

Minutes
Indian Hills General Improvement District
Board of Trustees Meeting
District Office
3394 James Lee Park Rd. #A
Carson City, NV 89705
June 16, 2021
Regular Board Meeting 6:00 P.M.

Trustees Present: Chairman Garcia, Vice Chairman Clark-Ross, Secretary/Treasurer Bill Eisele. Trustee Gray and Trustee Dunham.

Trustees Absent: none

Staff Present: General Manager John Lufrano and Administrative Services Supervisor/Human Resources Brooke Thompson.

Others Present: Wayne Carlson Executive Director Nevada Public Agency Insurance Pool, Jim Norton with Warren Reed Insurance, Debbie Neddenriep Carson Water Subconservancy Watershed, Water Specialist II, Brenda Hunt, Carson Water Subconservancy Watershed Program Manager and Residents Dale Morlan, Linda Manatad, Donald Gray, Ronald Lynch and Chris Johnson.

6:00P.M. - Regular Meeting

- 1. Call to Order**
Request that Cell Phones and Pagers be turned off for recording purposes.
Vice Chairman Garcia called the meeting to order at 6:03PM.
- 2. Pledge of Allegiance:** Led by Secretary/Treasurer Eisele.
- 3. Public Interest Comment: none**
- 4. Approval of Agenda**

Secretary/Treasurer Eisele motioned to approve the agenda. Vice Chairman Clark-Ross seconded. Motion carried unanimously.

- 5. Discussion and possible action to approve a 50' right-of-way for a proposed roadway cul-de-sac off of Plymouth Drive.**
Mark Johnson stated the reason he is here is because his client asked for an application to create four parcels at 3282 Plymouth Drive. Douglas County in their pre application meeting has required them to install a cul-de-sac, they do not want any further access points. The existing driveway to 3282 Plymouth would be the cul-de-sac it is about 235 feet long. They have designed it so it would be able to serve all parcels, all parcels would have access to that cul-de-sac and then onto Plymouth. That is the reason we have that. The reason they have

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come to the Board if they would prefer to have a 50 foot right of way, the County has said that they want approval from Indian Hills GID for the 50 foot right of way. The road otherwise would meet all requirements of Douglas County as far as urban residential road standards. This would serve the four parcels at 3282 Plymouth but there is a possibility that it would serve another parcel, the property to the north. Depending on how that property is divided, they will all be a minimum of one acre lots per zoning for area. Mark stated that the District Engineer Tim Russell noted that there might be the possibility of this being a private road, he would ask the Board to reconsider that simply because they only have a few parcels that will be using the road and it takes maintenance for only a few lots using that is a burden on the lots and homes. The would ask that it be a public road not a private road. As a backup for extra information Tennant Lane the property just to the north, his client is looking to purchase that property and they will probably be coming back to the Board at a later date asking for a 50 foot right of way on Tennant Lane, right now Tennant Lane is only a 25-foot road. That is what they are asking, and he is available to answer any questions.

Vice Chairman Clark-Ross stated so we would have to maintain this road, it would be in our road plan, and we would pay for it. General Manager John Lufrano stated yeah that is news tonight. Mark Johnson stated well they would pay for the construction of the road, the District would maintain the road afterwards. Vice Chairman Clark-Ross stated how big is the road. Mark Johnson stated it is about 235 feet long with a cul-de-sac at the very end so it would be a short road. So, they are asking for it not to be a private road but a public road and if he needed to put that in his agenda item he apologizes. Chairman Garcia stated yes because the agenda item it only to discuss the right of way.

Secretary/Treasurer Eisele stated personally it is not in here, on the agenda he does not see how we can take on any more roads than we have right now. We are doing our best to maintain what we have in the district right now.

Chairman Garcia stated that he agrees, the first thing this is the right of way is the action item there is nothing in here that says anything about a public space. Robert stated knowing how hard we have been working very hard to save up funds every two years and on the third year go back and try to take care of roads that have deferred maintenance that has been delayed 30 or 40 years, we are so far behind that taking on responsibility of another public road is not in the best interest of the district. It is not a good idea. One of the reasons why they have HOA's on the other side of the highway by the golf course area is a private road because the district is having a very difficult time keeping up on the maintenance of what we have. This has nothing to do with this board or this General Manager it was from 30 years ago.

Public comment: Peter Beekhof owner of West Ridge Homes introduced himself to the board. Pete stated that the project was originally approved for three lots with a joint driveway coming off of Plymouth Drive. Douglas County messed up in the beginning and should not have approved the driveways off of Plymouth because it is considered a minor collector, so they came up with the four lots to offset that. The road was pushed on to them and to set up a homeowner's association for four lots, it will be hard to get someone to be the president. The road was forced on them they did not volunteer it. Peter said they will have the same thing on the adjacent property to the north, the Arnold property that will be in about a month or so. That will only be for two people.

Resident Don gray stated this street will only benefit the people that live there. A mile of paved road cost about a million dollars. They can develop the land they can afford to maintain that road. Indian

Hills GID cannot afford to maintain that road.

Board of Trustees further discussion/comment: Trustee Dunham stated looking at the map he only sees two parcels. It is five acres, and they want to break it up into four one acre lots. This should be private they should have to maintain the road not Indian Hills GID. That does not make sense.

General Manager John Lufrano stated the acceptance of the road should not be considered tonight as it was not on the agenda that way, we should stick with what was agendized. Secondly this is news to him tonight he has never heard anything about the district accepting the road for future responsibilities of maintenance. With that said with the annexation that was brought forward by the property owner prior all we did was annex that property to serve them water and take sewer so why the county needed affirmation from us to allow this easement was unclear to us. With that said we have two others, The Cottages those driveways in and out of there are private roads we do not, and we will not maintain those roads in any way shape or form ever. We have those examples in the district where if the County requires them to build a cul-de-sac for access off of that portion of Plymouth ok. That portion of Plymouth is not ours at this point he would not think that us taking over that road for future maintenance is a good idea. He was not aware that would be coming to us tonight and secondly that annexation was approved for water and sewer only we are not on the hook to approve this private road. He considers it a private road because it is not a thoroughfare it is going to these driveways and these houses.

