



Sun Valley General Improvement District Board Meeting Minutes of July 11, 2024

Board Members Present:

Susan Severt	Chairperson
Michael Rider	Vice Chair
Joseph Barstow	Secretary
Mark Neumann	Treasurer
Carmen Ortiz	Trustee

Board Members Not Present:

Staff Present:

Chris Melton	SVGID, General Manager
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

Other Members Present:

Angie Taylor	Assembly District 27
Coni Taylor	Public Audience
Cindy Leslie	Public Audience
Glenda Walls	Public Audience
Mike Revty	Public Audience
Rosey Downey	Public Audience

The meeting of the Sun Valley General Improvement District was called to order by Chairperson Severt at 5:30 pm in the Sun Valley District Administrative Building, 5000 Sun Valley Blvd., Sun Valley, NV.

Item# 1. Roll call and determination of a quorum.

Board members present; Chairperson Severt, Vice Chair Rider, Secretary Barstow, Treasurer Neumann, and Trustee Ortiz. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Treasurer Neumann

Item# 3. Public comments for items not on the agenda.

Ms. Taylor reported she is the Assembly representative for District 27; her District encompasses Sun Valley. She believes Sun Valley is a unique community and she hopes to be able to be the voice for Sun Valley in the upcoming legislative session. She reported she is available to meet with anyone to discuss the needs for the community or how she can better serve the community. Lastly, she announced she is hosting a free pool party for the youth of Sun Valley on August 8th.

Mr. Neumann a representative of the Washoe County Senior Advisory Board reported both RTC and N4 Connect donates monthly to provide transportation for seniors within Washoe County.

Ms. Leslie announced the Sun Valley Senior Center will be hosting a senior pot luck on July 26, 2024.

Item# 4. Motion to approve the agenda.

Vice Chair Rider made a motion to approve the agenda. Treasurer Neumann seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 5. Certify posting of the agenda.

Ms. Merritt certified posting of the agenda.

Item# 6. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda.

Mr. Melton announced the Sun Valley Citizen Advisory Board Meeting is scheduled for July 13th 10 am at Hobeys. The end of pool season Pool Party is scheduled for August 10th from noon to 5 pm with games and prizes; admissions will apply. Reno Battle Born BMX State Qualifying Race is scheduled for August 10th beginning at 9 am.

Treasurer Neumann announced Waste Management provided residential customers a voucher to dispose of household hazardous waste, up to 50 pounds.

Item# 7. Discussion and action to approve account payables for June 27, 2024.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for June 27, 2024.

Treasurer Neumann made a motion to approve the account payables for June 27, 2024 in the total amount of \$725,846.24. Vice Chair Rider seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 8. Discussion and action to approve account payables for July 11, 2024.

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for July 11, 2024.

Treasurer Neumann made a motion to approve the account payables for July 11, 2024 in the total amount of \$221,535.61. Trustee Ortiz seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 9. Discussion and action to approve board meeting minutes of June 13, 2024.

Treasurer Neumann made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of June 13, 2024 as submitted. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 10. Discussion and action to approve renewal of Nancyann Leeder Backup Legal Service Agreement for 2024/2025.

Mr. Melton reported Nancyann Leeder is the District's legal backup as needed. He provided a copy of her Legal Service Agreement for review and consideration. He reported Ms. Leeder is honoring her current service rate of \$150.00 per hour, plus any additional cost if any. The Legal Agreement commences on July 1, 2024 and is valid through June 30, 2025.

Mr. Neumann inquired for clarification if Ms. Leeder's rate is hourly based on worked performed or is it a monthly retainer?

Mr. Melton responded Ms. Leeder's rate is an hourly rate based on worked performed as requested by the District.

Treasurer Neumann made a motion to approve Nancyann Leeder's Legal Service Agreement for backup legal services as presented by staff. Vice Chair Rider seconded the motion. The motion carried unanimously.

There were no public comments

Item# 11. Presentation by John Spears with Edward Jones regarding District investments.

Mr. Spears with Edward Jones gave a brief update on the District's investments. The District is guided by Nevada Revised Statutes and is limited to what type of investments the District can participate in. The District can invest in US Treasury Bonds and FDIC CDs . He reported he assists/directs District staff with the best investment opportunities available at the time. The District has seen a good return on its investments with CDs. He uses a ladder investment strategy with the District's CDs; each time a CD matures it is reinvested into a new CD with a term of 3 to 4 years, depending on interest rates at time of maturity.

