

Minutes
Indian Hills General Improvement District
Board of Trustees Meeting
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
April 10, 2024
Regular Board Meeting 6:00 P.M.

Trustees Present: Chairman Robert Stulac, Vice Chairman Garcia, Secretary/Treasurer Siegman, Trustee Dunham, and Trustee Lufrano.

Trustees Absent: none.

Staff Present: General Manager Chris Johnson, and District Accountant Stacie Cobb.

Others Present: District Counsel Chuck Zumpft, District Engineer Tim Russell. Residents Denise Pierini, Dallas Debatin and Bill Eisele.

6:00P.M. - Regular Meeting

- 1. Call to Order**
Request that Cell Phones and Pagers be turned off for recording purposes.
Chairman Stulac called the meeting to order at 6:02PM.
- 2. Pledge of Allegiance:** Led by Vice Chairman Garcia.
- 3. Public Interest Comment: none**
- 4. Approval of Agenda**

Chairman Stulac stated absent objection he approves the agenda. No objection. Item passed, agenda approved.

- 5. PUBLIC HEARING FOR WATER**
Discussion only on the intent of the Board of Trustees of the Indian Hills General Improvement District, Nevada, to amend the monthly basic service fee charged for water service provided by the Indian Hills G.I.D. by increasing the Water Basic Service Fee Flat Rate per month as show below:

Service Size:	Existing Rate:	Year 1 Base Rate: Effective 7/1/2024	Year 2 Base Rate: Effective 7/1/2025	Year 3 Base Rate: Effective 7/1/2026	Year 4 Base Rate: Effective 7/1/2027	Year 5 Base Rate: Effective 7/1/2028
3/4"	\$36.22	\$38.03	\$39.93	\$41.93	\$44.03	\$46.23
1"	\$56.60	\$59.43	\$62.40	\$65.52	\$68.80	\$72.24
1.5"	\$118.28	\$124.19	\$130.40	\$136.92	\$143.77	\$150.96
2"	\$173.87	\$182.56	\$191.69	\$201.27	\$211.33	\$221.90
3"	\$290.36	\$304.88	\$320.12	\$336.13	\$352.94	\$370.59
4"	\$586.53	\$615.86	\$646.65	\$678.98	\$712.93	\$748.58
6"	\$856.34	\$899.16	\$944.12	\$991.33	\$1,040.90	\$1,092.95
8"	\$1,292.75	\$1,357.39	\$1,425.26	\$1,496.52	\$1,571.35	\$1,649.92

General Manager Chris Johnson stated this is the public hearing portion of the rate increase. This is the time for the public to speak on this. General Manager Chris Johnson stated he does want to say one thing about this. He has talked to some residents; a couple of the board have been here since he started as the General Manager. You may remember that during his first few budgets he said he did not want to raise rates for our residents at a time when they were already getting hit with other increases. So, we cut back and did what we could to not have to raise rates, that is what we have been doing for the last several years. That would have been the case this year, but our rates were increased on us and when you run an already tight budget you have to raise rates. People are saying I'm on a fixed income, so is the District, we cant find another source of income. The difference is we maintain a water system and a sewer system and the infrastructure for the District. Unfortunately, when our rates go up and with inflation we have to raise the rates. We have done our due diligence on holding back as long as we can.

Chairman Stulac stated he does remember that, even with all you were faced you held to that so that is worth applauding.

Public comment: Chairman Stulac stated that they received a public comment via email from a resident, Richard Sowadsky which reads, "I want to give my input on the proposed rate increases. Being a retiree on a fixed income, this rate increase hits seniors and retirees particularly hard. For those of us living on social security or a pension, we are having a difficult time enough as is, just making ends meet. With the costs of living going up, including increases in medical costs (which hits us particularly hard), food, and other utility costs, this proposed increase is now a significant financial burden for retirees and seniors. Please reconsider this proposed increase since those of us living on social security or a pension simply cannot afford yet another rate increase to deal with."

Resident Bill Eisele stated he would like to say our previous manager did a good job too. The years he spent on the board and now he has never seen the prices go up like they have recently. Chris hit on it the cost to run the water and sewer plants has increased. Everything is skyrocketing; you have to look at the costs of operating.