Chairman Garcia stated that the board has the option to table this and bring it back for further discussion, this is not required that they act on this today. General Manager John Lufrano stated the only thing that he would ask Mr. Chairman is to Mark is, is that going to hinder their process to Douglas County.

Mark Johnson stated that they are hoping that the Board approve this today because they are going next week to the County. The reason they need Indian Hills approval is because Douglas County standards is 60 feet for a right of way, and they are asking for 50 feet. The County said they would grant the 50 feet, but they want permission first from Indian Hills for a 50 foot right of way.

Chairman Garcia motioned to approve a 50' right-of-way for a proposed roadway cul-de-sac off of Plymouth Drive. Vice Chairman Clark-Ross seconded. Motion carried unanimously.

6. Discussion and possible action to approve a renewal proposal from Nevada Public Agency Insurance Pool (POOL) and approval for payment from fiscal year 2021-2022 funds.

Jim Norton with Warren Reed Insurance introduced himself to the Board. Wayne Carlson, Executive Director for the Pool introduced himself to the Board. Jim stated that Warren Reed has been representing the Pool since its existence. It is not your normal insurance company, the services provided are way beyond what you would expect if you bought your general liability coverage if you bought it from someone off the street. They provide things such as risk management, HR things, loss control grants additional coverages that have been put in over the years such as pollution which use to be purchased separately, and now one that is really vital is the cyber coverage. As part of the policy, you are offered board

trainings. The renewal premium, one of the things the pool has tried to do over the years is provide consistency not only on the services provided but on the premium levels. The premium level for the coming year is actually less than 2011 and 2014 this is despite a substantial increase in property values and quite honestly the insurance market had been unsteadied. This is the result the average rate increase of all pool members is slightly less than 10%, Indian Hills was a 3.7% increase so that speaks very well for your loss control. The only loss in the last ten years was the unfortunate fire in the restrooms that certainly was not your fault. Indian Hills is doing very well with the pool and has been a very preferred member for a long time.

Wayne Carlson stated the Board has the proposal in their packet. Of course, the market has been difficult for property for the last three years. This year they were able to get the rate of increase down over the previous couple of years, they were pleased to get that. There are 130 members in the Pool all over state. The Pool is owned by the members, so the members decide what the coverage scope is. In the last couple of years windstorms have been a big deal on the coast. The biggest thing that has happened in the last couple of years is wildfires, urban interface wildfires. We had a scare just the other day. Those things and California's disastrous year last year increase the costs. This year they had to increase the share of the risk that they take within the reinsurance space from 4 million to 8 million of the 300 million limit. They had to do that in order to fill out capacity. They took and doubled their risk through the pools, they doubled their share from 50 million to 300 million, so they doubled their share. They had to do that, or they would have had a gap in coverage. Liability is merging differently reinsured increased a little for schools and law enforcement. We have all these mixes. Indian Hills GID was effected by property and cyber coverage has been all the news. They have been providing cyber since 2013, they provide a 3 million limit. They have not seen many shock losses from cyber, but they do have a hospital member that presently it is costing them roughly \$350,000 to get their system back to operating. They have done a number of things to beef up protection against cyber losses. They are fortunate to maintain capacity and they did not have any price increase at this time on cyber. Wayne stated on that page 12, which shows your coverage limits all of those stayed the same, Indian Hills presently has a \$1,000 deductible on each claim except for cyber, there is no deductible on the cyber. They kept our 300 million in property and kept our earthquake and flood coverage. Nevada is in the top three in earthquake frequency. Fortunately, we have only had one large earthquake in Wells in 2008. It was a big expensive they paid about 5.5 million on that loss, very expensive but not a federal disaster. The next page is liability, the district has a 10 million limit for coverages this protects not only the board members for your decisions and the challenges you face, the general manager, sexual abuse, and employees. They provide pretty good limits to protect the district in case of mistakes. The next page is the cyber risk protection at a 3 million limit, you do have some protection if you get hacked. They offer noby four software, it is software that sends out phishing emails, if you click on it when you should not, it will pop up you have been hacked now take this training so you can find out what went wrong and how to make sure it does not happen again. It is a really good tool; it is interesting to see what people do. One of their employees got hacked in noby four, it can hit anyone. If you do not have the training on how to identify an email as potential phishing, you might be more vulnerable, they are trying to prevent those kinds of things. There is no cost to the district. General Manager John Lufrano stated we are not signed up, but we will be. Environmental liability you have a \$25,000 deductible with a 2 million limit and a 10 million aggregate that is included. They bought this as a group it used to be

individual basis. The program cost \$59,787.47 up about \$3,000 from last year. The next pages are various charts and graphs. You have had a very good experience not many losses. The remaining pages are an overview of Pool Pact and a list of programs and services offered. Wayne stated that he has done board training here before and he is happy to do that again as you have some new folks who have not been indoctrinated in this. We have eLearning offered, cyber training, HR and safety all sorts of things. He encourages the board and employees to use risk management grants and educational grants. They offer a lot of programs, HR is a big component of their program, their team is a great bunch of consultants they have model policies to boards, they will consult with boards on issues and trainings. During the pandemic they sent out bulletin after bulletin with updates. They converted all live trainings to eLearning and the HR conference, this year now it will be a hybrid model. They are in the process of producing a legislative report available on the website.