He reminded the Board that U.S. Bank is the District's investments custodian. He reported

all transactions are internal with US Bank and District staff; Edward Jones does not have authorization to remove funds from the District's US Bank account. Currently only the General Manager and the District's Accountant are authorized to make adjustments to the District's investments with recommendations by Mr. Spears. He provided an At-A-Glance report that provides the current rates that are offered by Edward Jones as of July 11, 2024 and a financial report showing the District's Investment Details as of July 2024. He gave a brief breakdown of the District's Investment Details explaining the summaries of the market value, income, assets, transactions and bonds/CDs. He reported the District's total investment assets value as of July 2024 is \$3,229,649.91.

Vice Chair Rider inquired what is the investment term with the District's current CDs.

Mr. Spears responded he invests in 3 and 4 year terms; when a CD approaches its maturity date he will evaluate the interest rate and current terms to consider the reinvestment term. He wants to make sure the District is always invested in the best CD investment rate while not having all the investments tied up in one investment or all on the same term. By using the ladder investment strategy, this allows the District access to its investments, if needed without jeopardizing the District's investment by breaking the investment term.

Treasurer Neumann inquired if Mr. Spears has considered using the 3 to 6 month term for CDs to get a higher interest rate on the District's investments.

Mr. Spears responded, that is something that is considered each time a CD has matured. He monitors closely the movement of the investment rates issued by the Feds. Many factors are considered when advising the District what new CDs are recommended to invest in.

Mr. Spears reported in closing, he has been consulting the District with their investments for 20 years. He announced he will be retiring within the next two years and introduced Mike Young as his replacement. He will be training Mr. Young for the next two years to ensure his retirement transition goes smoothly.

Mr. Young gave a brief overview of his background. He has lived in the Reno area for 20 years, the last 10 years he worked with Charles Schwab. Prior to working in an investment firm, he held various positions with business development. He obtained his degree in Master of Business Administration from University of Nevada Reno and has certification in Wealth Strategy. He is excited to be selected as one of Mr. Spears replacements and will work diligently for the District.

The Board thanked Mr. Spears for his presentation.

There were no public comments.

Item# 12. Discussion and action to proclaim July as Recreation Month.

Mr. Melton reported each year the District proclaims July as Park and Recreation Month, a full copy of the proclamation was provided.

Vice Chair Rider made a motion to Proclaim July 2024 as Park and Recreation Month in Sun Valley and the Board urges all Sun Valley residents to spend time with family and friends enjoying their favorite parks and trails, participating in their favorite sports, or just relaxing outdoors and enjoying the beautiful region we all call home. Trustee Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 13. Recap of the 2024 Dive Into Summer Event.

Ms. Merritt gave a brief recap of the District's 2024 Dive Into Summer Event. She was proud to report this year's Dive Into Summer Event was a big success. The District built upon last year's event and partnered with Washoe County Sheriff Office (WCSO). WCSO provided a large presence at the event with staffing and equipment displays. The event included a free meal (hotdog, chips, cookie, and a drink), entertainment, giveaways, interactive booth passport, raffle, and various information booths. There was a total of 19 information booths promoting community programs. There were additional local businesses that wanted to participate as a vendor this year after the District released the event details. Unfortunately, we had to say no because we ran out of tables and chairs and we want to keep the event promoting non-profit businesses that provide a service and/or program that the public could benefit from. Staff has discussed about opening up to other local vendors, as long as they provide a service that the public can benefit from; event is not a platform to advertise for profit businesses. The District promoted its pool schedule and garbage and recreation assistance programs. Public feedback included: admission prices are too expensive for large families. The District's Pool Supervisor shared information regarding the Family Pass that provides a discount for families. Other pool comments; the public wished the pool was open for more hours during the day. There were minimal inquiries regarding the District garbage and recreation assistance.

