

**MINUTES OF THE SPECIAL MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
FRIDAY, JUNE 4, 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 10:20 a.m. by Sandra Parks.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Vogt, Parks, Nelson and Yanish. Also, present were Operations KGID employee Judy Brewer and General Counsel Chuck Zumpft. Trustee Schorr was not in attendance. There was no public.

PUBLIC COMMENT –

APPROVAL OF AGENDA – Yanish noted that Zoom wasn't listed on the agenda that was publicly noticed. She questioned if we are still in compliance and if people could attend by coming into the office. She requested confirmation from counsel that we are in compliance.

Zumpft stated that the public facilities are now open for public meetings with the Governor's last directive and public is welcome to attend in person. Zoom activities are extra and above and if not included in the agenda, that is ok and we can move forward. Yanish thanked him for his answers.

M-6/4/2021-1 - Motion by Nelson, seconded by Vogt, and unanimously passed to approve the Agenda.

NEW BUSINESS

DISCUSSION AND POSSIBLE ACCEPTANCE OF THE EMPLOYEE AGREEMENT FOR THE GENERAL MANAGER AGREEMENT AT KINGSBURY GENERAL IMPROVEMENT DISTRICT:

Vogt stated that she has thought about the terms and doesn't see why they would offer less than the amount McKay is currently receiving. She stated that age aside, he isn't just starting out his career and has experience. She questioned why we would offer less money. She noted that McKay mentioned negotiating, but she doesn't feel that is necessary. She noted the experience and stated the salary should match that of McKay's. She stated that she isn't referring to vacation time, etc. but she would like to offer the same initial salary of \$146K. Parks noted this amount is budgeted. Vogt questioned if the budget constraints any offer.

There were some microphone difficulties and Vogt relocated and offered to restate her comments.

Vogt stated that the candidates experience, and prior positions deserves an equivalent salary to McKay. She stated that she understands negotiations are an option, but she feels his experience deserves the same pay. She referenced his education and his professional background including experience writing bills, management, and mentoring. She noted his experience in the utility business and questioned the need for negotiating over \$10K. She questioned how much the candidate previously made. Parks noted that he applied with KGID knowing the range. Vogt agreed and stated that he may assume he will receive the highest range.

Vogt stated that she would like to tell him that we would like him to join KGID, noting that he may be winding down in his profession. She suggested offering the same pay that McKay currently receives, plus benefits. She estimated the total as \$180K with benefits.

Parks suggested a trial period at \$140K with a 6-month review to match his salary with McKay. She offered that a portion of the pay could be withheld to ensure the employment arrangement will work out.

Nelson requested to obtain Zumpft's opinion on the contract. Yanish stated that she couldn't hear Nelson. Parks explained that Zumpft's opinion is requested regarding the contract.

Zumpft questioned if all Trustee's received his circulation regarding the proposed contract and they confirmed. Zumpft referenced his memo cover provided with the proposed contract. He stated his perception is that KGID employee difference and there were some differences regarding administrative leave. He explained that he only hires within his own office. He noted that some of the benefits obtained by McKay were with his tenure with the company and he doesn't believe that people coming in, regardless of experience, would expect to enjoy the same benefits with zero tenure. He stated the contract is the high side and noted the Trustees are aware of the market and options available that he is unaware of. He did not have comment to the right number.

Nelson questioned if there are any items in the contract that the Trustees need to pay attention to. Zumpft noted the blanks throughout the agreement, which would result in a package for the candidate. Each item should be completed and tallied for a total compensation package for the person taking the position. He noted the amount though high may need to be.

Parks questioned vehicle allowance and questioned if Nelson wanted this eliminated. Zumpft advised that the General Manager needs a vehicle or needs to be approved for his own vehicle usage, noting the IRS allowance. He stated this is a policy and noted the district has to decide if they will maintain a car to be insured, etc. for use of the General Manager. There are records related for the IRS. He added that he would prefer a company car in that position but that hasn't been allowed historically with KGID.

Yanish stated that the vehicle allowance does not have payroll tax or retirement added and is a different benefit than salary. She added that she appreciates the comments made and a new General Manager should be coming in at the lower base rate of pay to be renegotiated in the future depending on quality of service provided.