Jim Norton stated all of those services Wayne mentioned are included, we are not your average insurance company.

Chairman Garcia stated they were all on a video conference earlier this year for Pool Pact to get a better understanding of what services they offer. To summarize we are essentially, you can see where ours costs have gone up where incidents occurred, or cost savings passed down to us. We just happen to be creeping up, that is where the market is going. How do property values and the increase in property values have an impact on these does it and if so, how does it. Wayne stated that they have been doing appraisals for members for a while, they try to get onsite every three years. They try to keep those current, generally inflation is about 4%, your property value increase was about 2.0%.

Vice Chairman Clark-Ross stated she just read an article about property values going down soon have you heard anything like that. Wayne stated actually he is hearing the reverse lumber prices sky rocketing, everything is increasing, the supply chain problem caused by the pandemic the market changed.

Public comment: none

Board of Trustees further discussion/comment: General Manager John Lufrano stated that Wayne touched on something that has bothered him for the last 12 years that he has been employed with this district and that is the earthquake protection. John stated that we have two faults that run through this district one through the golf course one through Valley Vista seven, for infrastructure we have water and sewer in the ground. It is nice to know we have that protection out there because chances are we will see something in the future, so it is nice to hear.

Chairman Garcia stated that he would like the catalog for trainings that Pool Pact offers for the board members and staff. Administrative Services Supervisor/Human Resources Brooke Thompson stated that Terry and Dale have taken some online trainings and all new staff takes five trainings. Chairman Garcia stated that is great, so you can provide that catalog to us. Administrative Services Supervisor/Human Resources Brooke Thompson stated of course.

Secretary/Treasurer Eisele motioned to approve a renewal proposal from Nevada Public Agency Insurance Pool (POOL) and approval for payment from fiscal year 2021-2022 funds. Vice Chairman Clark-Ross seconded. Motion carried unanimously.

7. Discussion on the Carson River Water Marketing Study.

Debbie Neddenriep Carson Water Subconservancy Watershed, Water Specialist II introduced herself to the Board. Debbie stated that they have their board meeting at the same time, so Ed was not able to make it tonight. Debbie went through her presentation; she encourages everyone to go cwsd.org. Debbie stated they are a special district of the state, they have six counties now including Douglas County, Carson City, Lyon County, Churchill County and Storey County and then Alpine County in California. They are funded by ad valorem taxes. They try to do regional management however they are unique in that they do not have any regulatory authority. They try to work together with member counties, the state, water purveyors to promote cooperative action. She would like to focus on is the results of the Carson River Water Marketing study, it is called that because the Bureau of Reclamation had a grant called the water marketing strategy to establish or expand water markets or marketing activities between the participants in compliance with state and federal laws. Look at page 27 the project study it to understand the watershed trends, understand existing water users, define existing water marketing activities, and consider other water marketing strategies. This study was not to buy and sell water it was actually to look at what the water situation looks like and to help build resilience. They determined that x.y and z, which she will get to needs to happen. The overall goal is to make us as a watershed more resilient. They looked at watershed trends, page 29 shows the trend flows of the Carson River and it was determined that the flows were highly variable. There is no upstream storage I the Carson River watershed, the Truckee River watershed has Tahoe. The Carson River watershed when it comes to surface water depends on snowpack. On average flows are slowly decreasing in each river stretch. The percentage average change of flow between 1940 and 2018 is a decrease of almost 8.0% in the west fork, 4% in the east fork. Page 31 climatic conditions (not weather) trends in Carson City indicate that, temperatures are increasing, and precipitation is decreasing. The impacts this has on instream flows, there is a correlation between temperatures and precipitation with Carson River flows and the increasing temperatures and decreasing precipitation is decreasing instream flows. Page 32 the challenge, what do conditions look like in the future. For water users along the Carson River, these trends are troubling. The result is an amplification of the “feast or famine” condition that already exists for the Carson River with the average flow slowly decreasing and flow patterns slowly changing. If this trend continues, flows will continue to become more extreme, less reliable, and continue to decline. The lack of significant storage in the upper watershed prevents any stabilization or mitigation of these extremes. They want to make sure we do not have conflicts in our water shed and that everyone works together to find solutions. As Mark Twain said water is for fighting and whiskey is for drinking. On page 34 the orange is irrigation, blue is domestic wells, brown is municipal. This also shows the perennial yields low and high. The stated water engineer determined the high and low is close about 50,000-acre feet, so of course the Carson Valley is in really good shape, more water available that what is currently being used. There are rules if you take water out of the river for municipal use you can only take a certain amount, there are all kinds of rules you have to follow as far as the Federal water law. Municipal water system, regionalization, and interties this is one of the things CWSD tries to help with. As you all know Indian Hills GID is part of that intertie from the Town of Minden that goes to Carson. The thing that drove that intertie was not lack of water, it was water quality. It was looking like Indian Hills, Douglas County, Carson City they were all going to have to build their own treatment plant

with costs around 40 million dollars, so the intertie has become a great thing. CWSG actually paid to up size that pipe. That intertie helps the water system, it helps keep it stable. Water reuse and engineered recharge, we get wastewater from the lake it comes down the hill. Looking at water leasing and banking what programs could be developed. We do have water imports with the Truckee Canal and the Marlette Water System build in 1878 and is still the only pipe that goes from Hobart to Virginia City that is their only water supply. Some of the general concepts they looked at with this water marketing study was surface water extraction, water conveyance, water storage and water banking. Conceptual alternatives manager aquifer recharge site 1 and 2, expand existing reservoirs, regional water system managed aquifer recharge, combined flood control and groundwater recharge and a new reservoir. Water banking came up with some alternatives with about twenty sites narrowed down to about six some of the water strategies that maybe feasible. Page 38 big costs but compared to a whole reservoir it is nothing 6.8 million long term is a possibility. Basically, some of the options they came up with. They have applied for a USBR WaterSmart grant to develop a regional water management plan, this grant would update the USGS middle and upper Carson River models, incorporate climate changes and it impact to runoff, evaluate future water demands and evaluate surface and groundwater interaction. Ed collected all water data, and this grant will take all that information and plugged into existing models. They do not know what the cause is, but runoff is coming sooner. Hopefully by developing this plan we can help each other to have a sustainable water future. Chairman Garcia stated thank you water is important; he appreciates the presentation. Robert asked for one point of clarification on slide 34 Carson Valley shows that the perennial yield low and high are the same. Debbie stated yes, it is very close. Carson Valley is good and has a lot of water.

