

**MINUTES OF THE REGULAR MEETING OF THE  
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES  
TUESDAY, MAY 18, 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.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL** – In attendance were Trustees Yanish, Vogt, Parks and Schorr. Also, present were General Manager Cameron McKay, Superintendent Brandon Garden, Operations KGID employee Judy Brewer and General Counsel Chuck Zumpft. Public attending via Zoom included Charles Hancock. Trustee Nelson was not in attendance.

**PUBLIC COMMENT** – Charles Hancock requested an update on the selection process for the General Manager. Yanish noted that this item was not on the agenda. McKay indicated that there is an agenda meeting on May 27, 2021 for the three finalists to attend and selection will be finalized at the subsequent meeting on May 28, 2021. Yanish thanked him for attending and verified that he had no other public comment.

Yanish offered for any other public comment; there was none.

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

**M-5/18/2021-1** - Motion by Parks, seconded by Vogt, and unanimously passed to approve the Agenda.

**APPROVAL OF MINUTES** – Yanish noted the various minutes included in the packet. She offered for any questions or comments.

Yanish questioned if it was necessary to identify who is present via Zoom and McKay confirmed it is not. Regarding the minutes dated April 8, 2021, she requested a correction of the name to reflect Derek Dornbrook. Regarding the minutes dated April 20, 2021, Page 8, she requested paragraph 2, sentence 2 to read that information was included that wasn't applicable to the District. McKay noted this can be verified on the tapes. Amy recalled this was related to the prior employee issue based on the outcome. Yanish stated that her intent was not to indicate they did a poor job, but the verbiage provided was not applicable to our jurisdiction. She also requested a correction to the name of page 10 to indicate Wesley Harper.

Vogt requested that Hancock verify the statement on page 3, paragraph 3. Hancock confirmed they were given with his permission.

Garden noted page 3, paragraph 7, should be LEPC and East Fork Fire.

There was no further discussion or public comment.

**M-5/18/2021-2** - Motion by Yanish, seconded by Parks, and unanimously passed to approve the regular meeting held April 20, 2021, as amended; budget workshop meeting held April 6, 2021; special interview meetings held April 6, 2021; April 8, 2021, 9:00 am, as amended; April 8, 2021, 11 :00 am; April 9, 10:00 am; April 9, 12:00 pm; April 16, 9:00 am; April 16, 2021,11:00 am; and April 20, 2021 3:00 pm.

**NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:**

**BOARD REPORTS** – Yanish offered for any other reports; there were none. She reported that she will be attending the Nevada League of Cities meeting on June 16-18, 2021 in Elko and offered for any others to attend. On the last day, Congressman Mark Amodei will be attending and she noted that this meeting was cancelled last year. She added that McKay is in contact with Wesley Harper, Director of the Nevada League of Cities regarding

funds for GID's. She is following up regarding small town meetings for members with populations less than 10,000 and offered to bring any items from the Trustee's to be added to the agenda. She added that trustees are invited to those meetings as well. Mr. Harper is also working on obtaining State funds for the GID's separate from Douglas County funds of \$9.9M which KGID will not receive. She noted there are State funds available and offered for McKay to elaborate. McKay indicated he addressed this in his report.

Yanish noted that Trustees Schorr and Parks may be interested in attending and encouraged them to do so.

## **STAFF REPORTS -**

**GENERAL MANAGER'S REPORT** – McKay stated that he met with Wesley Harper on two occasions to discuss the county funds that will not be shared with towns within the county. The concern is that GID's and Water/Sewer utilities will not receive any funds. Harper is working with the State funds to see if it will be disbursed differently, but the outcome doesn't look positive. Parks questioned the use of funds, which McKay explained would be designated to rebuild infrastructure. McKay and Garden provided a list of projects to Harper to provide to the Governor's office.

Yanish questioned if public comment would be helpful at the Douglas County Meeting this Thursday. McKay noted he will be out of town but encouraged comments. Yanish offered to assist. McKay explained that the county set up the GID's and now they are keeping the funds. Yanish offered to provide McKay with a draft of her comments. Yanish stated the meeting is Thursday at 1pm in the Minden Office near the Building Department and the old court house. They are meeting in person and public comment is accepted via Zoom. Yanish suggested the request from a group regarding the GID's would be helpful to have on record.

McKay stated that the Bills he has been watching made it through the deadline and a couple will need to be reviewed for working as they change during work sessions. He added that a Bill presented by a Democrat will likely pass. He offered for any questions.

Yanish noted the frustration of tracking and researching a Bill if it dies. She offered for any questions on McKay's report; there were none.