Parks questioned if Yanish wanted to bring the new candidate in at a base rate of \$125K. Yanish confirmed it should be closer to the base rate, adding it is negotiable. Parks disagreed. She suggested \$135K-\$138K. Parks suggested starting low and offering a bonus after six months. Vogt referenced under Employee Agreement B it states employee may be considered for a wage increase throughout anytime of the agreement. She noted that the wage could be raised in six months or one year.

Yanish questioned if we could discuss other comments during this meeting. She noted that traditionally during contract negotiations, we are also considering raises for other employees. She noted that in the past, salary increases have been considered based on preface and we can increase the amount later. She noted that often starting pay is lower to allow for a learning curve. She explained that the output is not necessarily as high as someone currently in the position. She noted that McKay has been with KGID for a long time and has a high output of work because he is familiar with the district. She stated that the wage could be reassessed with the contract in three to twelve months based on performance.

Vogt thanked her for her comments. She explained that the Manager at the Sewer District makes quite a bit more than McKay with the same responsibilities. She had hoped he would apply with KGID, but our salary may have precluded this. She stated that she just requested this salary information and didn't have it available. She speculated the amount was over \$200K. Yanish commented that it was difficult to hear Vogt. Vogt restated her comments and added that the other sewer districts have higher pay with less responsibility as KGID includes water, sewer and snow. She added that benefits should also be considered.

Yanish stated that McKay had performed an audit of other GID's and similar General Manager's salaries. She noted that this doesn't have to be followed, but demonstrates a market rate for a tenured employee. She recalled the Sewer District Manager was at the high end of the other GID's. She would like to make an attractive package that is performance based to grow into a higher rate of pay.

Nelson stated that she has access to the 2017 General Manager salaries online. She noted the Gardnerville General Manager's base pay was \$180K, the Sewer District was basing at \$161K, Sun Valley was \$124K, Tahoe

Douglas Sewer was \$115K and Round Hill was \$105K. She noted that KGID was in the middle, noting this was 5-years ago when McKay was at \$126K. Parks requested updated figures, which were not immediately available.

Vogt noted Gardnerville at \$180K and questioned if there are additional responsibilities for that Manager that we don't have at KGID. Parks noted the District size would be a consideration as Gardnerville is much larger. Vogt questioned if the responsibilities were the same, including water, sewer and snow or if trash was also included.

Nelson questioned if Brewer had any research regarding this, which she confirmed no. Nelson noted each of the Trustee's salary preferences: Yanish at \$125K; Nelson at \$135K-140K; Parks at \$135K-\$138K and Vogt at \$146K to match McKay. Nelson questioned if the trustees would be comfortable at \$138K-\$140K to allow for negotiations.

Parks noted that Yanish preferred a lower starting salary and requested her opinion. Vogt questioned if she is comfortable with \$138K-\$140K. Yanish restated that she would like to start lower and noted the benefits added to the salary. Nelson stated that other GID's have benefits that should be considered.

Nelson suggested reviewing benefits and vacation. Vogt requested McKay's current benefit for comparison. The contract was obtained and Nelson read the terms. She noted 80 hours of administrative leave.

Parks questioned if this amount could be accrued and Brewer confirmed that the amount increases each year. Brewer explained administrative leave can be used for personal time. Parks questioned if this has always been the amount available. Vogt noted that it seems like a high amount but questioned if it is common for a General Manager.

Nelson continued to read the benefits from the contract; 80 hours of Administrative leave, 96 hours of sick leave (12 days), 11 paid holidays and 4 weeks of vacation. Parks commented it was a lot of time. The board calculated this as 53 days of paid leave. Parks calculated it as approximately 10 weeks.

Yanish stated that she would like to see vacation start at 2 weeks and Parks stated it should be at least 3 weeks and Vogt agreed. Parks noted that shorter terms could preclude a candidate from accepting. Yanish stated that this is a starting point for negotiations. While we want to compensate the employee, McKay has worked for the district for some time. She feels new jobs typically offer shorter time with additions over time.

Parks noted that the candidate has incredible experience already. Yanish stated that this isn't a reflection of the candidate but feels this is a starting point. She noted the meeting is public and Mitch can also listen in or review the conversation later to determine his compensation.