Ms. Merritt reported the District had 4 Major sponsorships from Hobeys Casino, Heritage Bank, Shaw Engineering, and Western Nevada Supply with a total donation of \$2,000.00 to be used to offset event expenses. Swire Coca-Cola donated all the drinks estimated value of \$300.00. WCSO donated their time preparing hotdogs and shared their purchase discount. Donation of numerous raffle prizes from various businesses throughout Washoe County; total estimated value of \$3,000. The event was promoted in the District's newsletter, website, Facebook page, front lobby, both the District and Hobeys Casino marquee, flyers throughout Sun Valley, and shared by other agencies on their social media pages. Press releases were sent out to all local news stations; Channel 4 News provided media coverage the day of the event. She reported there was a total of 21.5 hours worked by District staff. Event expenses totaled \$4,237.96. After applying all of the donations and money raised from raffle tickets, the total cost of event was \$1,955.96.

Ms. Merritt reported staff had a follow up meeting since the event to discuss the successes of the event and event improvements. The District received a lot of positive feedback from various partners. Some of the improvements the District would like to initiate for next year's event is to relocate some of the booth spaces, equipment displays, and entertainment to provide a more enjoyable experience by the patrons and to provide additional efficiencies by staff. Staff is also considering moving the event date to the first Friday of June to not compete with end of school year activities, holidays, and opening of the pool. Staff is open to other event suggestions from the Board for consideration. Planning this event is extremely time consuming and requires a lot of follow up. This year, various tasks were delegated to other staff members to help with planning efforts, as well as, keeping up with regular District business. She personally thanked Chris and Erin for their backup and

support, and also acknowledge all of the staff members who worked the event. Everyone was focused and worked extremely hard during the event to help make it run smoothly.

Mr. Melton agreed with Ms. Merritt's report, it was a successful event. He believes the participation of WCSO contributed to the success of the event. He commended Ms. Merritt's efforts taking the lead with organizing the event and coordinating everything with all the various partners, donors, and vendors.

Additional discussion ensued regarding the event and the various equipment and resources that were on display. It was a good opportunity for WCSO to provide community outreach. The Board likes the idea of potentially moving the event to the beginning of June to avoid competing with other community events.

There were no public comments.

Item# 14. Discussion and possible action regarding the District's payment drop box with consideration to relocate or remove.

Ms. Dowling reported the customer payment drop box located in the District parking lot was allegedly compromised. Staff received the first alert on May 21, 2024 when two customers stated they placed checks in the box on recent dates in May then received a late notice that the District had not received their payment. Staff immediately inspected the drop box and saw no sign of tampering; staff also reviewed video footage in the date range the payments were reported as being made and did not see anything suspicious. She reported there were a total of 6 customers stating they placed checks in the drop box that were not yet processed. Staff took the initiative and took the drop box out of service on May 24, 2024 and filed a police report with Washoe County Sheriff's Office (WCSO). To date, no customers have notified the District that there was any fraud on their accounts.

Ms. Dowling reported staff recommends the drop box be relocated to an area closer to the building, as it would be in a safer location and could be monitored more closely by video camera. It would still remain a drop box, but by relocating it, it will no longer be a drive up drop box. Moving it would also provide additional safety measures, due to weather and traffic, for District staff who are responsible for checking it on a daily basis. Because the drop box is a handy and heavily used payment option for District customers, staff does not want to discontinue it indefinitely, but would like to leave any other options to the Board's discretion.

Vice Chair Rider inquired what other safety measures need to be done to the box prior to relocating it closer to the building.

Mr. Melton responded, several years ago the drop box was compromised. There was actual evidence that showed how it was compromised. At that time District staff rehabilitated the drop box and added security components to the existing drop box and it has been fine up until now. As Ms. Dowling mentioned, the box has been inspected by District staff and by WCSO staff and there is no evidence that the box was broken into. He reported after inspecting the box, he is confident the drop box is still secure. He would like to re-key the drop box and have it completely stripped down again and powder coated and put back into service. By relocating it next to the building, it will be in a well-lit area with multiple security cameras within the area. Staff would install additional signage at the box announcing drop box is under 24/7 surveillance. The District can keep the drop box in the current location and continue to be a drive up drop box, but there will be additional expenses. He would have to run electrical across the parking lot to the current location to provide lighting and security

cameras. He reported he has spoken with several customers; they would like a drop box option so they can continue dropping off their payments after hours; they didn't mind getting out of their cars.