Chairman Garcia stated you said that CWSD paid to upsize which pipe?

Debbie stated yes not for Indian Hill but from Minden to Carson City. CWSD will help to pay to upsize pipes. CWSD pays \$125,000 for that pipe to Carson each year.

Public comment: Resident Don Gray stated does mud lake not belong to Bentley. Debbie stated that they own most of it and CWSD owns minimal amount less than 100-acre feet.

Board of Trustees further discussion/comment: none

8. Discussion on the Water Connects Us All Campaign.

Brenda Hunt Carson Water Subconservancy Watershed Program Manager introduced herself to the board. Brenda stated today she is going to focus on water shed literacy efforts to educate the community and to encourage them to act in ways that help with water quality and overall health of the water shed. She will focus on the launch of their second video which is called water connects us all, she will try to show it to the board in a little bit. The campaign and videos showcase simple actions we can all undertake to benefit the drinking water in our watershed. The video stresses how important it is for each of us to protect our groundwater since it is our main source of drinking water. By taking a couple simple actions every day, we can make sure our drinking water stays protected. Page 44 this is years in the making how do we know what is going on in the watershed and how to educate them. They go together and came up with a plan in 2015 then did a survey a watershed-wide survey of residents, it looked at watershed knowledge and things like health, precipitation, and activities. The key things they learned from that survey when asked 62% of people did not

know or didn't think they lived in a watershed. Not many people knew where water came from or where runoff from property went. 87% did not name the Carson River as runoff. We all effect it based on what we do daily. The key it to connect resident's health and quality of life to the health of their watershed. The three sub messages are to protect the flood plain from future development, reducing runoff and that the Carson River watershed is the source of our drinking water, survey analysis. The developed the watershed literacy program including signage, she showed the I am Carson River watershed sticker, the back shows somethings we can do to keep pollutants out of our waters and the highway signs telling you when you are entering a watershed, they have a splash page, their first video came out in 2019 and the second just a few days ago. Brenda stated that she wanted to thank us because IHGID helped get the stickers out to residents with their water bills. They did that with about 15 other water purveyors and about 37,000 residents. They are trying to make this correlate to the Keep Tahoe Blue Campaign. They also created a GIF. Page 47 shows you what is on the splash page, both films are there to view, go to iamcarsonriver.org. They are doing a big social media launch. The next steps are they will continue to show the film to their partners and seek help in spreading these important messages, create and film 15 watershed moments, ask the community to create and film their own watershed moments and send them in. This is partly funded through CWSD but also grant funded through NDEP's COVID 19 clean water act. They have been super helpful and supportive.

Chairman Garcia stated thank you Brenda. Again, water is very important, and we have been talking about that as of late what can we do as a community to be more careful about our consumption. On creating the films, with the youth so into social media and love to see themselves on film have you approached the college, high schools, and junior highs to try and get that campaign to them. They are the youth, the future and have the technical ability to shoot anything off their iPhone. Brenda stated their following on Facebook and Instagram has skyrocketed, neon agency is helping them with that they are the contractor they use. Getting youth on board is great, they do have some contacts.

Public comment: Resident Chris Johnson stated that he heard in the ad the lady says my body is 65% water and the rest is whiskey. Brenda stated yes, it is the Mark Twain saying.

Board of Trustees further discussion/comment: none

Recess: 7:38

Reconvene: 7:47

9. Discussion and possible action regarding the General Manager successor plan.

Vice Chairman Clark-Ross stated what sparked this was at the last meeting they had the discussion about the job description. Kathryn stated that she talked to Dale, and they were trying to decide to form a committee or not which would not work because they, the board is the committee or Bill said have a closed session meeting, our attorney Chuck said that didn't warrant a closed session, so it came back to this. Kathryn stated that she thought, throw it out there and have an open discussion, she would like to see some transparency when it comes to this issue as it is a very important decision. she would like to start the discussions so they can form a game plan. Kathryn stated she threw out there a few years ago the last time John was going to retire, Bill came to her, and she thinks this is a good idea, about

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promoting our Office Manager to General Manager, it would be a cost savings and with a little training she would be a good General Manager. She thinks this is a good idea, it has stuck with her since it was first brought up. During this period of time, she has watched her grow, she has 14 years with the district, she has trained three people. She was here during the pandemic handing out meals and a lot of time it was just me and her. Kathryn stated that she has watched her and feels really confident that with some training under John and if he felt alright with this that there is a possibility to promote from within. Kathryn stated that she is a real strong promoter to promote from within and when employees get that much time in and there is no promotion you can lose good people. She is competent, she would need some training from the General Manager. Right now, we have a span of six month to get this done. Kathryn wants to hear from the rest of the board now and to come up with a game plan.

