

**MINUTES OF THE REGULAR MEETING OF THE  
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES  
TUESDAY, MARCH 15, 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 5:01 p.m. by Sandra Parks.

**PLEDGE OF ALLEGIANCE**

**ROLL CALL** – In attendance were Trustees Parks, Schorr, Nelson and Vogt. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, Human Resource and Administration Supervisor Judy Brewer, General Counsel Chuck Zumpft, and Steffi Gavin of Farr West Engineering. Public present included Charles Hancock and Joel Locke of Allison MacKenzie Ltd. Trustee Yanish was not in attendance.

**PUBLIC COMMENT** – Hancock commented that Farr West used data from 2002 for their design and he was surprised that a review wasn't performed. He questioned whether there was resolution to the Board members responding to items or issues in the public comment period. Dion explained that individual board members are limited in aspects of their response because they do not speak for the district. He explained that the General Manager can answer public comment briefly when appropriate. Items may also be addressed at future meetings if requested by members of the Board of Trustees.

**APPROVAL OF AGENDA** – Dion noted the List of Claims presented includes payment to be approved in a later item. Schorr suggested reviewing the List of Claims after Item 9 before the List of Claims.

**M-3/15/2022-1** - Motion by Schorr, seconded by Vogt, and unanimously passed to approve the agenda as amended.

**APPROVAL OF MINUTES** – Schorr requested debt funding on the bottom Page 1 to be changed to debt financing.

**M-3/15/2022-2** - Motion by Schorr, seconded by Parks, and unanimously passed to approve Regular Meeting Minutes dated February 15, 2022, as amended.

**NEW BUSINESS**

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

**FOR POSSIBLE ACTION:**

**SELECTION OF ALLISON MACKENZIE LTD. TO PROVIDE LEGAL SERVICES FOR LABOR RELATIONS:** Brewer provided a written report. She noted Joel Locke, partner of Allison MacKenzie was present. Locke provided his background and that of the company along with the history with KGID. He noted they bill hourly and are not on a retainer. Zumpft validated the qualifications of both Locke and the firm and explained that his firm is not normally engaged in in labor relations which have traditionally been outsourced by KGID.

Locke provided additional information regarding the union negotiations procedure and schedules, including closed session meetings with the Board to discuss potential issues and financial capability of the district for potential issues or increases. The potential contract will be presented to the union members and presented to the Board for approval. He explained his availability and anticipated having a contract for approval prior to the expiration of current contract.

Dion stated that they have not received any notification of difficult issues. He recommended a closed meeting in April. Locke confirmed he represents the district, as the union has their own representation. He added that the union typically has a representative present and uses their attorney upon impasse.

**M-3/15/2022-3** - Motion by Vogt, seconded by Schorr, and unanimously passed to approve the selection of Allison MacKenzie Ltd. for Legal Services and labor negotiations and authorize the General Manager to execute the representation agreement and assign tasks as needed.

Locke exited the meeting.

**RATIFICATION OF EXPENDITURES FOR EMERGENCY REPAIRS INCURRED BY THE DISTRICT IN RESPONSE TO WATERLINE BREAK ON FEBRUARY 3RD AND 4TH, 2022:** Dion provided a report in writing. He detailed the events on February 3-4, 2022, explaining the need for emergency repairs which exceeded his financial authority.

Dion explained that the outside resources for equipment and labor were necessary as KGID's organic resources were not sufficient for multiple events or issues of this size. Summit Plumbing was able to provide these services.

KGID is prepared to address small and moderate sized leaks normally isolate one event at a time and they were engaged at the Market Street leak with our equipment (which was too small and unreliable for the work along Highway 50). The sink hole at Lakeside was significant and required immediate remediation due to the location. Dion explained that there was a third problem in front of Lakeside Inn which was excavated and compacted by F&B. They also paved the repair area at Market Street.

Both the repair at Lakeside Inn and the line feeding Lake Village are isolated and now need to be repaired which will likely be addressed as a change order in the upcoming waterline replacement project.

The actual cause for the leak is currently unknown. When the pipe is excavated, it can be inspected for manufacturer defects or signs of fatigue.

Hancock noted his correspondence regarding this item. He suggested the design be reviewed along with defective material. Dion confirmed this intent with possible material laboratory analysis.

**M-3/15/2022-4** - Motion by Vogt, seconded by Parks, and unanimously passed to ratify payment of the vendor invoices for Summit Plumbing and F & B Inc, for emergency repairs which exceed the General Manager's approval authority.