Vogt stated that she would negotiate for more than two weeks in his position and wouldn't accept a position with two weeks for his position. She recommended a minimum of three weeks and Nelson agreed. Parks speculated that if he is the right employee, he can complete his work quickly and efficiently and she would recommend a three week vacation.

Parks confirmed that the contract terms can change. Vogt stated that she would consider requesting an adjustment to administrative leave to vacation leave. Parks confirmed again that contracts can change. Parks questioned if the credit cards are available for meals or client luncheons. Brewer stated they could

Yanish stated that the leave amounts appear okay with two weeks of vacation. She understands if the board wants to offer different amount. She would like to offer a salary in the \$130K range. She noted that the vehicle allowance is provided if he is keeping his own vehicle and there may not be tax implications on his side. She noted that allowance should be calculated based on use.

Parks questioned if the Super Intendent's vehicle should be eliminated. Brewer clarified that company vehicles should be limited to work use. Yanish noted that the General Manager and Operations Super Intendent are required to report to the district on an emergency basis and some vehicle compensation should be provided. Parks noted that everyone drives to work and then the company vehicle should be available. Yanish noted that

commuting is considered different than a stipend. Nelson commented that she is trying to limit the use of a company vehicle for personal use.

Vogt doesn't object to a company car with the requirement of a mileage report. She confirmed that the General Manager of the Sewer District earns \$186,902 and the salary range in the study was \$157K-\$205K. She added that we should be in the market range for what is acceptable for this type of position.

Yanish stated that Vogt's comments regarding the Sewer District are relevant; however, the districts are different regarding compensation. Vogt stated that the districts are very similar.

Parks questioned if the board was accepting of 80 hours of administrative leave. She questioned if administrative leave and PTO would be the same. Nelson noted that the time provided can compensate for after hour meeting times without compensation. Vogt agreed. !

Zumpft suggested defining the use for administrative leave or combining it with vacation if it is just free time. He confirmed he cannot confirm the intention of this leave. Vogt questioned how it is currently approved. Parks questioned if it accrues or is lost. Nelson confirmed that when an employee terminates employment, administrative time is lost but vacation time is paid out. Parks suggested setting a policy. Vogt noted the Personnel Policy, when completed would address this. Parks verified that only management receives paid time off.

Yanish commented that the combined leave of approximately two months is too much for a new manager starting. Parks questioned the discrepancy between the personnel policy.

Vogt questioned if McKay's time is tracked. Brewer confirmed that he completes a time sheet every two weeks. Parks verified that he doesn't clock in and out. Vogt questioned if Brewer can explain the PERS vesting after 5 years and employee contribution. Brewer confirmed that it is the employee's choice to receive a certain amount of pay. Nelson explained that time with other Nevada business is included. She stated that Mitchell has two years with another Nevada company and will only need three more years to be fully vested. Vogt noted that is likely one of his goals and hopes he would have a three year minimum goal to be with KGID.

Parks requested verification on the PERS contributions. Brewer explained the employee chooses the option. Parks confirmed that this option is not part of the contract and Vogt stated that it should be considered with the other benefits. Vogt would like the details clarified with Brandy Johns.

Parks addressed sick time and Nelson commented it should be reduced from twelve to six days. Parks suggested five days and questioned how many sick days the office staff receives. Brewer confirmed she was hired with twelve days.

Zumpft appeared to have left the meeting around 10:50 a.m.

Yanish deferred to Brewer regarding sick days and noted that it could be negotiable stating that sick days should be accrued based on hours worked. Brewer explained that employees would have to work 32 hours per week to receive twelve days per year. She stated that .5 of regular hours shall accrue .4 hours per pay period or twelve days per year. Nelson added that when 480 hours have accrued, sick days are paid out at 50%. Vacation when cashed out is paid at 100%. Parks noted that to accrue 480 hours, an employee would have to work years without being sick. Yanish questioned Brewer if vacation days were cashed at 100%. Brewer recalled this is in the policy. Parks suggested changing the policy.

Yanish recalled prior employees cashing out vacation days and KGID issuing large checks for this. Nelson recalled paying Eric \$40K for accrued vacation when he bought a house. Yanish recalled a similar amount. Parks stated this is unacceptable and employees should take their vacations.