**ACCOUNTANT REPORT** – Yanish offered for any questions. McKay noted that Brandy Johns has been out of the office.

**UTILITY OPERATIONS SUPERINTENDENT'S REPORT** – Garden stated that he didn't have anything to add and offered for any questions.

Schorr noted the Nevada Rural Water Association award presented to Garden as Supervisor of the Year for 2021. Schorr requested additional information. Garden noted this was a surprise and it was an honor to receive it. McKay explained that the circuit providers talk to crews and neighboring facilities to compile information for nominations. Schorr questioned who would be competition for this award locally. Garden explained that all other supervisors that work with Nevada Rural Water, such as the local GID's and Utilities in Nevada. Schorr commented that this was an honor and congratulated Garden. McKay added it was a surprise to him as well. Yanish also congratulated Garden.

Schorr questioned the meters and receiver replacement and any homeowner authorization. Garden explained that a report indicates meter read errors and inspection by the crew generally indicates an end to the lifespan. There is no contract with the homeowner and the meter receiver is replaced and updated in the office with the billing software.

Schorr questioned Aspen Developers work to be repaired. Garden replied that this is at the intersection with Andria and Barton for the seam that was made with the new asphalt to the existing asphalt. Schorr verified this will be repaired next week and Garden confirmed it is warranty work.

Schorr requested review of the Water Loss Report. Garden explained that the raw water meter is used to

determine water loss. He noted this is the last four columns on the report. He reminded the board that under industry standards, out loss is acceptable. We are currently at 7% average which is less than 10% standard and shows the system is working properly with little unaccounted water loss.

Schorr congratulated Garden for the recognition from his peers. Vogt stated that she had the same questions regarding water loss and therefore, she doesn't have any additional questions.

Yanish referenced his meeting with Jason and Courtney. In response to Yanish's question regarding test timing, Garden explained that there are four tests per year with three taken during the winter months. The winter is October through May, with one test taken in the summer which is planned for the end of July. Yanish stated that she hopes they acknowledge KGID's contributions to their Tahoe Maximum Daily Load (TMDL). Garden stated that he is working with Courtney to purchase another sweeper for the District with grant funds.

Yanish offered for any other questions. Schorr noted the 2021 Waterline and Road Improvement projects and questioned if this is the key project for next year. Garden confirmed it is, noting bidding will commence this winter for award in the spring, with construction to start at the beginning of digging season in May 2022. Schorr requested additional information regarding the timing. Garden explained that the project should be completed by the end of June 2022. Schorr verified this is critical infrastructure project to replace older pipes.

There were no other questions or comments. Yanish thanked Garden for the detailed report, as always.

**ADMINISTRATIVE AND HUMAN RESOURCES REPORT** – Brewer did not have anything to add. Yanish offered for any questions.

Schorr questioned the new term Civic Pay related to Springbrook. Brewer explained this is for ACH payments for customers online. He questioned the possibility of a new property manager and questioned more information. Brewer stated that she is inquiring for a local company that could be more onsite to address the issues at the property such as landscaping. She confirmed that ReMax is located in Carson and are not in the area often.

Vogt questioned the absence of Brandy Johns. Brewer replied if she was on vacation and she has recently been out sick. Yanish offered for other questions; there were none.

**ATTORNEY'S REPORT** – Zumpft stated that he did not have any assignments this month and has been catching up on the erosion control issue and is approximately half way through. He added that it has been very quiet.

Parks stated that they will have questions about interview questions. Yanish noted this is not on the agenda. Parks provided an example of questioning if an applicant would be willing to relocate. Zumpft confirmed that question is acceptable.

Yanish noted her concern regarding a formal list of questions for the upcoming meeting and McKay requested their questions in advance for Zumpft's approval. She noted the importance of compliance with laws. Parks noted that a list of prohibited questions has been provided.

Zumpft suggested that questions be provided to McKay or Zumpft in advance. Parks verified that questions can be individualized for each candidate. Vogt questioned the response date for the questions and McKay explained it is an informal setting with the finalists and questions were provided as a guideline or reference. Yanish clarified that any additional questions be provided to McKay, Zumpft and Brewer for review.

Vogt noted there may be varying questions from each trustee. Yanish suggested reviewing the document provided by Brewer regarding Fair Hiring Practices before the meeting. Vogt questioned the time on May 28, 2021 which McKay confirmed will be 10am and stated an agenda will be provided. Yanish offered for any other questions or comments; there were none.

**CORRESPONDENCE** – McKay did not have anything to add.

**ENGINEER'S REPORT** – Parks questioned the status of the chlorine generator which Garden replied will ship any day. This will be installed at the treatment plant on Kahle Drive. Yanish offered for any questions; there were none.