**APPROVAL OF CONSENT CALENDAR** – Parks questioned cleaning and janitorial fees and Brewer clarified services. Parks clarified rent payments and Nelson recalled a significant increase recently. Dion explained the breakdown of rent and expenses and explained that heating expenses were significantly higher due to the storms in December.

Parks requested clarification software monitoring expenses. Dion explained that he and Garden are working on a reduction in communication charges in conjunction with a Scada upgrade. Garden explained that the district's technology is on the low end of the scale for water related programs. Dion stated that redundancies of software are being reviewed and improvements such as the website upgrade actually cost less than the former.

Parks noted that Summit Plumbing fees seem high. Garden confirmed that services provided are unique to the area and the contractor provides services above a plumbing service. They have performed extra services at the pump station recently.

**M-3/15/2022-5** - Motion by Vogt, seconded by Parks, and unanimously passed to approve the Consent Calendar Item A: List of Claims in the amount of \$304,292.10 as represented by check numbers 61294 through 61400.

**AWARD OF FY 2021 WATER AND ROAD IMPROVEMENT PROJECT:** Dion provided a written report. He explained this is a combination of water and road work and provided a description of the project and bid process. He explained the contractor has provided excellent service to the district on budget in the past. He explained the materials previously purchased are in addition to this contract, which eliminated uncertainty and provided significant cost savings.

Nelson questioned if the Capital Budget was augmented. Dion explained it was augmented to include Scott and Kimberly. Dion explained that the additional amount would be drawn from the reserve in capital accounts. Nelson located the increased amount in a revised budget.

Steffi Gavin (Project Engineer – FarrWest) explained the timing and projected start date in late April, to begin digging May 1st.

Vogt questioned the water line leak on Kimberly Brooke and questioned Dion's response to Jeannie Ward's correspondence. Dion explained her comments are warranted and a notification system is being considered including changes to the website to include notification sign-ups for customers. He reviewed other technical options. The water shutoff process during a leak was discussed. Dion explained that the new website will have enhancements and should be available next month.

Nelson noted that this is the third outage in six months where previously it was seldom off. Garden addressed the several incidents of pipe leaks which caused the water shut offs. Dion discussed analysis to determine area for repairs.

**M-3/15/2022-6** - Motion by Vogt, seconded by Schorr, and unanimously passed to approve the award of the FY 2021 Water and Road Improvement Project to White Rock Construction, Inc. for \$1,993,342.00.

Nelson noted the project was originally slated for 2021 which explains the year in the title.

**REVIEW AND APPROVE PERSONNEL POLICY:** Brewer provided a written report, draft Personnel Policy Manual, along with the redline version. Nelson requested the redline be forwarded.

Vogt noted the reduced pages and commented that timing issues seem to be improved. Nelson noted Campos' suggestions regarding condensing PoolPac's version and stated that perhaps time and funds were wasted on that review process if it is not being used. Vogt noted general agreement however restated the benefits of using the

version provide by PoolPact and the spectrum of necessary provisions and identified several improvements which were made including reducing the number of pages.

Dion explained that PoolPact is our Risk Manager and our compliance with their policies affects our rating for insurance. General changes not made to the document were discussed. Dion addressed the need for certain items to be included in the policy.

Nelson explained that she disagrees with placing too many details in the policy and the revision. Dion noted the changes in the organization, including active HR management and oversight by Brewer as an improvement to district which now has oversight for the district. Nelson agreed with this. Vogt suggested approving the policy now and setting a future date to consider future changes. Dion noted that the agreement includes many necessary benefit provisions which may be amended as part of the labor negotiations.

M-3/15/2022-7 - Motion by Schorr, seconded by Vogt, and passed to approve the draft Personnel Policy. Nelson opposed.

**RECEIVE PRESENTATION AND DISCUSS POSSIBLE FACILITIES OPTION AND PROVIDE DIRECTION.** Dion provided a report along with a presentation. The buyers should complete the purchase of our office at 255 Kingsbury Grade (Market Street) by March 22, 2022. He addressed work at the construction storage facility at the top of Kingsbury Grade along with timing issues for design and site work. The facility needs of the district were reviewed again and priorities to sequence the effort.

Dion detailed the previous design options for 160 Pineridge, including needed equipment storage for maintenance at the location in addition to the storage facility structure. The latest estimated cost of \$2M was increased to reflect inflation. He reviewed the building concept at 298 Kingsbury, noting costs were not available.