Trustee Dunham stated that he has a lot of respect for both those people Brooke and John. It seems like a good way to go but the bottom line is John is in this area here to help us going. It is going to be hard to find someone that has all the knowledge that John has with machinery. In his eyes it would work with John willing to consider being the consultant, so that would really stem on that. We have this person who lives in this area lots of decisions to make on this part. If we hire a new manager, we still have a person that is in this community that knows a lot about this you don't just gain knowledge on overnight. It's one direction that may or may not be the right one but that is why we are having the discussion to replace John. Dale stated the board needs to work on this very hard and get everyone's opinion. Dale stated to him John deserves to retire and hopefully will be an ace in the hole as a backup with his knowledge. He likes that idea it is a good idea but is it the right idea. He thinks Brooke is a phenomenal young person, he respects both of them so much.

Secretary/Treasurer Eisele stated looking at the way this is written up we should be looking at when to start advertising for a manager, how long we want to advertise, and where we want to advertise. That is what the memo says. At this he doesn't think we should be looking at one person or another right now. We should be looking at when John retires and filing this position. Bill stated probably what is more important right now is looking at a time frame, last time Indian Hills went out locally to look for a manager it took almost three months from start to finish. If we go out to advertise for a manager which is the proper thing to do let the chips fall where they may. Who has the best qualification because we do have some very good, qualified people from outside that are looking at this from different GID's and the County. It would be foolish of us to close this off.

Trustee Gray stated that she thinks it would be a very good idea to get a variety of people with different qualifications.

Secretary/Treasurer Eisele stated yes, and he does not think we need to do a national search but local, Carson, Douglas County. In this area we have a lot of very talented people that could fill this position. That is what he is looking at the thing is the timeframe.

Trustee Gray stated she thinks it would be wise to advertise for it to get a lot of options and weed through that and see who is qualified. John does a lot for the community it is going to take a pretty exceptional person to take his place. We also need time for John to get the new person up to speed with ideas or whatever.

Chairman Garcia stated that it was his expectation as well that they would be talking about when to start advertising, where to advertise and how long to advertise, that was his expectation for the area of discussion but not limited to, so your point was well taken. He

agrees what he heard Dale is that hiring a general manager is the most important job they will do as board members, so it deserves the attention they are going to give it. Trustee Dunham stated that he thinks they are all on same page to make the right decision. Dale stated that he strongly thinks that John living in this District is great, whoever takes this spot has to meet certain criteria that might be above him.

Public comment: Resident Chris Johnson stated that when he saw this item on the agenda, he thought it was time to come back and make a statement. You all have hit on the exact points he wants to talk about. Chris stated that he respects Brooke very much from years he worked with her on the board, he respects her very much but regardless of whatever direction the board decides to go he thinks it is vital to open it up to the outside. There is potentially always someone better out there. Filling John's shoes is going to be difficult at best. All the successes, for the last eight years we have accomplished a lot on this board, he has been very proud of it all. The truth of the matter is that John is the majority of it, he made it work. The board sat back and said yes, John, we support you, but he did it all. We are going to need to put someone in there that carries that same passion and motivation. Chris stated he thinks to not open this up is not good, open it up and give the district opportunity to see what is out there, see what is available to make sure they are making the best decision. That is all honestly open it up for a hiring process see what the options are in the area, you are talking about regional and country wide he thinks that here in our region we have lots of options and if don't find something there then open it up nationally. One of the benefits of drawing for local is we have someone that knows the district and the area and shares our values.

Board of Trustees further discussion/comment: Trustee Gray stated that she has nothing else they are kind of on the same idea.

Secretary/Treasurer Eisele stated one thing is he knows that John is going to leave, he knows John lives down the street. One of the things we need to look at is having John on retainer for at least two months, so we know that is on 24 hours a day call. Whoever the new manager happens to be they can always rely on John. The board can discuss later but it is something to think about.

Vice Chairman Clark-Ross stated that she does not disagree with opening it up. Her concern is the timeframe if someone wants to be trained under John that's what she was thinking. We are running out of time to do that it does not guarantee that person a job. It would be up to John if he had confidence in that person and a few other things. We need time to give that person the opportunity to do this. Kathryn stated that she sat on a ton of committees at the college and one specifically when they stood up and said it is better to hire an idiot from New York or the outside. They don't know what they are doing, and she saw one mistake after another because they didn't promote from within people from within know how things are ran. Kathryn stated that she feels strong about promoting from within, she wants to give the people who have put the time in with us and know the district a chance. The only problem with Brooke is she does not live in Indian Hills, but she can forgive her for that one minor thing. She does not want to bring someone that we think is all great and professional and they just don't know. She has seen so many mistakes.

Trustee Dunham stated maybe we need to hear from Brooke how does she feels about this. It is not something that he takes lightly. All of us need to go forward with this and hear from both of them. Maybe Brooke is not interested.

Chairman Garcia stated thank you Chris for representing the public because he agrees had we done something without putting it out to the public we would be looked upon as not doing our job efficiently. Your experience carries a lot of weight with him. Robert stated that he agrees we find someone with shared values. Local is ok with the talent we probably have in this area. Anyone who is interested whether they are working for the district or not has an opportunity to present their case and present their skills. It would be great if we have someone that has a vested interest like John who lives in the district but regardless, we don't know that we will have that opportunity again. If we do, we would be lucky to have it. When do we start advertising, Kathryn to address your point Bill said it takes about three months so we may have enough time to be able to do that. Where to advertise, we would have to have a consensus just local or local regional or national. How long do you advertise he does not know he would assume until you have enough candidates. Those are his thoughts.