**APPROVAL OF CONSENT CALENDAR** – Parks requested to pull Item A. She questioned check 271 to Water Technologies which McKay explained is the down payment for the chlorine generator. She also questioned additional payments to Manchester. McKay explained there is a retention held from each check that that is paid at the end of the year. Parks recalled questioning the final payment to Manchester at the last meeting. McKay explained this is money earned that he was worked for and added that they are paid in full at this time but additional payments will be made if there is additional work. Garden added that there is an allotment of time to release the retention and noted the memo of snow services through 4/14/21. As of this date, invoices are current. Parks confirmed that there were two payments; \$30K for snow removal services from March 6-23, 2021 plus an additional check for retention.

Vogt questioned if a portion of the retention funds are retained for damages. McKay explained that retention ensures the company will continue to perform work under the contract. There is a hold harmless agreement for damages in lieu of a bond.

Yanish offered for any other questions; there was none. She offered for public comment; there was none.

**M-5/18/2021-3** - Motion by Vogt, seconded by Parks, and unanimously passed to approve the Consent Calendar Item A: List of Claims in the amount of \$222,611.80 as represented by check numbers 60252 through 60338.

## **UNFINISHED BUSINESS**

## **NEW BUSINESS**

## **PUBLIC HEARING ON FISCAL YEAR 2021/2022 TENTATIVE BUDGET INCLUDING DISCUSSION AND APPROVAL OF TENTATIVE BUDGET:**

McKay offered for any questions, noting that he was informed he would be presenting the budget this morning. He confirmed that most of the information has been reviewed previously. He mentioned additions such as the sweeper on page 14 at the bottom of the General Fund for \$300K along with other corrections per the workshop. Yanish verified that the previous sweeper was purchased through matching fund grant funds. McKay confirmed they are working on another grant. Garden explained that the first sweeper is inoperable and will be sent to auction. Sweepers have a lifespan of 4-7 years. The grant funding agreement is contingent on having two operational sweepers for the district and they have agreed to provide two sweepers. They are working towards applying grant funding for a new sweeper which will be allocated through the budget to be expensed and reimbursed. This is included in the budget for funding in Capital Outlay. The NDEP is the lead for the grant. Matching funds is provided in operations for maintenance, personnel and necessary mechanical components to keep the sweeper going. The last sweeper was \$280K and \$152K from 319 Funding from NDEP with the balance provided by Douglas County Air Mitigation Funds. Garden explained that those funds were used and we are requesting the full amount from NDEP.

Yanish questioned Lake Tahoe Restoration Act (LTRA) Funds. Garden explained they are not expending any funds towards sweeping as they are looking at pollution control. In addition, they are not supportive of funds used for equipment. The same applies to License Plate Grants. In response to Parks' question, McKay explained that only a commercial driver's license is required to operate the sweeper.

McKay noted additional changes included fuel costs increased to 40% instead of 20%. The chlorine generator expense was moved to the second half of the year and road rehabilitation was moved from Capital Outlay as it is a maintenance issue. McKay noted that all other minor corrections have been made.

Schorr questioned the process for the internal budget review prior to board approval. McKay explained that the year is split into two 6-month periods. Typically, Operational Costs are split evenly and Capital Improvement Costs are spent in one portion of the year. He explained that there is a separate line item for each expense, noting worksheet details. The items are reviewed for amounts and wish lists for capital equipment and projects are reviewed for necessity and some items are eliminated. Everyone is involved with Brandy creating numbers, review by everyone, then review at the workshop for finalize changes. He emphasized the amount of review.

Schorr noted this is the first year that Johns has taken the lead. McKay noted that she has been heavily involved in prior years. Schorr questioned if the budget checklist will be completed prior to submission. McKay explained that it is included for reference but not part of the document. This list has been reviewed as a control item.

Schorr questioned the process and McKay confirmed that McKay, Brandon and Judy are included in the review process.

Vogt stated that she is uncomfortable in Nelson's and John's absence. She questioned if the budget is approved and changes are needed. McKay explained that the General Fund includes 3% contingency which is permitted for items not accounted for. The two enterprise funds are different, but services and supplies can go over budget as a whole. He advised that the budget can be augmented at any time. He provided an example of fuel costs or building materials in the General Fund. He explained that the notice of the public hearing must be posted 7-14 days prior to the meeting and this document must be submitted to the Department of Taxation by the end of May. He explained that a budget is an estimate but he is confident with the figures as reviewed. He added that the Department of Taxation was pleased with the Tentative Budget, as adjusted.

Schorr questioned if the Property Tax Revenue on page 1 seems reasonable, which McKay explained is provided by the Department of Taxation. Vogt questioned if McKay has experience where a budget included mistakes and consequences. Yanish questioned if we have augmented a budget and McKay confirmed we haven't. McKay confirmed there aren't any concerns and explained that they have internal controls to prohibit overspending. He explained that previously they were close to augmenting the budget, but it wasn't necessary.