Resident Denise Pierini asked where is the ad valorem at what is coming in. What we get from the County what is the bottom line we get from the County.

General Manager Chris Johnson stated ad valorem has nothing to do with this. These funds are enterprise funds and completely separate from ad valorem.

Public comment period for water public hearing closed.

6. PUBLIC HEARING FOR SEWER

Discussion only on the intent of the Board of Trustees of the Indian Hills General Improvement District, Nevada, to amend the monthly service fees charged for sewer service provided by the Indian Hills G.I.D. by increasing the Sewer Flat Rate Fee per month from \$41.72 up to \$43.81 in year one, from \$43.81 up to \$46.00 in year two, from \$46.00 up to \$48.30 in year three, from \$48.30 up to \$50.72 in year four and from \$50.72 up to \$53.26 in year five.

General Manager Chris Johnson stated he doesn't have much to say on this. The difference here is that we don't have a rate increase on sewer like we do on water from our provider. The sewer plant has an increase in operating costs.

Public comment: none

Public comment period for sewer public hearing closed.

7. Discussion and possible action to adopt Resolution 2024R-01 establishing a new Water Basic Service Fee Flat Fee by increasing the Water Basic Service Fee Flat Rate per month as shown below.

Service Size: a. b.	Existing Rate:	Year 1 Base	Year 2 Base	Year 3 Base	Year 4 Base	Year 5 Base
		Rate: Effective 7/1/2024	Rate: Effective 7/1/2025	Rate: Effective 7/1/2026	Rate: Effective 7/1/2027	Rate: Effective 7/1/2028
3/4"	\$36.22	\$38.03	\$39.93	\$41.93	\$44.03	\$46.23
1"	\$56.60	\$59.43	\$62.40	\$65.52	\$68.80	\$72.24
1.5"	\$118.28	\$124.19	\$130.40	\$136.92	\$143.77	\$150.96
2"	\$173.87	\$182.56	\$191.69	\$201.27	\$211.33	\$221.90
3"	\$290.36	\$304.88	\$320.12	\$336.13	\$352.94	\$370.59
4"	\$586.53	\$615.86	\$646.65	\$678.98	\$712.93	\$748.58
6"	\$856.34	\$899.16	\$944.12	\$991.33	\$1,040.90	\$1,092.95
8"	\$1,292.75	\$1,357.39	\$1,425.26	\$1,496.52	\$1,571.35	\$1,649.92

General Manager Chris Johnson stated he would like to quickly sing praises to his staff. Stacie provided him with a budget that shows what it will look like without the rate increase. Water would be at a deficit of \$41,212.00 without the rate increase.

Secretary/Treasurer Siegman stated just based on historical usage. General Manager Chris Johnson stated yes and with the 4% increase we are getting. Included in the board packet are other entities rates. Chris stated he was in a meeting last week talking with other General Managers and a County Commissioner talking about rate increases and he told them what we are proposing, and they said that's it.

Chairman Stulac stated he thought it was interesting, the table there all residents are on the 3/4" meter size. That is what will affect the majority in the District.

Trustee Dunham stated we are going up 4%. General Manager Chris Johnson stated yes, our rates from Minden are going up 4%. Trustee Dunham stated where on that is you have a five-year base rate. Is there any way that the five years can become seven or maybe six years. Everyone is going to want to know why, we just jump up last month. General Manager Chris Johnson stated no we didn't. Trustee Dunham stated like this guy Richard and me there are a number of retired folks here it is a grave concern. There are a lot of people that maybe are barely getting by right now, without presenting this one more time he doesn't want it slipping through the cracks. Make is simpler every year it goes up. The hard part is everything else is going up to it is difficult to sit in his seat we don't want to upset people about not having enough money. He is speaking for others who will come to him and ask. The bottom line is we cant rob peter to pay paul, the water and sewer money have to stay in those funds. We are here on this panel, and it is very simple we cannot go backwards with our funds. It is not just the money we would be short if we didn't do this it is also maintenance of infrastructure. He is just giving his opinion on why we can't go less.