He presented a hybrid to utilize the first floor of 298 Kingsbury with a reduction in improvements such as elevator and sprinklers, if possible. He estimated a cost of \$1M and noted that by utilizing both buildings. There wouldn't be a recoupment of purchase costs; however, some rental income and control of parking would be retained. He reviewed estimated income and expenses for the buildings. ADA accessibility would be necessary where KGID has meetings and offices. Parking issues were discussed, and he addressed potential tenant displacement. He explained the importance of combining and improving the crew facilities. Building permits for tenant improvements may be necessary, depending on the modifications.

The current lease term at 255 Kingsbury and 5-year options were discussed. Dion noted he is not recommending continuing to occupy this space beyond the lease as the new buyer intends to expand and possibly beyond the third level and is generally incompatible use with the utility. He confirmed that there is not adequate space for crew members at the Market Street building and additional space is not available.

Parks suggested utilizing 160 Pine Ridge for KGID's operations and selling 298 Kingsbury. She noted the resale value of 298 Kingsbury and stated improvements would be needed for potential tenancy. She added that she doesn't want to be in the rental business. Schorr questioned if any other buildings are available for purchase and Dion stated he isn't aware of anything suitable that is currently available.

Nelson stated she would like to review the plans in paper form. She agreed with Parks to have everyone in one building, and she also likes Dion's suggestion regarding gating off parking. She suggested retaining 298 Kingsbury for rent in order to retain the parking, noting the rental income would offset some costs.

Parks suggested moving forward with crew quarters at 160 Pineridge and Dion agreed. Construction of the crew quarters was briefly discussed.

Garden agreed that this is a solution for now and he suggested moving forward with the project. He detailed parking issues with personal vehicles and District equipment. Schorr requested a clear recommendation from the General Manager.

Dion recommended that administration remain at 255 Kingsbury Grade under the existing lease while refining the layout of the two other buildings, with design to commence immediately, commence construction on the first floor of Pineridge to consolidate the field crew, and commence improvements to 298 Kingsbury by spring of 2023 to allow for tenant transition. Dion added that there may be potential changes regarding the snow removal contract in the future and additional personnel and equipment may be needed.

Nelson recalled that 160 Pineridge second floor needed additional modification. Dion explained that the floor was evaluated by a structural engineer and result were inconclusive, moreover unnecessary. He stated there is a dead space in between floors that could be used to provide support and would not affect improvements for first level.

Nelson mused about using 298 Kingsbury for cost savings, to avoid expensive improvements such as sprinklers and elevator and save time. This would provide future flexibility, plus control parking and retain value and use of 298 Kingsbury.

Dion clarified he has the direction he needs and will pursue remodel costs for first level of 160 Pineridge so that the board may revisit the item in a future meeting.

**BOARD REPORTS** – Parks stated that there are a couple potential Board of Trustee candidates for KGID that do not live in the district area. She questioned if the district lines could be amended to include other areas that we service with water. Zumpft explained that annexation for the district is defined by the NRS.

Zumpft indicated he would have to research if we could compel annexation. Parks stated if they receive service, she feels they should have representation. Parks reviewed the candidate filing deadline

**STAFF REPORTS -**

**GENERAL MANAGER’S REPORT** – Dion noted the evaluation discussed at the last meeting was provided. The significant change was from five to three classifications. The Board supported the change. Nelson requested current year goals be added to the evaluation for review. Dion indicates his suggestion to change the form so the Chair to be the only signature.

Dion provided a presentation regarding current drought conditions and miscellaneous activities of the district.

**UTILITY OPERATIONS SUPERINTENDENT’S REPORT –**

**ADMINISTRATIVE AND HUMAN RESOURCES REPORT** – There will be an upcoming RFQ for snow removal, as the Manchester contract is set to expire this year, and a new contract is required. Some discussion occurred that they purchased new equipment.

There were additional comments regarding the Personal Policy Manual and Dion explained we were not eligible to recoup salary personnel during emergencies; therefore, wording was changed in the Personnel Policy. This includes required provisions to be reimbursed from FEMA.

**ATTORNEY’S REPORT** – Zumpft stated he reviewed the Allison Mackenzie contracts, Personnel Policy and World Marc boundaries.

**ENGINEER’S REPORT** – The sealing project is going to bid this Thursday, due April 7, 2022, and hopefully will be awarded at the next meeting.

**CORRESPONDENCE –**

**UNFINISHED BUSINESS**


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

**ADJOURNMENT**

**M-3/15/2022-8** - Motion by Vogt, seconded by Schorr, and unanimously passed to adjourn the meeting at 7:45 p.m.

Respectfully submitted,  
  
Sandra Parks, Chair

Attest:

  
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Craig Schorr, Secretary