

Minutes
Indian Hills General Improvement District
Board of Trustees Meeting
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
March 20, 2013
6:00 P.M. Regular Meeting

Trustees Present: Chairman Brian Patrick, Vice Chairman Chris Johnson, Secretary/Treasurer Bill Eisele, Trustee Denise Pierini and Trustee Ronny Lynch.

Staff Present: General Manager John Lufrano and Administrative Assistant Brooke Thompson

Others Present: Engineer Tim Russell, Attorney Scott Brooke, Residents Kathryn Clark-Ross, Dale Morlan, Penni Eisele, Sarah Tillotson and Rebecca Bruch.

1. Call to Order

Chairman Patrick called the Regular meeting to order at 6:01 P.M. Chairman Patrick requested that all cell phones and pagers be turned off for recording purposes.

2. Pledge of Allegiance: Led by Vice Chairman Johnson.

Vice Chairman Eisele disclosed that his daughter-in-law Sandi Eisele works for the District in Human Resources.

3. Approval of Agenda – Chairman

Trustee Pierini motioned to move agenda item 8 to 4a. Vice Chairman Johnson Seconded. Motion passed unanimously.

4. Public Interest Comment: none

4a. Discussion and possible action to accept all or parts of the recommendation from the job analysis and restructuring of all office staff positions up to and including elimination of positions due to budgetary concerns.

Sarah Tillotson with The Resource LLC stated that she conducted a job analysis for the job duties in question from March 5 - March 11, 2013. The information obtained from four employees included, John Lufrano, Stacie Cobb, Brooke Thompson and Cheyanne Dahili. Sandi Eisele's information was not obtainable. I did find that the job duties have been absorbed efficiently by education and experience by the four individuals. There was no cost analysis done because Sandi Eisele was not available for comment.

Chairman Patrick stated that the Board has the report in front of them and asked if anyone had any questions.

Trustee Pierini asked how long it took to gather all the information in the report. Sarah Tillotson stated that she interviewed each individual which was approximately a half hour a piece, she studied the education for about three hours a piece and the reporting was about

seven hours. Then contacting Sandi several calls and voice mails for Sandi was approximately another three hours plus waiting at the Pool Pact office. All the calls and attempts are stated in the report.

Public Interest Comment: Resident Kathryn Clark-Ross stated that you feel like all the duties have been taken care of, my only concerns is the HR responsibilities. I have heard two different things that these duties need to be handled by someone other than the General Manager and I have heard that is not so. Are there any problems with him doing this? Sarah Tillotson stated that he can absorb some of the HR duties and they have a third party administrator Pool Pact which is a liability resource for their HR. Stacie actually has her Bachelor's in Business and she is efficient and qualified to handle this. There is some conflict with GM doing some HR duties. I suggest that other employees handle that which they are doing. The personnel files should be kept in the GM office with two sources of security. Kathryn Clark-Ross stated so you feel confident and don't see any problem. Sarah Tillotson stated yes I do.

Chairman Patrick stated that he would like to add that the unit we work in is under union contract and there are no public entities here in the Valley that has HR on staff. The Towns and GID's go to the County. We are looking at a funded position of \$100,000 per year.

Sarah Tillotson added that the Department of Labor is working on passing a law that requires HR Reps for employers with 50 or more employees. It is not necessary for smaller employers and it is too costly.

General Manager John Lufrano stated that due to the budgetary issues we are dealing with my suggestion would be to come up with a date to eliminate this position. I have a small window of time that I have to get our tentative budget to the state by April 15, 2013 and then the final budget in May. If we were to pick a date of April 26, 2013 then that would give us two weeks or so to reflect it in the budget and move the numbers around in the final budget.

Secretary/Treasurer Eisele stated that he wants the record to show that he is abstaining from voting on this item.

Trustee Pierini stated that the report was very thorough and took any question out of my mind. This is a difficult decision to make. It is a business decision.

Sarah Tillotson stated that you also want to make sure the duties were absorbed appropriately and that no one is overwhelmed. The amount of time it takes to do the HR duties is so minimal.

Chairman Patrick stated the culture that we have created over the last four years has been one of trying to cut back on expenses and personnel. We molded John's job, reduced a part time secretary and soaked that up and have eliminated two positions in the field. We are looking at saving money to do other things in the District.

Vice Chairman Johnson wanted to make sure that this would not burden John in anyway. General Manager John stated no it will not I am fortunate to have Pool Pact.