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Vice Chairman Garcia he wants to remind folks when we talked about rate increases before we purposely said lets wait until the build out of the cottages is complete because we will have a better idea of what the true impact is. So, we put it off a few times to make sure it is out of necessity. We have put this off long enough as long as we can. We have no choice. The district continues to do everything to reduce costs. We are being passed through a cost; we cannot run off a deficit budget. The state would not allow that.

Secretary/Treasurer Siegman stated one thing that might help the public is if we make it very clear that 4% is a pass through and 1% is to help us take care of aging infrastructure. Maybe one the website or newsletter this might help them understand. We wouldn't do this if we didn't have to.

General Manager Chris Johnson stated another thing to point out is we are all getting hit with the same rates, we are all residents too.

Trustee Lufrano stated she agrees with everyone, she does understand that this hits people's pocketbooks, and this adds to it. As Russ said these fees are being charged to us and we are just covering the costs with the 1% additional. Taking care of the infrastructure is looking into the future and will help even just a little.

Chairman Stulac stated yes as Russ said put something in the newsletter or on the website would be good. It is always helpful to explain it and have it out there. Can we add some of your comments to that Chris. He sympathizes with what Dale stated but he also didn't know what the turn out tonight would be and we only have one email and three people in the audience. That speaks a little volume people understand a little bit. Bob stated he is also on a fixed income like the gentleman who emailed he is a fellow colleague at his old agency and they both have pensions and they both get increases each year to help offset these things. Social Security also had an increase.

Public comment: Resident Dallas Debatin stated he is concerned about us having water rather than what the water increase is going to be. He thinks it is appropriate to have an increase because of the significant inflation and that we have infrastructure to take care of.

Resident Denise Pierini stated that she agrees with putting something in the newsletter, so people realize we pay Minden for our water, so we are in a crunch.

Vice Chairman Garcia stated for Dallas yes inflation is we are doing everything we can cost optimizations; the build outs and it is still not enough. We get our water from Minden, so we have to pass that along.

Trustee Lufrano motioned to adopt Resolution 2024R-01 establishing a new Water Basic Service Fee Flat Fee by increasing the Water Basic Service Fee Flat Rate per month with an effective date of July 1st each year. Vice Chairman Garcia seconded. Motion carried unanimously.

8. Discussion and possible action to adopt Resolution 2024R-02 establishing a new residential and commercial Sewer Rate Flat Fee by increasing the Sewer Rate Flat Fee per month from \$41.72 up to \$43.81 in year one, from \$43.81 up to \$46.00 in year two, from \$46.00 up to \$48.30 in year three, from \$48.30 up to \$50.72 in year four and from \$50.72 up to \$53.26 in year five.

General Manager Chris Johnson stated we have already discussed this. The one difference is the sewer budget would be at a deficit of \$35,981.00.

Chairman Stulac stated he appreciates being given those numbers, thank you Stacie.

Trustee Lufrano stated she would like to reiterate similar comments, she likes to acknowledge that this hits people's pocketbooks, it is not being neglected it is being considered with the understanding that we need to take care of our aging infrastructure and be proactive rather than reactive. This is looking ahead in the future this is something we must do.

Secretary/Treasurer Siegman asked what was the driver of the deficit for sewer. General Manager Chris Johnson stated the aging infrastructure, we have been running the wastewater plant very lean.

Vice Chairman Garcia stated similar to the water resolution assuming we pass the sewer resolution it is important to include those values and to say if we don't do this this is the deficit we will be in. Cost optimization, the District continues to do that one example is hauling the waste, which is just one thing the District has done and continues to do. Without the creative ideas we would not have been able to go this long. We have no choice. He will be retiring very soon so he understands the impact this will have. They feel the impacts like the residents too.

Trustee Dunham on transporting the waste in house percentage to savings. General Manager Chris Johnson stated they have to get rid of the sludge and haul it off, it was going to be \$28,000 for a contractor to haul it off for one pond. Ryan stated he can do it and just started hauling it off. Trustee Dunham stated people tend to come to an elected official and complain but they don't really understand. They also need to show up to the board meetings.

Chairman Stulac stated doing a six- or seven-year long increase is concerning to him because then we will have a back-to-back increase if we spread then out. There may be years where there is not an increase.