Yanish noted the discussion regarding the policy was relevant and deferred to Zumpft regarding discussion of prior employees. Parks noted Zumpft appeared to be absent.

Parks noted that the sick days are non-negotiable. Vogt questioned if the personnel policy pertained to union employees and if decisions could be made regarding the General Manager separately. Nelson agreed noting that there is a separate contract. Vogt noted he is not a union employee. Brewer noted there is a union contract for KGID employees and a personnel policy that mirror each other. Zumpft was not available for comment.

Nelson noticed that under Duties and Authorities it states the General Manager in conjunction with Chairperson, provide for another KGID employee to act on his behalf. She questioned if this means the General Manager needs to appoint someone to be in charge in his absence. Vogt recalled this was Brandon Garden. Nelson questioned who it is in Garden's absence. Parks stated that she has called the office several times in McKay's absence and has not been advised of someone in his place. Parks noted that communication is important.

Nelson stated that the contract states that the Chairperson (currently Yanish) would be in charge in his absence unless someone else is appointed. She noted this needs to be addressed. She confirmed that a salary and employee benefit days need to be determined. She noted it states in severance that the employee is at-will and neither party can cancel the contract given the other ninety days' notice. If an employee is terminated without cause, three month's salary will be provided and for each year over four years, up to a maximum of six months' severance. She confirmed if the person doesn't work out, we would have to give 90 days' paid plus another three months. She stated cause is referenced as substantial evidence caused or allowed to prevent circumstances to occur. She speculated this refers to an event.

Yanish suggested including a probationary period in the contract or a short contract to be renegotiated. Nelson questioned if severance needs to be included in a one-year contract or if it should indicate employee is at-will and either party can cancel after 90 days. These items could be included in a longer contract. If Zumpft prefers, the severance can be included with a payment of zero. Zumpft was not available for comment.

Parks questioned the discussion and agenda given Zumpft's absence. Nelson speculated that no action could be made and direction could not be provided to Zumpft. Vogt questioned if the first hour was dedicated to contract details and questioned if the Mitch's contract could be discussed later. Brewer read the agenda item which states for possible action, "Discussion for possible acceptance of the employment agreement for the General Manager position of the Kingsbury General Improvement District". Vogt questioned if Mitch's meeting time could be adjusted. Nelson noted that the meeting could be continued to Monday. Parks noted that Tuesday is for Mitch and Zumpft's schedule is unknown. Nelson suggested continuing the meeting and Yanish advised that a new Public Notice would be required.

Vogt suggested inviting Mitch on Tuesday to the Open Meeting. Nelson stated that Zumpft will be available Monday. Yanish advised that it is properly noticed for Tuesday and that could be the earliest for the same agenda item and the discussion could continue at that time. Parks was not supportive of having the discussion with Mitch present. Yanish noted that Mitch could be present at this meeting as well. Parks suggested agreeing on a majority of the terms. Yanish agreed and suggested continuing the conversation when Zumpft is available; noting the meeting Tuesday is properly noticed. Yanish suggested that trustees direct any questions to Zumpft directly without copy to the other trustees to avoid violating Open Meeting Law. She agreed that some terms should be determined. She suggested that the questions are answered by Zumpft before Tuesday's meeting.

Parks suggested addressing the salary and questioned a raise at six months versus twelve. Yanish suggested a probationary period in a six month contract a she feels this would help the candidate understand they will be re-assessed. She added this is healthy for a new contract. Vogt suggested an evaluation at six months, noting her first year as a teacher was probationary. Parks confirmed the contract will terminate.

Yanish suggested the contract include at-will position terms with expectations of re-evaluation at a certain point. Nelson questioned if she is suggesting reducing the notice period to thirty days and Yanish agreed. Nelson clarified that the other trustees agreed, confirming that the new General Manager could leave with thirty days' notice.

Parks suggested sixty days for the notice period. Nelson requested removing Items B, C and D and suggested reviewing this with Zumpft. Parks questioned who will ask this so that it is resolved prior to the meeting and Nelson offered to do so. Yanish thanked Nelson.