Secretary Barstow commented he has been approached by multiple customers asking when the drop box will be back in service, he is glad to hear staff is considering opening it back up since it is a popular payment method used after business hours. He inquired if staff has considered adding a drop slip at the front of the building that would drop payments inside the building rather than outside in a box.

Mr. Melton responded staff has discussed various options. One option was adding a drop slip into the District main lobby, this would consist of revamping the District's alarm system because it is set up to detect motion. He doesn't recommend cutting another hole in the District's building.

Trustee Ortiz likes staff recommendation still providing the customers the option to drop off their payment at their convenience. She likes the fact the location will be in a lighted area and being monitored by surveillance.

Secretary Barstow made a motion to approve staff's recommendation to relocate the drop box as presented by staff. Vice Chair seconded the motion.

Additional discussion ensued; Treasurer Neumann commented the convenience of the drop box is the current location. Anyone can drive up and drop off their payment without getting out of their vehicles. This is especially beneficial for seniors, handicap members and for all customers during inclement weather.

Mr. Melton responded he agrees with Treasurer Neumann's comments, the location of the drop box is convenient to customers because of the ability to drive up. Based on the front parking lot and the traffic pattern, there is no other location on property to relocate the drop box and have it remain a drive through. He doesn't recommend changing the direction of current traffic pattern in the District parking lot, first because it will be confusing to customers, it was designed to go with the flow of traffic of Sun Valley Boulevard, and there is a potential of elimination of parking spots. He reminded everyone Washoe County Code requires a set number of parking spots based on the size of property.

Trustee Ortiz suggested moving the drop box towards the front of the parking lot; convert the existing handicap parking spot as a drop box parking slip and designate the parking spot adjacent to the drop box parking slip as the new handicap parking spot.

Audience member Mr. Revty suggested providing a cover over the drop box if relocated next to the building to help protect customers from the weather.

Audience member Ms. Leslie suggested utilizing the existing handicap parking spot as for both functions; handicap parking during the day and a drive up drop box after hours.

Mr. Melton responded the drop box is used all day long, not just after hours.

After further discussion Secretary Barstow withdrew his motion.

Treasurer Neumann made a motion to keep the drop box closed to allow staff time to review options how to enhance the current location and bring back for additional discussion. Vice Chair Rider seconded the motion. The motion carried unanimously.

Item# 15. Update by Customer Service Supervisor regarding billing error discovery for 53 commercial accounts.

Ms. Dowling reported on June 13, 2024 staff discovered an error on 53 commercial accounts in regards to their water consumption charges on their billing statements beginning July 1, 2023. These accounts were billed on a Tier 1 and Tier 2 rate when they should have been charged at the Tier 1 rate only. Staff immediately addressed it by contacting Springbrook support who assisted by running a query to correct via a one-time adjustment to all of the 53 accounts affected. The adjustments were posted to those accounts on June 14, 2024; Ms. Dowling provided a copy of the letter that was mailed out to the affected customers. The integrity of our customer billing statements is staff's upmost concern; therefore, staff has been reviewing and internally auditing all service rates further to ensure that all are compliant with FY23/24 and FY24/25 Tariff Rules for water, sewer and recreation. The total amount of the billing error was approximately \$13,000.00; majority of those that were overbilled have already been issued a credit. The commercial accounts that were impacted the hardest was Hobey's Casino, Washoe County School District, and the Sun Valley Laundromat.

Vice Chair inquired if staff knows how the error was made in the first place and proper checks and balances are in place to avoid future billing errors.

Ms. Dowling responded, yes staff identified what caused the error and immediately had Springbrook to perform a full query on all accounts to make sure this one incident was an isolated event. Staff continues to monitor all the billings especially with the implementation of the new rates that went into effect July 1, 2024.

The Board thanked Ms. Dowling for the report and thanked her for her immediate action.

There were no public comments.

Item# 16. Discussion and possible action per District Personnel Policy 9.3.1; Board evaluation of the General Manager performance for fiscal year 2023/2024 with consideration of compensation increase.

Mr. Melton provided a performance and accomplishment report for 2023/2024 that also includes goals for 2024/2025.

Chairperson Severt reported she has received all of the Trustees' evaluations for Mr. Melton, he scored a 4.28 Above Expectations on his evaluation.