Vice Chairman Johnson motioned to accept all parts of the recommendation from the job analysis and restructuring of all office staff positions up to and including elimination of positions due to budgetary concerns. Trustee Lynch seconded. Motioned carried 4-0, 4 ayes, Secretary/Treasurer Eisele abstained from voting.

Trustee Pierini motioned to eliminate the District Analyst Community and Human Resources position effective April 26, 2013. Trustee Lynch seconded. Motion carried. 4-0, 4 ayes, Secretary/Treasurer Eisele abstained from voting.

5. Discussion and possible action to accept amendments to the General Manager John Lufrano's employment contract.

General Manager John Lufrano stated that he was asked to move forward with his contract. He had a one year contract when he started and has worked without a contract for the last year. I am asking for a multiyear contract with a salary adjustment and a few smaller items.

Chairman Patrick stated that we had to modify Andy's job description and at the same time we were modifying John's contract. We amended Andy's job description which was not approved by the union until January. John's contract was sitting there waiting for this to get done and now that it is we can move forward.

Trustee Lynch asked the current salary is \$72,000 and you will get a \$4,000 raise so this year you will be making \$76,000. Will it be \$4,000 or \$8,000 onto the \$72,000? He also asked if this contract goes to 2016 and what will you be making at that time? I see that you get accrued sick leave how much do you get and how much can you accrue. On page five I need clarification of under general provisions, I assume the Board has to approve any changes is that correct? Does the entire Board have to agree to it?

General Manager John Lufrano stated it will be \$8,000, \$4,000 retro pay and come April 1, 2013 another \$4,000 so my salary will be \$80,000.00. He stated yes the contract it until 2016 and at that time I will be topped out at \$88,000. Yes I get 4.62 hours of sick leave a year and it can roll over to the next year if not used. The entire Board does not have to agree it needs to be 3 out of 5.

District Attorney Scott Brook stated that is what you have before you now, the proposed amendments.

Trustee Pierini is confused about the sick leave. I don't get sick leave at my job so I don't know the normal, how much a year do you get. Are we foregoing the annual performance evaluation?

General Manager John Lufrano stated that sick leave is accrued at 80 hours a year. No the contract still states to conduct the annual performance evaluation.

Trustee Lynch do we have an instrument to evaluate you. I feel that it's hard for me to do because I am not here every day. General Manager John Lufrano stated yes and I can get it to you.

Secretary/Treasurer Eisele motioned to accept amendments to the General Manager John Lufrano's employment contract. Vice Chairman Johnson seconded. Motion passed unanimously.

Public Interest Comment: none

6. Discussion only regarding the status of the 2012-2013 and the 2013-2014 Annual Budget.

Chairman Patrick stated the reason for this is to give the General Manager input on the budget and for better understanding of the budget.

General Manager John Lufrano stated the first few pages are the daily operations that we operate from. It shows what was budgeted and what has been spent year to date. We are looking at a two part system here, the profit and loss and then the tentative budget.

Trustee Lynch stated that he is confident in John and Stacie's ability to do this and he trusts them. He is comfortable with what they have done. He would like the budget to be easier to read for the general public.

Secretary/Treasurer Eisele stated that Stacie is available to explain things to the public if needed.

Chairman Patrick asked if we are ok in the water department. District Accountant Stacie Cobb stated yes we are going to hold our own.

Chairman Patrick stated we are sitting on \$110,000 in our budget from this year to work with for some street repair. Is that correct we are going to use this year's money and next years? General Manager John Lufrano stated yes we are looking at starting a project in June and rolling it over to July so we can use those funds. We have \$160,000 in the tentative budget for the coming year. This will change now based on the decision the Board made tonight.

Trustee Lynch why is the ad valorem up, I thought it was going down. District Accountant Stacie Cobb stated it is based on the property values.

Trustee Pierini stated that she would like to share a thought she presented to John a few days ago. We all know we had to take enormous loans to afford that sewer project. If we don't put the money aside now you will not be able to replace equipment when needed.

Chairman Patrick is depreciation included in this? Can we add another 1% or 2% based on what we have done tonight? General Manager John Lufrano stated yes it is 2% and we can increase that.

Vice Chairman Johnson asked why the utilities are at 108% in administration. Streets line 6125 is way over? You are not spending as much as you budget for in most areas. General Manager John Lufrano stated that it is due to cold winters and maintenance. We recognize that certain line items will exceed what we budgeted. Line 6125 is over because we did not budget for the roads report done by Tim.