General Manager Chris Johnson stated no we have one source of water. Theoretically we could open our wells and use that water, but we are talking millions and millions of dollars to set up a treatment plant. The water we get from Minden is clean. District Engineer Tim Russell stated Minden has plenty of water.

General Manager Chris Johnson stated many agencies pull together and get water from Minden, so this is spread out between all.

Public comment: Resident Dallas Debatin stated this was announced twice today at the senior lunch today, so people know about it.

Vice Chairman Garcia motioned to adopt Resolution 2024R-02 establishing a new residential and commercial Sewer Rate Flat Fee by increasing the Sewer Rate Flat Fee per month from \$41.72 up to \$43.81 in year one, from \$43.81 up to \$46.00 in year two, from \$46.00 up to \$48.30 in year three, from \$48.30 up to \$50.72 in year four and from \$50.72 up to \$53.26 in year five. Trustee Lufrano seconded. Motion carried unanimously.

9. Reports to the Board:

a. General Manager Report

General Manager Chris Johnson reviewed his report with the Board. Chris stated thank you Trustee Garcia for pointing out the stuff that staff do to save a lot of money because that is not something he tells them to do they do it on their own.

1. Administrative

General Manager Chris Johnson reviewed the report to the Board.

2. Water

General Manager Chris Johnson reviewed the report to the Board.

3. Wastewater

General Manager Chris Johnson reviewed the report to the Board.

b. District Accountant Report

General Manager Chris Johnson reviewed the report to the Board.

c. Engineer Report

District Engineer Tim Russell stated Chris hit on a lot of the Indian Drive stuff, paving will be on April 16th and 17th. May 8th is the final completion date. We are pretty happy with the project. The Hobo North Tank is in the works. It has been submitted to NDEP. The Big Green Tank was approved to let go until it is repainted. MS4 permit was submitted to NDEP two weeks ago.

d. Attorney Report District Counsel Chuck Zumpft stated he has nothing to report.

Public comment: none.

10. Discussion and possible action to adopt the Tentative Budget for Fiscal Year 2024-2025.

General Manager Chris Johnson stated for the most part the budget has remained stable with a few changes. Most notably with parks and rec if you go to page 28 of your packet. The riding mowers that they use are very old so they asked if we could budget for a new riding mower for the parks. In streets on page 30 you will see our streets projects, this will include maintenance and an update on our PCI and then the dump trailer. The dump trailer will give them the capability to use and make things easier. Page 33 that is the decanter we were talking about. Dave stated we can make it by until July. The blower for the decanter is also in there along with the camera trailer. This camera trailer is a trailer with a camera that will go down our sewer lines to film and inspect the inside of our sewer lines. Right now, we are

asking Minden Gardnerville Sanitation District to come up and do this for us, we have also contracted this out in the past when MGSD is not available. Colin and Tim have both been saying for a while now that this would be nice to have. MGSD bought a new one and doesn't need it anymore. Chris stated he talked to Peter at MGSD about buying it, he is going to talk to his board and get me a price. With the Indian Drive project, we have run it very tight, so it looks like we have about \$24,000 left over that we can use, once we get our final costs, we will know exactly what we have left. In Water on page 36 you see the estimate for North Tank, it is probably a high estimate, but we want to make sure we estimate enough. The North tank is down at the water plant and is the next on the list. The airgap on the South tank will also be addressed. Those are the highlights.

Trustee Lufrano asked the phone project that you had Brooke work on you said it results in a \$17,000 savings, I don't see it. District Accountant Stacie Cobb stated it is not in there yet because we don't have exact numbers yet, but it will be in the final budget because they were just installed yesterday.

Chairman Stulac stated on the phone thing, Stacie if the \$17,000 is listed in three or four different places what I'm confused about it why it isn't shared throughout all departments. District Accountant Stacie Cobb stated it depends on the number water obviously has to stay with water, we cant use admin money to pay for water or wastewater. The \$17,000 is based on an estimate of what our year to date will be on June 30. General Manager Chris Johnson stated that our monthly bill with Frontier is about \$2,000 and it will go down to about \$300, it comes down to us saving about \$1,500 a month. They are not all \$17,000.

Trustee Lufrano that is a question too insurance are we talking pool pact. District Accountant Stacie Cobb stated that is our liability insurance. Trustee Lufrano stated wow that has gone up a lot. General Manager Chris Johnson stated yes all of our insurance has gone up.