Parks confirmed the budget must be approved and signed as soon as possible. Vogt stated that she has been given more confidence in approving this in Nelson and Johns absence. She noted this is Johns first year on the budget.

Yanish offered for other questions. McKay questioned when Schorr would be available to sign, which he indicated as May 22, 2021.

Yanish questioned the debt service and reserves, noting there isn't a set policy. McKay explained \$1.9M is payment of debt service principal annually. We maintain this minimum in reserves plus one-year operating costs. There is no State mandate regarding reserves which is different than Restricted Funds. He added that Beth Kohn did not have any issues with ending fund balances. McKay added that fund savings are also needed for projects. Yanish noted that a policy regarding reserves hasn't been set and is part of the budgeting process. McKay confirmed a policy isn't required.

Parks questioned the janitorial of \$5,600 for 160 Pineridge. McKay stated this figure is accurate for a year. Parks noted we are losing money. Brewer commented that total expenditures increased and income is the same. She added that \$299 may be a typo. Parks questioned if this cost seems high and if the work is necessary. Brewer noted some of the cost for Pineridge may be located under Kingsbury Grade and she will review with Johns. McKay noted these expenses are combined under the budget.

Yanish offered for any other questions. She offered for public comment; there was none.

**M-5/18/2021-3** - Motion by Parks, seconded by Vogt and unanimously passed to approve the Fiscal Year 2021/2022 Tentative Budget, as presented.

**DISCUSSION ON RETIREMENT FUNCTION FOR OUTGOING GENERAL MANAGER:** *The General Manager for KGID, Cam McKay, who first worked for the district in 1992 as a Water Operator will be retiring next month. The Ad.min. & H.R. Supervisor along with the staff would like to organize a retirement party for Cam McKay like Art Webb's, Candi Rohr's, and Virgil Schrauben's which in 2009 cost \$3,500. After extensive research, the least expensive venue we could find was the Tahoe Ridge Resort's Club House. It is requested that the board provide a not. to exceed amount of \$6,000 to secure the location and provide food. KGID funds will not be used for the purchase of alcohol.*

*Invitees will include past Board members and individuals we work with today including Attorneys, Engineers, Bureau of Drinking Water, State VIP's, Preferred Contractors, and all of the Staff in order to say, "Thank you" and recognize Cam for his hard work and dedication to the district.*

Yanish noted the information included in the packet. Brewer requested approval to coordinate a retirement party for McKay who has been with the district for 20+ years. She noted that the district has provided retirement parties in the past. She contacted 10 different locations and The Ridge is the most reasonable. The list of 60-70 people includes past board members, employees, attorneys, engineers, VIP state employees and contractors. There will be no alcohol purchased with the fund. Schorr verified that alcohol will be available for guests to purchase. He questioned if he would be able to bring his wife and personally cover her costs. Brewer explained that her list includes Schorr plus one. The proposal received includes a BB Q at the most reasonable price. They can bring a cake from Costco with a serving fee that will be less than their cost of providing desserts.

Vogt thanked Brewer for organizing this. Brewer estimated 60-70 people upon approval. Vogt noted the minimum costs and requested further clarification of charges. Brewer explained that the estimate is high as it is based on 80 people and the list will be less than provided in the estimate. Vogt thanked her for taking the lead noting that they all want to honor McKay. The event will take place Monday, June 28, 2021.

Yanish offered for any other questions. She recommended that the venue be omitted from the recommended action in the event of a change.

Brewer stated that she will contact The Ridge tomorrow. Parks verified that final count isn't needed tomorrow. Yanish confirmed the amount to be approved. Yanish clarified that she questioned the amount not to exceed eliminating the venue to allow Brewer the flexibility. Vogt amended her motion and Schorr concurred.

Schorr questioned verification regarding spouses. McKay confirmed that trustees are invited with a plus one or as a couple. Vogt questioned how McKay is feeling coming close to retirement. McKay replied that he is ready and getting excited.

There was no further discussion. She offered for public comment; there was none.

**M-5/18/2021-4** - Motion by Vogt, seconded by Schorr and unanimously passed to authorize the Administration and HR Supervisor to expend an amount not to exceed \$6,000 for a retirement party for General Manager Cameron McKay.

**FINAL PUBLIC COMMENT** – There was none.

## **ADJOURNMENT**

**M-5/18/2021-5** - Motion by Parks, seconded by Vogt, and unanimously passed to adjourn the meeting at 6:21 p.m.

Respectfully submitted,

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Natalie Yanish, Chairman

Attest:

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Darya Vogt, Secretary