogt, seconded by Parks, and unanimously passed to approve the Consent Calendar Item A: List of Claims in the amount of \$231,026.66 as represented by check numbers 60579 through 60680.

NEW BUSINESS

DISCUSSION ON DELEGATION OF AUTHORITY TO THE GENERAL MANAGER FOR THE DISPOSAL OF PERSONAL PROPERTY ITEMS: Brewer reported in writing: *NRS 318.160 provides authority to the Board of Trustees (Trustees) related to the Acquisition, disposal of and encumbrances of property. It states, "The board shall have the power to acquire, dispose and encumber real and personal property, and any interest therein, including leases, easements, and revenues derived from the operation thereof. The constitutional and inherent powers of the legislature are hereby delegated to the board for the acquisition, disposal, and encumbrance of property; but the board shall in no case receive title to property already devoted to public purpose or use, except with the consent of the owners of such property, and except upon approval of a majority of the board. NRS 318.160".*

Authority to surplus and dispose of items no longer useful, such as office furniture, computers, expired software, various tools or equipment, vehicles and other personal property items requires clarification. Items of value (\$1,500.00) of greater will be brought before and presented to the Trustees for consideration. Smaller issues, including the disposal of personal property items or adjusting the asset balances need accomplished as a matter of normal business procedures. Frequently, items may be replaced during routine maintenance or as capital replacement projects, these may simply be disposed as scrape or salvaged. However, there are many items with no longer serve a purpose to the district which can be sold. Often, they accumulate and cause clutter or simply allowed to deteriorate to the degree there is little to no remaining value. Good house keeping and sound asset management prescribe handling these items in a timely and effective manner.

Delegation of authority to the General Manager for surplus and disposal of property items which have exceeded life expectancy described on our depreciation schedules or determined no longer of value to the district and not to exceed the amount of \$1,500.00 is sensible. Revenues generated by the sale of these materials will be posted to the general fund. Delegation of this authority is inclusive to permit the General Manager make the determination and to donate materials which cannot be sold to any local public agency or non-profit entity.

Dion explained that as they begin to dispose of items and clean up things around the office, he would like authority properly delegated from the trustees to dispose of items of small value which cannot be sold and may

need to be donated. There are miscellaneous items such as chairs and other office equipment or operations items that may need to be disposed of as necessary. He clarified that he wanted the authorization clarified with the trustees.

Vogt noted there are many items requiring disposal that she is aware of and is happy to provide that authority. Vogt made a motion for the recommended action and Schorr seconded it.

Yanish offered for any public comment.

Nelson questioned if a dollar amount should be included in the Bylaws, rules, or recommended action. Yanish stated that it was being approved based on the NRS limits. Dion clarified that they have determined the amount requested. Zumpft suggested the amount be included in the recommended action. Vogt amended her motion and Schorr confirmed his support. Yanish confirmed with Zumpft that the motion language is sufficient.

Yanish offered for public comment; there was none.

M-8/17/2021-5 - Motion by Vogt, seconded by Schorr, and unanimously passed to approved to delegate the authority to the General Manager for the disposal of personal property items of \$1,500 or less.

BOARD REPORTS – Vogt provided an updated and stated that the Douglas County Lake Tahoe Sewer Authority hasn't had any concerning activity. She noted their State Revolving Fund loan of \$9.5M to upgrade the sewer structure at the sewer plant. They are on schedule and her report explains the aspects of this project. Parks confirmed that the grant covered the project. Vogt noted that other projects will be needed in the future and explained that the sewer rates were increased for these upgrades. Parks questioned the need for sewer rate increases if the grant covered the costs of the project. Vogt explained that rates were increased to cover future projects. She referenced her handout and noted previous demonstrations explained the process of filtering debris from the system to avoid damage to the system.

Per Nelson's request, Vogt noted the trustees as follows: Rick Gardner is the Chairman representing Tahoe Douglas District, Wes Rice is the County Commissioner, Vogt represents KGID, Chuck Fagen is Round Hill GID and John McLaughlin is the Business Representative.