Chairman Stulac stated Stacie I am confused on the phones, there is another \$13,000 for phones under water operations so when you add them all together maybe that's not the way to do it but when you add it all up it is \$50,000 but the phones only cost. District Accountant Stacie Cobb stated that is the old one they will all go down in the final budget, we don't have the estimate yet. General Manager Chris Johnson stated yes, they were just installed yesterday.

Trustee Lufrano stated on sewer page 32 equipment r & m is increasing by \$7,000 is this for a specific project. General Manager Chris Johnson stated no that is the upkeep of the equipment based on the wear and tear we have had the past couple of years. Trustee Lufrano stated that it is maintenance not a replacement. General Manager Chris Johnson stated no, any replacement or major items will be under capital outlay. Trustee Lufrano stated row 57 the biosolids disposal is increasing by \$9,000 that is not the work Ryan is doing. General Manager Chris Johnson stated no that is, we still have to pay Bentley to dump it. Where we are saving the cost is they are not having to come in to scoop it up for us. Trustee Lufrano stated that is increasing significantly. Vice Chairman Garcia stated that is what we are dealing with costs increasing. Trustee Lufrano stated they Bentley is charging that much more. General Manager Chris Johnson stated it is not just that Bentley is charging more, it is

that we are cleaning out those basins that is a lot more that we are dumping, we have to get rid of it. Chairman Stulac stated do you anticipate having to clean these ponds out at what frequency. General Manager Chris Johnson stated we don't have to do it all the time, the plan is to maintain it, so we don't have this much to do. It is something they will plan to do one pond each year and maintain it over time, so we don't have a large cost at one time. Trustee Lufrano stated just overall electricity is increasing so significantly over all the budgets just crazy to believe that it is increasing that much. Postage she thought do we really mail that much, and she started thinking about it and with the monthly bills yes, we do. Trustee Lufrano stated she wanted to note that standby is not increasing at all, so I guess good job on that but how is it not increasing. General Manager Chris Johnson stated we just don't have an increase in standby time. Trustee Lufrano stated is that a flat rate not based on salary. General Manager Chris Johnson stated it is a flat rate of \$3.75 per hour. Chris stated on that note talking about the electricity bill going up we have all seen it in our homes with gas and electricity. Those have both gone up \$100.00 plus a month, we are only going up a couple bucks a month.

Secretary/Treasurer Siegman stated he was talking to Chris before the meeting, and he would like to get this sooner than later and do something like this a meeting with the board before it is actually due. He is ok coming in for an extra meeting, just so we can go line by line to better understand everything. So, if they had any real concerns, they could modify the budget or get concerns addressed. District Accountant Stacie Cobb stated just so you know we are coming back next month with the final this is just the tentative. We will come back in May with the final, changes will be made between now and then. Secretary/Treasurer Siegman stated he would like more time to review it and more discussion about it before it is due. General Manager Chris Johnson stated sure, but this is your time to discuss it and make changes. Secretary/Treasurer Siegman stated he is talking about a dedicated meeting just for the budget. Chairman Stulac stated can that be done Chuck. District Counsel Zumpft stated sure it is just another meeting. Chairman Stulac stated so you would have to notice it. District Counsel Zumpft stated oh yeah. Vice Chairman Garcia stated the alternative would be to stay as long as needed to discuss all the questions. That's part of the job. If he went in with Stacie and asked a question or wanted something changed, that would be changed and noted then voted on. That is an opportunity to do it individually as well. Robert stated he doesn't disagree with your request Russ. Secretary/Treasurer Siegman stated yeah, he doesn't think it is a good idea to do it one on one, it should be done with the entire board.

Vice Chairman Garcia stated he sat with Chris and discussed this the only thing he would add is that when we are looking at expenditures like the camera trailer that is \$20,000, we do a useful life analysis which Chris always does. Also take an opportunity to take a look at leasing verse buying to optimize our costs.

Trustee Dunham stated he has nothing.

