

**Round Hill General Improvement District
Board of Trustees Meeting
January 20, 2009**

Tuesday

6:00pm

1. Meeting Called to Order. (Side A/c#01)

Meeting was called to order by Chairman Joe Francoeur.

2. Pledge of Allegiance. (Side A/c#02)

Pledge of Allegiance was led by Chairman Francoeur.

3. Roll Call. (Side A/c#04)

Chairman Joe Francoeur, Vice Chairman Glen Smith, Trustees Steve Teshara and Chuck Fagen were present. The District Manager, Secretary, and Engineer were present. Alan Martin representing AIG/VALIC was present. Trustee Rice became present at 6:10 pm, the start of item #7.

4. Public Comment. (Side A/c#6)

None.

5. Approval of Agenda. (Side A/c#12)

Motion to approve the agenda as modified to move item 15 of the agenda to item #6A. Teshara/Smith 4-0 approved.

6. Discussion and possible action on the January 13, 2009 election results. (Side A/c#11)

Chairman Francoeur stated that the Commission approved the election and all Board members had been sworn in. Elected Trustees are Glen Smith, Wesley Rice and Charles Fagen. Motion for the Board to accept the election results. Teshara/Fagen 4-0 approved.

6A. (15) Election of RHGID Board of Trustees officer positions for 2009. (Side A/c#36)

Motion to elect the existing Chairman, Joe Francoeur, Chairman for 2009. The existing Vice Chairman Glen Smith, Vice Chairman for 2009 and Wesley Rice as Secretary for 2009. Teshara/Fagen 4-0 approved.

7. Discussion and possible approval for the creation of a 457 (b) defined contribution retirement plan with AIG/VALIC. (Side A/c#44)

This item was brought back before the Board with Alan Martin present to answer any questions from the Board. Manager Reed gave a brief overview of this item, then turned the floor over to Mr. Martin. District Counsel had several questions regarding the agreement between RHGID and AIG/VALIC that will need to be answered prior to approval. Mr. Martin stated that several other GID's were enrolled with AIG/VALIC in the 457 (b) plan.

The Board wanted to ensure that there is no fiduciary liability on the District if it enters into an agreement with AIG/VALIC.

After much discussion, a motion was made to table this item until a future meeting in order for Mr. Martin to provide District Counsel with further information from legal counsel at AIG/VALIC.

Teshara/Smith 5-0 approved

8. Discussion and possible approval of attendance at the 2009 AWWA Annual conference and exposition. (Side B/c#75)

Manager Reed reported that the 2009 American Water Works Association (AWWA) Annual Conference and Exposition (ACE) will be held in San Diego from June 14th to 18th. He has attended several AWWA annual conferences in the past and believes the day long classes are beneficial for the District manager to participate in. Motion to approve the District Manager to attend the 2009 AWWA annual conference. Smith/Teshara 5-0 approved.

9. Discussion and possible approval to re-schedule the regular June 2009 Board Meeting. (Side B/c#96)

Approval of the District Manager attending the AWWA Annual conference necessitates that the June 16, 2009 regular board meeting be re-scheduled until June 23, 2009. Motion to re-schedule the regular June 16, 2009 Board meeting to June 23, 2009. Smith/Rice 5-0 approved.

10. Discussion and possible approval of changes to the new Round Hill entrance sign. (Side B/c#99)

Manager Reed reported that the design for the new Round Hill entrance sign had been submitted to the TRPA and that they had two recommended changes. To meet TRPA requirements, the sign would have to be smaller and a different color.

Vice Chairman Smith stated his concern with the TRPA required minimization of the Round Hill sign. Manager Reed stated that one reason was the sign could be no larger than TRPA regulations. The size also created a coverage issue. Manager Reed stated that the application has been submitted with the changes requested.

Trustee Teshara requested that Manager Reed contact David Landry of the TRPA, and invite him to the next regular Board meeting. He would like Mr. Landry to explain the regulations imposed by the TRPA regarding sign design, size and color.

Motion directing staff to request that Mr. Landry from the TRPA come to the next regular Trustees meeting and explain the reasoning behind the TRPA's requested changes of the new Round Hill entrance sign design. Teshara/Smith 5-0 approved.

11. Discussion and possible approval of updates to the District's personnel manual. (Side B/c#172)

This item came before the Board at its November 20, 2008 Board meeting. Several changes to the manual were requested by the Board, and the District's legal counsel has reviewed the proposed changes.

Motion to approve the changes to the RHGID personnel policies as presented. Rice/Fagen 5-0 approved.