General Manager John Lufrano stated, Brooke, he apologizes it had to be uncomfortable just now, he thinks this is the wrong setting for that. John stated that he has probably had more conversations with Brooke about this stuff than with anybody. It is uncomfortable, it is uncomfortable for Brooke to have to listen to some board members that say no lets go out and others that say no lets go within. Again, he apologizes because that is difficult for anyone to listen to. John stated in his case he was promoted from within there were circumstances. His predecessor Jim walked out in the middle of the board meeting. He was all that was here at the time. When he left in the middle of that meeting it was John will take over the rest of our budget meeting. That is how that happened. John stated he applied for the job, and he thinks that was the correct course of action and believes it is the correct course of action now because he happens to know a great deal of people in our community that are general managers who have expressed an interest in his job when he retires. John stated that it would be his advice that we go out and see what is out there. If Brooke wants to apply at that point, it gives the board apples to apples. It is a good way to go. In terms of him being around to assist, the issue is it is all about money. We are too small to think that we could bring a new manager in in October and keep him on staff, cannot afford that. The plan has always been for him to go through the end of his term and then be available for a few months, three months maybe. The thought he had was to contract with him for two months he will be available for another month if they think they need more time. What that does is you will bring someone in at a salary less that where he is at you will have an influx of money there and retain his services for a few months. It will not be a financial burden for the district, he does not want a financial burden. Again, in his discussions with people there are people right here in the area that are interested so regional is fine. You have to remember something about our district too the professionals out there we offer things in this district that other agencies do not have. In terms of that professional, it is good to say I manage a water system, a sewer system, roads parks exc. Professionally speaking those people that are looking to progress through the system we are going to be very enticing. You might have some that only have managed a water system or only streets, but we have a cluster of stuff. He believes we will see professionals come out of the woodworks for a job like this because of that career advancement. The idea of, this lady and I have been through a lot over the 12 years, but you are putting him on the spot too because he has to recommend this person if you think you want to go to appointing. Fortunately, he and Brooke have had very candid conversations and she knows where he stands. It will work itself out if Brooke is actually interested in doing this and gets thrown into the mix at this stage of her life and that is Brooke's choice.

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Chairman Garcia stated that is one of the things about opening it up Brooke can come to the table and say she is interested. General Manager John Lufrano stated again if we are going to go back to use him as an example it is a tough one, he was the only one here when he was appointed.

Secretary/Treasurer Eisele stated he thinks he is the only one that was here when they hired John. Because of what John had been doing for the district and working with the manager that was here for a number of years, it is a lot different than what we are doing now. It is really hard to explain, he strongly recommends that we go out. If Brooke would like to run for this position, she can put her paperwork in just like everybody else then as a board they decide who is going to be the manager. We are looking at a timeframe that we are going to do this, no one here knows what John was doing and his qualifications it is a different situation.

Chairman Garcia stated to clarify it was an emergency situation as interim and then you applied for the position. General Manager John Lufrano stated yes, he was appointed as interim and then applied. It was not until he applied for the position that board members came in and said they wanted to go through the process. That had to happen. As Bill has eluded to yes, he has two and a half years to learn the field operations side, the water and sewer side. Those are the things that Brooke is lacking because Brooke's job is in the office. Brooke's job, even though he brought Brooke way up the ladder. He does not know if everyone is aware, but Brooke was a receptionist when she started as Karen left, he asked Brooke if she wanted to become the clerk to the board, as other employees left an HR person left, he asked Brooke if she was interested in HR. It has always been the goal to get Brooke and then we moved her up to the supervisor position and oversees the billing coordinator and all of the office. As far as Brooke has a ton of knowledge about this district. Chairman Garcia stated we all agree about how valuable she is, there is no doubt. General Manager John Lufrano stated he is not going to lie the easiest thing is push Brooke in there, but he worries that we are not setting Brooke up for failure. It has nothing to do with Brooke's abilities and skills, he worries that, and he will say this loud and clear Brooke is not going to have Brooke. John has Brooke, this agency has Brooke. Brooke now has to consider the big picture maybe timing is not everything right now. Maybe Brooke from the next manager has more time to learn the stuff that Brooke needs to know to have that knowledge. Brooke still has 18 years so maybe the next step is the next manager really starts working with Brooke to get her there. Chairman Garcia stated and for Brooke to groom the next Brooke. General Manager John Lufrano stated hands down you will never hear from me that Brooke does not know the operations of this place from the admin side of it, but you get someone for this job that has the skills set that Brooke has how are they supposed to supervisor our wastewater or water departments. They do not have that knowledge so you are not going to look at that person and say they are a good fit because they will still need to learn the outside operations. Again, at Brooke's last evaluation Brooke asked me what I can do what should I do, where are we and everything I am telling you I talked to Brooke about. With that said if he can really quick touch on training. Kingsbury GID just went through this it took them about six months, probably four months of real hard work. They went national.

District Counsel stated and that candidate withdrew his application. General Manager John Lufrano stated tough spot and Brooke sorry you had to sit here and listen to that. Administrative Services Supervisor/Human Resources Brooke Thompson stated no one needs to apologize. Like John stated he and I have had many conversations. Of course, I think anyone would aspire to be that especially being somewhere for so long. Is the time

right now, I don't know. I cannot say that. I want what is best for this district and if that is not me so be it. It might be ten years; it might be never. I have been here for a long time, and I genuinely care about this district. I agree we need to go out that is the only option in my opinion. It is ultimately up to the Board.

Chairman Garcia stated he does not want to cut Brooke off but doesn't want her to feel that she has to explain anymore. It is falling in line with the discussion.

Secretary/Treasurer Eisele stated we need to move on, start the procedure to look for candidates. Let's do it locally at first and if needed we can go national. Timing is important right now, let's do this right away. All this discussion about Brooke, Brooke is fantastic she can put in her application. Staff needs to get started on the hiring process, there should be a cutoff time and timeframe.

General Manager John Lufrano stated he thinks what Bill is saying is a timeframe for advertising, two three weeks.