Vogt noted everything is going as planned without any issues, which results in not much to report to KGID. Yanish thanked Vogt for her time serving on that board also and reporting back to KGID. She offered for any other board reports.

Yanish noted that the Nevada League of Cities will hold their annual meeting August 25-27, 2021, in Sparks, NV. She reviewed the itinerary and offered for provide additional information. She encouraged everyone to attend, especially Parks and Schorr who have remaining longevity with the Board.

Yanish noted that Douglas County had a temporary restraining order and is in litigation on their temporary vacation rental ordinance. They are also looking to increase building fees which increase costs for developers.

STAFF REPORTS -

GENERAL MANAGER'S REPORT – Schorr noted the time spent with the trustees to discuss district issues. He thanked Dion for the opportunity. Schorr stated the Open House Reception on August 23, 2021, was a good idea. Dion will generate a water conservation theme and discuss water conservation issues as a spin on the reception.

Schorr requested an update on projects with a potential for federal funding. Dion stated one of the items is the American Recovery Act Funds that have been noted in the news. There is also other funding available including a State Clearing House to match funds to projects. There is a possibility of planning funds that may be utilized for the Sewer Master Plan infrastructure package. There are also main line replacements that have already been identified. These projects will be presented for consideration. In addition, there are two pump stations and equipment that he would like considered for federal funding. There is an application with the State Treasurer's Office.

Schorr requested additional information on sewer. Dion explained that it is particularly related to the sewer infrastructure for the collection. Schorr confirmed this is not related to the plant. Dion added that early starts may be scoped for future planning. Schorr questioned the status of the applications and Dion explained that the House hasn't approved the Bill as of yet but there are previous appropriations that were available that may fit our needs. A lobbyist may be needed to assist with these needs. He noted the importance of Nevada League of Cities contacts to discuss the mechanisms that serve them best for these types of programs. He noted that the County has received money that may be delegated, and the State already has a process.

Schorr questioned the process to determine federal funding and identify projects. Dion explained that the internal management team will determine which projects will likely receive funding. Dion stated that preemptive projects will be to avoid a costly disaster that could potentially affect the lake.

Schorr noted in the interview process, Dion mentioned a secondary sewer line. Schorr questioned if this project would be a consideration for grant funding and Dion responded it is a possibility. Dion stated that this is a vulnerability of KGID that we do not have a redundant line. He credited Garden for notating this. There is not a redundant line from the pump plant to the treatment plant and if the line is damaged or clogged, it would cause an emergency at a large expense. These funds would assist in this project.

Schorr noted that a customer complimented KGID on providing a high level of service and care. He thanked Dion for the future project and concerns and the future use of Pineridge and Kingsbury Grade buildings. He appreciated this information.

Nelson noted that she appreciates the weekly status reports via email in lieu of waiting one month for reports. Dion appreciated the feedback and noted the style of correspondence is casual and was glad it was working. Parks agreed.

UTILITY OPERATIONS SUPERINTENDENT'S REPORT – Garden noted that the crew called during the meeting regarding a leak in Palisades neighborhood that he will include on his next report. They are in the process of repairs to one of the pressure reducing vaults.

Vogt noted Schussel's situation and if there are others regarding stormwater, etc. Garden explained that stormwater is crucial to our district and noted there are many unidentified issues. Many issues are addressed during flash thunderstorms brought on from runoff and debris that collects in drains from other unattended properties, such as Forrest Service lots.

Schussel's property is different as it deals with unground pipes and other infrastructure that the district installed that isn't suitable for that environment and area. He has discussed this with Dion. Garden explained that stormwater has been overlooked for some time and general practices of rotary rehabilitations did not include storm water. Parks noted that debris is a contributor to stormwater issues. Garden added that an issue is where to put it safely to comply with lake clarity and environmental responsibility. Due to regulation, there is a lot of responsibility for the environment. Stormwater is currently diverted to basins that still leak into meadows, forests, and SEC zones. This will need to be addressed over time.