12. Discussion and possible approval of the creation of two new District job descriptions. (Side B/c#262)

Manager Reed would like to create two new job classifications, Chief Operator and Administrative Assistant. This requires the person in the specific position to have more responsibility. Trustee Teshara stated that this would allow the District Manager to match up expertise with qualifications and the flexibility for promoting from within. Manager Reed stated that legal counsel had already reviewed the two new job descriptions.

Motion to approve the two new District job descriptions, Chief Operator and Administrative Assistant and authorize the District Manager to fill those two positions. Fagen/Smith 5-0 approved.

13. Discussion and possible approval to authorize staff to proceed with filing Claim of Lien on property located at 476 DeVaux. (Side B/c#358)

Manager Reed reported that District staff had implemented a process to inform any property owner in default, the District's plans on filing a Claim of Lien against of the District's intentions. Trustee Rice would like staff to send the letter of intention via certified mail to verify the customer has received notice.

Motion to approve the filing of Claim of Lien on property located at 476 DeVaux on January 21, 2009. Teshara/Smith 5-0 approved.

14. Discussion and possible action on changes to the methodology employed to compensate trustees and the compensation they receive. (Side B/c#391)

Manager Reed reported that for the past four years the Board Members have received a 1099 for RHGID, with earnings in the non-employee compensation section. District staff was informed by RHGID auditor Beth Kohn that the IRS has a new rule for Board Member compensation. In 2009, RHGID will be required to supply a W-2 rather than a 1099 at the end of the year.

This change from a 1099 to a W-2 based system requires the Trustees to pay taxes on the money they earn. As such, the \$150.00 now received would be less, once the required taxes are deducted, thus reducing the compensation received by the Trustees.

It was noted that neighboring utility's trustees were compensated \$450.00 per meeting and RHGID trustees received \$150.00 per month regardless of the number of meetings held that month.

Motion to approve \$200.00 as the new compensation of requirements consistent with IRS and direct staff to look at an incremental percentage calculation over the next few years in the budget planning as long as it keeps within the cap provided in NRS318. Teshara/Rice 5-0 approved.

16. Consent Calendar. (Side B/c#541)

Motion to approve item i of the consent calendar as amended. Smith/Rice 4-0 approved.

Motion to approve items ii through vi of the consent calendar as presented. Smith/Fagen 5-0 approved.

17. Staff Reports. (Side C/c#108)

Manager Reed reported that he had created a spreadsheet detailing the District's water production over the past three years. He presented this information to David Simon of Evergreen Energy Solutions and is assisting him in determining the energy savings realized after the installation of his equipment.

DCSID is in the process of updating their inflow characteristics calculations. Manager Reed provided them with RHGID's water production data to assist them in updating their calculations.

Manager Reed consulted with Chairman Francoeur and purchased an emergency replacement vehicle. He reported that over the Christmas holiday weekend, two of the oldest plow trucks broke down and the plow rigging on the dump truck broke. The front end loader blew a hydraulic cylinder and it became apparent that the District's aging fleet needs updating.

Manager Reed also attended a Check Up Program for Small Systems (asset management software) training session in Reno. He felt the training was useful and will likely be useful as an asset management tool for the District.

The water storage tank at the office and the chlorine contact chamber at the Lake have been cleaned and inspected internally. RHGID was provided with the video and the tanks were in good condition. Manager Reed met with Dennis McShane of Rural Special Districts Insurance Company to conduct a risk assessment audit of the District. The inspection went well and is now waiting for his assessment report.

Pam Hall and Chris Stetler of JWA Consulting met with Manager Reed to discuss the District's hydraulic map and Autoclad / GIS in conjunction with the Douglas County intertie feasibility study.

Manager Reed has continued to work with the developer of Elk Point Development about entering into a payment arrangement for the connection fees for that development. The District is in no position to enter into a payment arrangement at this time and will require payment in full by the developer prior to initiating water service to the property or releasing Douglas County to issue a certificate of occupancy. He has also continued work on the proposal to exchange lands with the property owner Mukesh Patel.

The meter at Castlerock has been replaced and is operating. The old meter was a mag meter and ran off solar energy. The panels were not getting enough light to properly operate. Manager Reed is hoping the old solar panel will be able to power cathodic protection at the filter plant.

18. Correspondence. (Side C/c#350)

Trustee Teshara asked if Manager Reed had received any response to his letter regarding the sanitary survey from the NDEP. Manager Reed reported that he had not, but didn't expect a response unless there was a problem.

Trustee Teshara requested that Manager Reed would provide a comprehensive report regarding the intertie. Manager Reed stated that he had a copy of the scope of work provided by JWA Consulting and he would submit at the next regular meeting.

No Attorney's report.

19. Adjournment. (Side C/c#370)

Move to adjourn made by Trustee Smith/Fagen,

Attest:

Joe Francoeur
Chairman

Glen Smith
Vice Chairman