Secretary/Treasurer Eisele stated we have enough talent in the area to go out for this, this is a gravy job a manager would love this from the outside. We have worked out the kinks this is a nice job for someone. We will not have a problem getting candidates.

Chairman Garcia stated what is your idea of local and regional advertising.

General Manager John Lufrano stated local is Douglas County, Carson City, Regional is Douglas County, Carson City, Tahoe, and Reno.

Secretary/Treasurer Eisele stated the only problem with regional is they do not know the district, area, or county.

Chairman Garcia stated that they talked about shared values and a vested interest.

Trustee Gray stated there is a lot of talent in the area she believes we can find someone that can do a good job not as good as John but comparable.

Chairman Garcia stated that this is a discussion and possible action, but it sounds like we are just giving John direction to move forward with starting the process.

General Manager John Lufrano stated next month you are going to get the job description for the general manager, you all need to see that, and we have to work through that. We have to have that finalized to advertise. What he is hearing tonight is to advertise for about three weeks and see where you are in terms of candidates. We will also have to discuss a salary range. When we bring this job description back, he and Brooke will have some sort of idea of when we advertise etcetera. This discussion has to happen, Kathryn, he commends you for bringing this up because this had to happen. Whatever path this takes, if the job goes out in July after approval of the job description, then we do not feel rushed. That is the game plan.

Chairman Garcia stated so do you have consensus enough or do you need direction.

General Manager John Lufrano stated if all agrees you will see the job description next month, then locally advertise for three weeks. Secretary/Treasurer Eisele stated can you please also recommend a salary range. General Manager John Lufrano stated he has always said the salary range should be \$80-\$100,000. His salary topped out at \$100,000 now he does not have a market survey. Chairman Garcia stated but we know what our budget can accept. General Manager John Lufrano stated there will be conversations along the way, call him. He is leaving December 31st.

Vice Chairman Clark-Ross stated that is fine she would like to say that this discussion is important she does not think we have always been transparent. She knows it was hard for Brooke. Kathryn stated that she thinks it was important for all and for Brooke to know where the support is coming from. Kathryn stated she sees too many people saying one thing

and doing another. Brooke should know the time she spent with this district if she doesn't have the support to move up then she can make a decision on what she wants to do.

General Manager John Lufrano stated but what happened tonight is Brooke heard three board members that we need to go out. Vice Chairman Clark-Ross stated that she thinks she needed to know, she knows it is hurtful. Kathryn knew she needed training and was trying to get it done. She wanted it heard in this board room instead of back-room meetings.

Trustee Gray stated we need go out only because we need to keep our options open. She knows a lot, she is very intelligent on how this district operates, she can answer almost any question there is. It is a wise to go out and get a broader choice.

General Manager John Lufrano stated yes, it is wise. It is called evolution when you are in a job for 10 or 12 years when you are in a job where you are constantly moving up in responsibilities yes, it is to be expected. Brooke knows how I feel about her. I would not be here is I did not have a Brooke quite honestly. I would not have extended my contracts without Brooke. It is the team we have created. It will be a great gig for the next person you have the Brooke's, Stacie, Matt's here. It is a phenomenal organization at this point.

Administrative Services Supervisor/Human Resources Brooke Thompson stated she does not take it personally, she understands. Like stated she wants what is best for this district. If I aspire to be that in ten years great and if I am not here in ten years great.

Chairman Garcia stated and he thinks that is a different discussion for the General Manager current or future to make sure that our staff, we want to grow our talent within the district. If there is a specific gap that needs to be addressed on creating a training path towards from one position to another that is a different discussion. Administrative Services Supervisor/Human Resources Brooke Thompson stated yes because she does not think there is ever an ending point where you cannot learn anymore.

10. Discussion only about Trustee interaction regarding District affairs.

District Counsel Chuck Zumpft stated that he wanted to take a couple minutes to chat with the board and the way trustees are allowed to interact with each other and representing public bodies business. Chuck stated that he has been representing public bodies since 2000, he represents five GID's and one City, so he deals with open meeting law issues all the time. The rule that applies is very simple and that is the public business is done in public, if you can keep that rule in mind, we should be ok. What happens sometimes is a passionate trustee wants to go have discussions with citizens, other trustees, or members of the governing body and that is ok. Trustees can talk to each other if it is about district business it should stay here. The issue is if there is a quorum which is three of you or more about district business and if you have had that discussion. If the topic is the water tank should be blue and Bob thinks it should be green and that is the end of it then fine. If you pull in Bill and have the same discussion now there is a violation. That is true if you are communicating in person via text, call, mail any communications discussing public business that is a problem.

Chairman Garcia asked Chuck to give the board an example of a walking quorum.

District Counsel Chuck Zumpft stated a Brooke included in the packet the Nevada Open Meeting Law Manual. Discussion about a walking quorum is in your packet on page 61. A walking quorum is Dale has an issue and talks to Bob about it if either of them go to another board member with or without the others knowledge goes to another board member you have a walking quorum. It is innocent but it violates the law. Public business is done in public, there are exceptions but very detailed, some are very sensitive and strict. Please call him with any questions.

General Manager John Lufrano stated public records request, emails, texts all can be asked for be very careful with it. He knows this to be true his wife who is an HR manager is going through this right now. Please discuss board talking to the general manager.

District Counsel Chuck Zumpft stated ok any group smaller than a quorum can meet with staff or Chuck as long as they are not deliberating. The word deliberation is a defined term on page 56 and means working towards a decision, gathering facts for a decision. He does not know where the line is from discussion or deliberation. You can be talking about a subject and come to a consensus even though you cant vote on the decision it is still deliberation.