Vogt questioned if much of the debris comes from Forrest Service lots that aren't maintained, and he confirmed this adds to the issue. Yanish commented it would be difficult to have the Forest Service perform BMPs on all their land. Parks confirmed it is helpful to remove pine needles from storm drains near her property. Garden lightly suggested an "Adopt a Storm Drain" campaign.

Nelson noted that his report referenced diving on the schedule. Garden offered to invite the trustees to the upcoming diving maintenance. Garden explained that they will be able to see the live inspection footage as the diver is in the tank. In response to Parks' question, he stated they are doing three tanks this year. They normally clean two tanks per year for four years, with a year off. This schedule is preferred over cleaning them all at once. There were no other questions.

ADMINISTRATIVE AND HUMAN RESOURCES REPORT – Vogt noted that we hired Darren McGough as a Water Treatment Distribution Operator and questioned if we are hiring for another employee and Brewer confirmed we are hiring another Water Operator. She noted Brewer attended the Water Assistance Program for the State of Nevada and requested additional information. Brewer explained that Douglas County has not received funding yet and each household will be required to apply personally. If they are approved for assistance, the funds will be sent directly to KGID. A statement will be provided for past due amounts to be paid current. Dion explained these are for past due amounts related to Covid. The administrators are still trying to determine the methodology for approval. This is an example of funds available to customers. Parks confirmed that customers are being informed of this potential funding.

Schorr requested additional information regarding Planetbids for future bidding process. Dion explained that Planetbids is a bidding platform on the internet that is structured to comply with all public requirements for bidding. This ensures that there is appropriate distribution to businesses that are registered for soliciting for certain type of work in a certain area. This is part of his assessment process, but we are not interested in pursuing this due to pricing. He noted the engineers take advantage of this program for our capital projects as they already utilize Planetbids.

Schorr confirmed that ReMax is no longer the service provider at the commercial buildings. Brewer confirmed that Tahoe Property Management is working out. Dion added that repairs have been recently completed to the irrigation system and this property manager seems more responsive.

Yanish offered for any other questions; there were none.

ACCOUNTANT REPORT – None.

ATTORNEY'S REPORT – Zumpft noted that he had a meeting with Dion to discuss District items including stormwater. He has had some interaction with Brewer and Garden over the month, with not much to report. He noted that he hasn't received any assignments from Dion as of yet and expects that to change.

Schorr requested an update to the Summit Village retaining wall. Zumpft explained that they have reached no conclusions yet and it is still in proves. He noted that no one wants to pay for it.

Parks confirmed there is nothing new with the Ponderosa HOA.

ENGINEER'S REPORT – Schorr noted the chlorine generation unit procurement and permitting and questioned why the engineer is involved. He questioned if the vendor would install and test the unit. Dion explained that the engineer was required due to the size of the unit and recent alterations to the building. Schorr questioned if the engineer would be involved in receiving potential government funds. Dion confirmed they may have insight and will be useful in the discussions.

CORRESPONDENCE – There were no comments.

UNFINISHED BUSINESS

FINAL PUBLIC COMMENT – Hancock stated that it is difficult to understand the speaking during the meeting. He offered if the masks could be removed during speaking as it was easier to hear people without masks. Yanish thanked him for the feedback and noted that they will try to do their best with audio and visual, given the circumstances.

Parks questioned Virginia Toy's account status. Brewer confirmed there have been no payments received and Nelson added that she used to receive her letters personally and hasn't received anything.

ADJOURNMENT

M-8/17/2021-6 - Motion by Vogt, seconded by Nelson, and unanimously passed to adjourn the meeting at 6:10 p.m.

Respectfully submitted,

Natalie Yanish, Chairman

Attest:

Darya Vogt, Secretary