Chairman Stulac stated the only question he has is on page 24 the salary contingency ot, it is in all budgets they all went up a couple thousand. Can you explain that. District Accountant Stacie Cobb stated that is the sick and vacation accrual, it is in the notes to the right under column p. Chairman Stulac stated under the parks and rec budget page 27, line 35 this appears a couple times r & m what is that. General Manager Chris Johnson stated that is

repairs and maintenance, which is the supplies needed. Then we have a building and maintenance for buildings, vehicles, and equipment r & m too. Chairman Stulac stated he figured that it is just so much higher. Did we come close to using all that. General Manager Chris Johnson stated they have some left, but we are going into spring, so we need fertilizer and all the stuff for parks, all of that comes out of that line item. We spend a lot. Chairman Stulac stated ok great thank you. Page 30 you mentioned the PCI is it a portion of the \$495,000. General Manager Chris Johnson stated yes, he mentioned that earlier, the PCI is only a portion of that. Chairman Stulac stated do you remember the cost of the PCI. General Manager Chris Johnson stated he thinks it was about \$12,000 to do a quarter of the district. That \$495,000 is also for streets projects, if you recall our schedule is every two years we do a road replacement and every year we do a maintenance project so that is what that is. Chairman Stulac stated in your presentation you mentioned the PCI was going to be done so where is it in the budget. General Manager Chris Johnson stated it is under streets projects, which is a lump sum for streets projects until we sit down and break out what we are doing. Our plan is to do the PCI this year and some maintenance. Chairman Stulac stated ok can we get a better cost on the PCI next meeting. Vice Chairman Garcia stated regarding the PCI I think the previous GM has staff follow along to learn how to do the PCI in order to offset the cost. General Manager Chris Johnson stated he does not recall that. None of the staff that were here then are still here.

Public comment: Resident Dallas Debatin stated this is new to him salaries increased about 4-5%, is that true. In California minimum wage is now at \$20.00 per hour. How will that affect us. District Accountant Stacie Cobb stated that is just for one department. Can individuals complain about their road and can you tell them where their street ranks. Chairman Stulac stated yes that is what the PCI is for so we can give residents a measurable number of where their street ranks. Resident Denise Pierini stated she doesn't mean to be waiting anyone's time, but she doesn't see the solar panels that are used at the wastewater plant in the budget. General Manager Chris Johnson stated yes, we still have them, but the savings is not in the budget, they are reducing the energy consumption. There is no line item in the budget for it. Resident Denise Pierini stated well ok we can agree to disagree it should be in there.

Vice Chairman Garcia motioned to adopt the Tentative Budget for Fiscal Year 2024-2025. Trustee Lufrano seconded. Motion carried unanimously.

11. Discussion and possible action to approve Draft Minutes from the March 20, 2024, Board meeting.

Public comment: none

Trustee Lufrano motioned to approve Draft Minutes from the March 20, 2024, Board meeting. Secretary/Treasurer Siegman seconded. Motion carried unanimously.

12. Chairman and Trustees Reports, Correspondence
Under this item the Board Members will briefly identify relevant communications received by them before the meeting, or meetings attended, or potential business of the district. No action will be taken on any of these items, but a member may request such item or topic be placed on a future agenda.

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Trustee Lufrano stated she made her comments during the reports section.

Vice Chairman Garcia stated he already talked to Chris about this but there was a vehicle that ripped the fence at the corner of Sunridge, that person turned themselves in, insurance will take care of that. We talked about putting a flashing light on that curve on South Sunridge we are working towards getting funding for that. FYI doesn't apply to us but there was a lawsuit filed against the Douglas County School District about open meeting law, this is just a reminder to us and to caution us to follow open meeting laws.

Trustee Dunham stated he wants to thank Brooke for always keeping them informed.

Chairman Stulac stated he has noticed a lot of the speed tables in the Ranchos. He was surprised to see that there are a lot so if this issue comes up again, we know that. He talked to Jon Erb the other day and he misunderstood him; he said a lot of the GID's have put them in. He doesn't prefer them for the larger roads but on the residential roads they are good. It is something we can consider in the future if we want to.

13. Adjournment

Chairman Stulac stated absent objection he approves adjournment. No objection. Item passed, meeting adjourned.

Meeting adjourned at 8:22P.M.

FINAL APPROVED MINUTES AS PRESENTED

**Secretary/Treasurer
Russ Siegman**