Parks verified that the trustees accept the terms under General Business Expenses. She reviewed page 3 of 4: Expiration of Contract. Nelson stated that unless we agree to renew the contract, it will be equivalent to notice provided within thirty days. Parks verified the General Provisions and Licensure are acceptable to the board. Parks suggested removing the Retirement section for this period. Vogt and Nelson felt this should be included. Parks questioned the need for PERS and IRA for one employee.

Nelson explained that a SEP IRA is an investment accessible before PERS at age 55 without penalties. Parks stated that this may not be necessary with Mitch. Parks requested to verify this with Zumpft. Parks questioned Retirement Sections A & B. Nelson offered to verify the contribution requirements for the SEP IRA. Parks confirmed the hire date is unknown at this time. Vogt commented that a contract will be necessary for him to provide notice at his current employer.

Nelson reviewed the vehicle allowance fee, which was previously \$750 noted on Page 2. A mileage allowance option is also available for use of a company vehicle. This amount will be paid with the regularly scheduled payroll cycle and be included as taxable income as may be required by law. Parks noted this was changed recently. Nelson clarified that mileage to commute from work to home is taxable. Parks verified that \$750 is if a company vehicle is not used. Nelson questioned if both should be included. Parks stated that it should be included for both managers. Vogt noted that the manager has to choose which option.

Nelson suggested stating that there is a company vehicle for company business available at the office. The person would need to determine if they are going to want a company vehicle for commuting. Parks confirmed that \$750 is available if they are using their own vehicle during company time in lieu of a company car. She prefers the employee perform work in a KGID vehicle. She added that all employees should drive to work and get in a company vehicle to perform the job. Nelson and Vogt agreed.

Parks questioned if there would be an insurance savings by not having to insure employees driving home. Vogt stated that Item 1 wouldn't be necessary and it may be an option to claim a deduction on their taxes. Nelson confirmed that you cannot deduct commute mileage.

Nelson suggested removing the whole paragraph and adding a section in the Personnel Policy clarifying use of company vehicles. She suggested including a statement that a company vehicle will be provided for work use. Brewer stated that the vehicle policy includes reimbursement of mileage for personal vehicles.

Parks offered for any comments from Yanish regarding vehicle use. She confirmed that she agrees with the trustees. Nelson will confirm with Zumpft that vehicle allowance can be removed from the contract. Vogt confirmed that a vehicle will be provided for use during work hours. Parks stated that emergency use of the vehicle may be used for late nights to go straight home. She questioned if Zumpft would draft an emergency use clause for the vehicles.

Nelson confirmed she will ask Zumpft about removing vehicle allowance, providing a vehicle for use for business activities, and an emergency clause. Yanish thanked her. Yanish noted that we can reimburse someone for personal use of their vehicle, although we may not want to be contractually obligated to do so.

Regarding Employee Benefits and Compensation, Parks suggested asking Zumpft about sick days. She suggested starting at lower days and increasing as an incentive. Brewer confirmed that it currently states 12 days. The trustees agreed that 8 sick days is appropriate. Parks suggested that administrative hours be reviewed with Zumpft. Nelson confirmed that she will verify if the Personnel Policy must be followed for administrative and sick leave. Parks commented that the Personnel Policy hasn't been followed regarding PTO.

Nelson questioned what vacation time is available for an entry level position. Brewer responded two weeks was typical

Nelson suggested leaving vacation time at two weeks, resulting in 80-hours of administrative leave. Parks stated this could be a negotiating start and added that two weeks sounds insufficient. Nelson replied that the two weeks of administrative leave, is in addition, along with sick time and holidays. Nelson stated that she would be happy increasing to three weeks if requested. Vogt added that it should be explained that there is 80-hours of personal time. Parks noted that use of administrative time needs to be clarified by Zumpft. Nelson clarified that administrative time is not paid out like vacation time if unused. Parks requested that Nelson clarify the number of days from twelve versus ten. Parks confirmed there is not a different personnel policy for managers.

Parks and Nelson discussed the verbiage of sick leave to accrue at 8 hours per month or 4 hours per pay period. Nelson offered to confirm with Zumpft that sick time can be reduced to 8 days per year.