Chairman Patrick stated that the team work between John and Stacie is very important. I am comfortable with how you manage our money. We should look at a depreciation increase if possible. I would like to see a five year plan with specific streets in mind.

Secretary/Treasurer Eisele stated he would like the Board to consider water and sewer rate increases yearly so we don't have such a large increase. General Manager John Lufrano stated that he has talked with Tim Russell about that and RCI may be able to do a rate study for us.

Trustee Lynch stated that he is taken back by all the money that we have had to borrow for these projects. He doesn't think the public understands all the money that we have had to borrow.

Public Interest Comment: none

7. Reports to the Board:

a. General Manager Report

District General Manager John Lufrano reviewed his report with the Board. He highlighted that the Senior Lunches will go to the County and they have asked that we get residents to attend. The Easter Egg Hunt is coming up on March 30th and he is looking for volunteers to help hide eggs.

Trustee Pierini stated that we should review our rates annually. She stated that Mr. Lufrano asked for input on shutting down the lights in the park. General Manager John Lufrano stated that he has been informed that the lights have been on all night for some time now. In an effort to conserve is it ok to shut the lights off at midnight or two in the morning or leave them on all night. Chairman Patrick stated that the issue was vandalism. Secretary/Treasurer Eisele stated yes vandalism and lots of drug dealing was going on. General Manager John Lufrano stated ok we will leave them on. Trustee Pierini stated if leaving the lights on will assist law enforcement in making the neighborhood a safer place she is all for it.

Trustee Pierini stated that \$4,000 was transferred from line item professional services to repair and maintenance. General Manager John Lufrano stated that we exceeded that line item due to issues with the air conditioner and had to get someone out here to fix it.

Trustee Pierini stated she is thankful to see that everyone attended a webinar, she likes that everyone appreciates each others strengths.

Parks & Streets

District General Manager John Lufrano reviewed the Parks and Streets report with the Board.

Trustee Lynch stated in walking the neighborhood the paper in the pink bag that is delivered is always blowing away is there anything we can do to stop this. General Manager John Lufrano stated that he will call and see what can be done.

Trustee Pierini asked about the curb at Mica and Smoketree being cut. General Manager John Lufrano stated that the curb went out into the crosswalk so he had the guys cut the curb off.

1. Water

District General Manager John Lufrano reviewed the Water report with the Board.

Trustee Lynch asked about the South tank. General Manager John Lufrano stated that we had divers go into four of our five tanks and that tank has some serious problems. We will be getting a report on all of them soon.

Vice Chairman Johnson stated that there were 10 accounts that were shut off for nonpayment, are these people who have left. District Administrative Assistant Brooke Thompson stated no these are people who were delinquent and were shut off for nonpayment.

2. Wastewater

District General Manager John Lufrano reviewed the Wastewater report with the Board.

b. District Accountant Report

Trustee Lynch asked under payroll what the \$23,000 is. District Accountant Stacie Cobb stated that is the amount we have in our payroll checking account. I transfer money from our operating account to our payroll account.

c. Engineer Report

District Engineer Tim Russell stated that the Sludge project is nearly done and miscellaneous daily coordination with John on stuff that comes up.

Chairman Patrick asked if Tim could provide him with a five year plan for street improvements.

General Manager John Lufrano stated that the Headwork's is up and running and the Sludge press will be up and running very soon, hopefully April 1st.

d. Attorney Report

District Attorney Scott Brooke stated that he has nothing new to report.

8. This item was moved to agenda item 4a.

9. Discussion and possible action to approve Draft Minutes from the February 20, 2013 Board Meeting.

Trustee Pierini motioned to approve Draft Minutes from the February 20, 2013 Board Meeting. Secretary/Treasurer Eisele Seconded. Motion carried unanimously.

10. Chairman and Trustees Reports, Correspondence.

Trustee Lynch asked why they were given all the work activities. General Manager John Lufrano stated that is part of Sarah's report. He also asked for some direction he has asked John and Brooke to number the pages in the Board packet so others can use it to reference when others are speaking about a certain item.

Vice Chairman Johnson stated that he enjoyed his tour very much and would like to see something done about the truck that he has discussed with John.

General Manager John Lufrano stated that he will look into the cost of a trailer so we can haul the sludge ourselves and not spend \$21,000 to have it hauled for us.

11. Adjournment

Secretary/Treasurer Eisele motioned to adjourn the meeting. Vice Chairman Johnson seconded. Motion passed unanimously.

Meeting adjourned at 7:18 P.M.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Bill Eisele**