Vice Chair Rider acknowledged all of Mr. Melton's accomplishments and can attest to some of the items listed in his report. Vice Chair Rider commented he has had the pleasure to work with other District general manager's and he believes Mr. Melton is doing a great job and appreciates Mr. Melton's forward thinking for the District's future.

Trustee Ortiz appreciates Mr. Melton engaging with the community and the seniors at the Sun Valley Senior Center. She also is pleased to see Mr. Melton's leadership expand, she is grateful for this because it helps with daily operations and employee morale.

Chairperson Severt commented she is appreciative of Mr. Melton's patience with her because she asks a lot of questions. Mr. Melton always makes time to meet with her and other board members and always keeps her apprised of District business. Once again Mr. Melton oversees a water distribution system delivering safe drinking water and collecting wastewater and safely delivering it to the treatment plant with zero violations. The Sun Valley area is seen a lot of growth and Mr. Melton has worked diligently to ensure the District has development pay for infrastructure improvements that are triggered by new development; he continues to make sure the District is fiscally responsible.

Secretary Barstow commented he appreciates Mr. Melton's open-door policy. Mr. Melton is always available whenever he has questions and concerns. He appreciates Mr. Melton taking the time to check in with board members occasionally. Mr. Melton is always good at keeping the board informed. When he evaluated Mr. Melton, he took in consideration his past performances and his current performance. Mr. Melton has grown into a good leader and thinks the District has a future with Mr. Melton.

Vice Chair Rider would like to consider a salary increase that is comparable with other general improvement district general managers. Mr. Melton made incentive adjustments for the District employees to help with retention, and he thinks the District needs to provide Mr. Melton a salary that will help the District retain Mr. Melton.

Audience member Mr. Revy commented he has witnessed all the hard work Mr. Melton has provided to the District. He agrees the District needs to compensate its employees, especially Mr. Melton. Mr. Melton does a lot to protect the District, its staff, and its community.

After further discussion Vice Chair Rider made a motion to adjust Mr. Melton's salary to \$167,000.00 annually. Chairperson Severt seconded the motion. The motion carried unanimously.

Item# 17. Legal report by Maddy Shipman.

None

Item# 18. Field report by Brad Baeckel.

None

Item# 19. Office report by Erin Dowling.

Ms. Dowling reported on the following:

- The District sent out the District's Garbage and Recreation Assistance renewal letters; the renewal deadline is August 1, 2024.
- The Lead and Copper testing is complete; staff has performed the required samples and test results are pending from the lab.
- The District's new rates are effective July 1, 2024; the bills going out in July will be prorated; as a reminder the District bills for water and wastewater in the rears.
- Staff has been busy performing an internal audit reviewing all the billing rates and making sure each customer is being billed properly.
- She has no new information at this time regarding the Interactive Voice Response System the District will be implementing for phone payments. It is still being reviewed by Springbrook.

Item# 20. Manager report by Chris Melton.

Mr. Melton reported on the following:

- Both Free Swim Days sponsored by the Fink Family and the District were a success and the pool operated close to capacity.
- The District has begun working on gathering information for the 2023/2024 audit.
- He and the accounting department met with Heritage Bank to negotiate a favorable interest rate on the District's checking accounts; this should generate an additional \$650k annually.
- He thanked the Board for the trust and generous comments they have of him.

Item# 21. Public Comments.

None

Item# 22. Board Comments.

Chairperson Severt commented on July 26, 2024 marks the opening of the Summer Olympics. She is proud to report the Women's BMX Freestyle will highlight a female that grew up in Sun Valley and first started racing BMX at the Sun Valley BMX track.

Treasurer Neumann requested a tour of the Truckee Meadows Water Authority Water Treatment plant.

Item# 23. Future Agenda Items.

Mr. Melton reported the following items will be on the next agenda;

- Review of the District fall newsletter article ideas
- Tariff Hearing regarding new development
- Personnel Manual updates
- Pool Season Recap
- Review of Lobbyist Service Proposal renewal
- Continue discuss regarding payment drop box options

Vice Chair Rider requested an update regarding the District's park irrigation.

Chairperson Severt would like to receive an update from Truckee Meadows Water Reclamation Facility.

Item# 24. Adjournment.

Secretary Barstow made a motion to adjourn at 7:10 pm. Trustee Ortiz seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on August 08, 2024
Minutes Prepared by: Jennifer Merritt, Administrative Assistant