Vogt provide the example of a doctor's appointment and which use is used. Parks stated that it is difficult to track. Brewer explained that time sheets are provided and sick and doctor's time are documented. Parks stated that employees should be using the time properly. Brewer stated that it is noted in the policy that if an employee calls in sick, they should not be seen out and about. Parks noted that the honor's system should be followed.

Parks verified that two weeks of vacation will be presented and questioned if we add that it is negotiable. Nelson suggested providing the contract for review and negotiation if requested. Vogt questioned if we are going to negotiate and finalize later. She questioned how the discussion would occur during a public meeting. Nelson stated that she believed they could leave to another office to discuss some items.

Parks verified the trustees prefer a one-year contract. She questioned if we should offer a bump in salary in six months. Vogt speculated that based on his experience, he may request this. She suggested some incentive and monitoring. Brewer suggested including this in board meetings. Nelson noted previous board packets with Manager review and suggested this at six months.

Vogt noted that he appears to be interested in communication with the board, which makes him desirable as an employee. She suggested an evaluation at a meeting in six months. Parks questioned if this will be included in the contract or if it will be a board decision. Vogt stated he may want this included in his contract. Parks questioned if it is in required in the contract and questioned an incentive.

Nelson stated that since it is his first year, we should plan to have a six-month discussion to identify goals. Parks stated this should not be an issue and Nelson stated she doesn't feel it needs to be included in the contract. Vogt noted it is the board's responsibility to add this to the agenda in six months. Parks cautioned that he may have other stipulations to be considered and noted that Zumpft's personal attendance is required.

Nelson suggested \$138K for salary and Parks stated that her lowest is \$135K. Vogt stated she wanted to start higher and therefore agreed to \$138K. Yanish stated that after calculations, she would support \$128K-\$132K at best. In response to Nelson's inquiry regarding her calculations, she explained that she reviewed the job description and McKay's duties. She also considered an assessment with room for growth that is performance based.

Vogt confirmed that we are not taking any action and a vote will not be taken. Parks questioned if he could read the meeting prior to his meeting. Nelson suggested presenting the questions to Zumpft regarding sick pay and benefits. She will request that he direct his response to all of the trustees. Yanish thanked Nelson for doing this and reminded the board that back and forth discussion is not permitted via email prior to the meeting on Tuesday.

Nelson explained that Zumpft's response to the trustees will inform everyone prior to the meeting. Parks stated that a salary figure should be determined prior to the meeting. Nelson stated that the agenda states that they can discuss the draft and acceptance of the employment agreement; therefore, a figure should be provided to Zumpft in order to draft the agreement. She suggested that the initial salary figure should be provided.

Yanish stated that it is agendized for Tuesday and can be decided when the full board is present. In response to Nelson's question regarding the meeting discussion, Yanish stated that the candidate could be present at either

public meeting. Nelson questioned if the meeting would begin with a discussion of salary with the presentation of the agreement to follow. Yanish stated this is a possibility and noted that response from Zumpft is needed for various items.

Parks questioned if Yanish would be willing to offer \$135K and she replied that she would prefer to stay within the range she provided. Vogt stated that it may need to come to a vote on Tuesday and Parks replied that she would not be comfortable voting in front of Mitch. Parks suggested a starting point, noting that the remainder of the contract is drafted.

Parks stated that a vote on Tuesday will likely result in a higher salary. Yanish stated that Zumpft has indicated that discussion must be public and Parks noted we are currently in a public meeting. She expressed her concern about discussing this in front of Mitch and other public without having a base figure to begin. Vogt suggested going with the majority. Parks noted that \$135K is the compromising number between the trustees adding that she would like to have a number in the contract for the meeting on Tuesday. Vogt suggested informing him that the initial part of the meeting will be to discuss his salary, acknowledging the Open Meeting Law and he has a right to attend. Parks questioned how he will be provided with the agreement. Parks stated that she doesn't want the candidate to feel that they don't want to pay him enough and have him decline. Vogt added that the difference is not much money compared to the amount of work that will be performed daily.

Parks questioned if Yanish will be at the meeting in person or if she will be attending via Zoom. Yanish replied that she is not sure as she has an appointment just before the meeting. She is hoping there will not be internet issues as she hasn't had problems hearing in Zoom in the past. She thanked the board for speaking loudly noting the weak internet connection is causing sound issues.