General Manager John Lufrano stated his understanding is they can openly have those discussions with him but not with each other. We do not get this when we do training with pool pact. It is not specific to this it is a lot of information. You do not know that you are violating a law except one day someone finds out who finds out the board made a decision before the meeting. Next thing you know they are contacting the state.

Trustee Gray stated for clarification she can talk to and discuss things with John, but other stuff needs to be in a meeting. District Counsel Chuck Zumpft stated yes. Chairman Garcia stated you could talk to one other board member. Vice Chairman Clark-Ross stated yes pool pact taught us we could talk to one other board member, her and Dale talk all the time they are neighbors.

Trustee Dunham stated three is a quorum.

Chairman Garcia stated yes Teri if you are comfortable talking to someone great as long as the two of you do not talk to anyone else about that issue.

General Manager John Lufrano stated with that said, he thinks what Chuck said was just do not do it, it is better not to discuss it. You do not know if Robert ends up talking to Bill about it, it is easy to do. The best thing is to keep it here.

Chairman Garcia stated yes best practice is to not discuss business outside of a meeting.

General Manager John Lufrano stated that he has questioned this over the years.

Chairman Garcia stated he appreciates the reminder.

District Counsel Chuck Zumpft stated another consequence to a violation is any action taken would be void and that is bad. Easy answer is if you want talk about something talk to everyone about it at a meeting.

General Manager John Lufrano stated where Chuck is going with that, I will tell you right now. You are about to fill the general manager position what would it be like if we violated the open meeting law, and we cannot hire a general manager.

Vice Chairman Clark-Ross stated see it is a good thing I had this open discussion.

General Manager John Lufrano stated, and it is that east, call me and I tell Brooke we are going to put something on the agenda.

Vice Chairman Clark-Ross stated it was a good reminder because she thinks the personal contact was gone with zoom, you do not get that one on one.

Public comment: Resident Chris Johnson stated that he was on the board for 8 years and he also deals with the Airport advisory board. If you ask John or any of the trustees that served with him while on the board, they will tell you he never talked to any of them about anything. There is an opportunity for the board to talk about it all night long, this is it. Simply because if two of you are sitting somewhere in a room you are not Kathryn right now, your now Bill you are Indian Hills and you represent him and the other citizens out there. If you are sitting somewhere together at a café and you start talking about district business, he does not have the opportunity to hear you the board,

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give his voice, that is what this meeting is for. As Trustees that is your job to sit there and give voice to the citizens. That is his theory, and it is actually a step further than open meeting law, he did not talk to anyone he saved it for meeting this is the voice to citizens. The risk of a walking quorum it does not have to happen one to one to one.

Chairman Garcia thanked Chris for the reinforcement and for raising the fact that they are depriving the public of the opportunity to give their input, it is a good way to think about it. We do not want to deprive our public, our citizens, or constituents from having their say.

Board of Trustees further discussion/comment:

11. Reports to the Board:

a. General Manager Report

General Manager John Lufrano reviewed reports with the Board.

- 1. Administrative** General Manager John Lufrano reviewed the report with the Board.
- 2. Water** General Manager John Lufrano reviewed the report with the Board.
- 3. Wastewater** General Manager John Lufrano reviewed the report with the Board.

b. District Accountant Report General Manager John Lufrano reviewed the report with the Board.

c. Engineer Report General Manager John Lufrano stated a couple of things he 3282 Plymouth Tim has spent a lot of time on that, not just what they want to do with the property which Stanka presented tonight but also Lumos has had heavy involvement with the water line extension that they are going to be doing and tapping into our sewer line. Pete, who is the company, will extend the waterline and add two fire hydrants to the southern end of their property line. Tim has spent a great deal of time on this and with Douglas County to make sure that we are covered. Secretary/Treasurer Eisele asked who will be doing all the inspections on this. General Manager John Lufrano stated Douglas County will be. John stated that Tim completed the annexation map and got it to Douglas County, the importance in that is all those properties annexed in we now know we will get the revenue for. John and Tim met with Tribal today on the drainage issue, they will go through it and then it will come back to the board for final approval. We still have a stumbling block in the sense that we cannot find any record of the easement for utilities that run through that land. Tribal cannot find it and we have nothing that has been recorded so because the Bureau of Indian Affairs owned the land first and then deeded it to Washoe Tribe. They are still diggings. The importance in that is if the easement is out there, if it exists it simplifies it tenfold. We are hoping they are able to find something it will make it a much easier show.

Chairman Garcia asked if there is any target for an update or is it open ended. General Manager John Lufrano stated that it is open ended right now, it will work it out they are so thankful that we reached out to them.

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

Public comment: none

Board of Trustees further discussion/comment: none

12. Discussion and possible action to approve Draft Minutes from the May 19, 2021, Board Meeting.

Vice Chairman Clark-Ross motioned to approve Draft Minutes from the May 19, 2021, Board Meeting. Secretary/Treasurer Eisele seconded. Motion carried unanimously.

13. 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.

Vice Chairman Clark-Ross stated that our summer kickoff party is this Saturday so if you have not gotten your assignments see Brooke. We have our first movies in the park that evening.

Chairman Garcia stated that John took him out to see the burn scars, the district has done a great job making sure we have defensible space around our areas. John has been working with NDF and East Fork Fire District to make sure we have those relationships to do even more. The plan now as they discussed what can they do to improve on the good work that has been done so far. Thank you, John, for taking him out there. Robert stated that he will be traveling in August so he is going to request accommodations for a zoom meeting so he can call in. Kathryn will be running the meeting in August.

14. Adjournment

Secretary/Treasurer Eisele motioned to adjourn the meeting. Trustee Dunham seconded. Motion carried unanimously.

Meeting adjourned at 9:00P.M.

FINAL APPROVED MINUTES AS PRESENTED

Secretary/Treasurer
Bill Eisele