Vogt stated that if it's permitted, they could possibly go into a separate office to discuss items. In that case, it would be beneficial to have Yanish present to do so. Yanish replied that this must be verified with Zumpft and recalled he was against a closed session. She had requested a closed session in case it was needed. Parks recalled they were told they could go into McKay's office. Nelson commented that she believes that was McKay's statement. Yanish confirmed if there is a quorum, an agendaized closed session is required. Parks questioned if this is similar to litigation and Yanish recalled it should be public. Vogt suggested calculating an average.

Parks questioned if the candidate requests more money if they are going to discuss this in front of him. She questioned if Yanish would be willing to increase the amount to save the employee if he refuses the amount. Yanish stated it would be a conversation to negotiate and she is willing to discuss this. She would appreciate more information before making this decision. Parks verified that a majority vote would be the deciding factor. Yanish replied that a vote would be required to approve the contract. She noted the contract includes a misspelling of Craig Schorr's name on the last page and his title is incorrect. Yanish added that the vote results are unknown depending on the conversation.

Nelson stated that an initial base salary should be determined and she is hesitant to provide a salary less than \$138K. Parks agreed that a starting number is necessary. Vogt stated that \$10K is not much money and has been spent on emergencies and oversights in the past. She disagrees with offering way less than the current manager is getting. Parks stated if we hired someone with less experience then we could warrant a lower starting bid, but we need to offer Mitch a sufficient salary. Vogt stated that if he was very young and was expected to stay on for 20+ years with a high end salary, she may reconsider. She feels this may be a five year plan. Parks questioned if the salary increases or if there is a new contract. Nelson explained that a new contract is issued with a raise.

Parks questioned if Mitch is aware of this information and noted that he could possibly research it. Nelson was unable to locate her previous analysis. She noted that the salaries for General Managers at districts are located on Transparent Nevada. She located Rob Hopkins base salary of \$165K plus benefits. Parks questioned the other benefits for the first year. Brewer stated that she provided him the list of benefits per his request. Nelson confirmed that he is aware of the base paid time off. Parks cautioned to keep the base vacation time high as she was concerned about offering less to someone of his stature coming in as Manager of a district.

Yanish noted the other paid time off that is provided and that the General Manager is needed in the office. She feels two weeks is standard and more time can be requested. Parks noted that it takes years to accrue vacation and doesn't feel one additional week is sufficient. Yanish stated that she didn't recall him saying he would only work five years. Parks stated it was a question he was presented with. Vogt stated that he would commit to five years and sounded as if he wanted to mentor after that. Nelson read that for the next five years I would like to be serving in the roll as General Manager. Beyond that time, I would like to transition to a roll with more work on regulatory and water policy matters within the Federal, State and Regional level. Parks stated that this was restated in person. Vogt added that this make sense for someone with his experience.

Vogt stated her concerns with not resolving the salary matter with regards to Yanish, but suggested going with the majority. Vogt confirmed that Rob Hopkins with the Sewer District's base salary is \$186K plus benefits. She noted the salary differences with the CEO's. Parks questioned Paula's salary and Nelson confirmed she makes \$136K plus benefits as Controller. Nelson noted the District Manager for the Gardnerville Ranchos was posted at \$112K.

Vogt calculated an average using \$138K by four and \$130K, resulting in \$136K. Nelson agreed to pencil in \$136K and Parks agreed in having a starting number. Nelson confirmed the questions: start date, base salary of \$136K, employee benefits of 80 hours administrative, reduce sick to 8 days if possible, 11 holidays and 2 weeks of vacation.

Parks verified we are going to ask about retirement. Nelson confirmed cancellation will be sixty days' notice. Parks questioned if the title should be changed from "Severance" as it is misleading. Nelson suggested "Termination".

Nelson and Parks confirmed that there will be no vehicle allowance. Parks would like this uniformed.

Parks offered for any other discussion.

FINAL PUBLIC COMMENT – There was no public present.

ADJOURNMENT

M-6/4/2021-2 - Motion by Vogt, seconded by Nelson, and unanimously passed to adjourn the meeting at 12:00pm.

Respectfully submitted,

Sandra Parks, Vice-Chairman

Attest:

Darya Vogt, Secretary

