



**Sun Valley General Improvement District  
Board Meeting Minutes of  
June 13, 2024**

**Board Members Present:**

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

**Board Members Not Present:**

Joseph Barstow	Secretary
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**Staff Present:**

Chris Melton	SVGID, General Manager
Brad Baeckel	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

**Other Members Present:**

Tim Holland	LP Insurance
Jared Rossi	LP Insurance
Stephen Romero	POOL/PACT
Kelly Glenn	Roo Co.
Mike Revty	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, Treasurer Neumann, and Trustee Ortiz. A quorum was present.

**Item# 2. Pledge of Allegiance.**

Led by Trustee Ortiz

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

None

**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 Pool opens for the 2024 season on June 14th at noon. The pool will be open to general swim Tuesday's thru Sunday's noon to 5 pm; free senior swim will be offered on Tuesday's and Thursday's from 11 am until 12 pm. District's Dive Into Summer Event June 14th commences at 5:30 pm. District Office will be closed Wednesday, June 19th in observance of Juneteenth Day. A Free Swim Day is scheduled for June 22nd sponsored by the Fink Family and another Free Swim Day on July 4th sponsored by the District. The District Office will be closed July 4th in observance of Independence Day. Lastly, Sun Valley Citizen Advisory Board Meeting is scheduled for July 13th 10 am at Hobey's.

**Item# 7. Discussion and action to approve account payables for June 13, 2024.**

Treasurer Neumann gave a brief report of the account payables, customer refunds and payroll for June 13, 2024.

*Treasurer Neumann made a motion to approve the account payables for June 13, 2024 in the total amount of \$348,121.23. Trustee Ortiz seconded the motion. After discussion the motion carried unanimously.*

There were no public comments.

**Item# 8. Discussion and action to approve board meeting minutes of May 09, 2024.**

*Vice Chair Rider made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of May 09, 2024 as submitted. Treasurer Neumann seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 9. Discussion and action to approve board meeting minutes of May 23, 2024.**

*Treasurer Neumann made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of May 23, 2024 as submitted. Trustee Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 10. Discussion and action to approve final draft of the District 2024 summer newsletter.**

Ms. Glenn with Roo Co. provided a final copy of the District 2024 summer newsletter for review and approval. The primary focus of the newsletter is providing District customers with a summary of the District Tariff Hearing and rate increases. She reported the newsletter is scheduled for distribution beginning in July.

Chairperson Severt requested the opening paragraph regarding the Tariff Hearing Summary to be changed to bold for the readers.

*Vice Chair Rider made a motion to approve the District 2024 summer newsletter as presented including the recommended changes. Trustee Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 11. Presentation by Nevada Public Agency Insurance and LP Insurance with the acceptance of liability insurance renewal proposal for District facilities.**

Mr. Rossi with LP Insurance briefly presented the deductibles and summary of coverages for District facilities for 2024/2025. The District's policy has a \$500 deductible for each and every loss that is reported. He reported the property limit is a blanket limit with a maximum limit of \$300M per loss, per schedule of locations. The District's Property Coverage includes \$5M per loss for accounts receivable, 10% up to \$25K per loss for arson reward, \$100K for mold/asbestos removal, \$150M aggregate for earthquake and flood, \$100M per loss for equipment breakdown; he reviewed each of the subcategories for equipment breakdown. \$5M per loss for unintentional errors and omissions. He reported the District's Liability Coverage limit is \$10M; he reviewed each of the sublimits. He reported the cyber liability aggregate is \$1M per event up to \$15M aggregate for all POOL members combined. The District's Environmental Liability Coverage, also known as pollution, is \$2M for each incident with a \$10M aggregate Coverage A – third party claims for bodily injury, property damage or remediation expense, Coverage B – first party remediation expense, Coverage C – emergency response expense and Coverage D – \$2M business interruption (365-day limit with a 3-day deductible). The District's total program cost including all services for 2024/2025 is \$91,515.09. He reported the District's renewal premiums are based on District exposures; the District's payroll increased 3% and a total insured value increase of 1.74%.

Mr. Romero with Nevada Public Agency Insurance Pool (NPAIP) gave a brief overview of the NPAIP program structure. Based on the structure as a member the District is responsible for the first \$200K for property loss and \$500K for liability loss. He reported POOL/PACT took on \$43M in claims over a 10-year period. He reported the market conditions and what the markets are seeing; premiums are not being driven by claims it is being driven by capacity (capacity meaning having money available to ensure things.), the POOL/PACT is doing well financially, which in return, as a member the District has contributed to the overall strengths of the POOL/PACT. He gave a brief presentation regarding member benefits and resources that are available to the District. He reported POOL/PACT Risk Management offers a wide range of trainings and programs either in person or online to help reduce liability exposures to help mitigate/eliminate risk to employees and liability exposure. It also provides Loss Control grants to its members. He briefly reported on POOL/PACT Human Resources that the District is currently taking advantage of. These services include a variety of trainings in person or online. POOL/PACT

will assist with making sure the District's Personnel Manual is in compliance based on newly adopted and/or updated laws. Lastly, Mr. Romero noticed the District is not currently taking advantage of POOL/PACT's KnowB4 Phishing Training; this is training to help employees prevent cyber attacks that are commonly started with opening unwanted emails. He strongly encouraged the District take advantage of this training; it is no addition cost to the District it is provided free to all members.

Audience member Mr. Revty inquired what the definition of the term "aggregate".

Mr. Romero responded; aggregate is the most POOL/PACT will pay.

*After further discussion Trustee Ortiz made a motion to renew Nevada Public Agency membership and LP Insurance renewal proposal in the amount of \$91,515.09 for the District's liability insurance for 2024/2025. Vice Chair Rider seconded the motion. The motion carried unanimously.*

**Item# 12. Presentation by LP Insurance regarding renewal option(s) for District Health Insurance with action to approve renewal.**

Mr. Holland with LP Insurance gave a brief overview of the District's Health , Dental, and Vision Insurance renewal options. Mr. Holland reported the District currently has medical coverage with Hometown Health; this year's renewal premium is \$277,139.00 a 4.9% increase. He stated the Hometown Health provided alternate plans for consideration they come with significantly higher deductibles for the employees. He reported once again, the only other medical insurance provider that the District can consider that allows for retiree coverage (for small groups 49 or less employees) is Sierra Health and Life. Sierra Health and Life rates are greater than Hometown Health options and don't provide various specialty doctors. He reported all insurance premiums are strictly age banded; rates are set by the age of the individuals on the plan. Premiums increase with age of the individual(s) on the plan. Mr. Holland reported the District switched carriers two years ago to Kansas City Life Insurance for District's dental, life, and vision insurance. This year's Kansas City Life Insurance renewal is a two-year policy and Dental renewal premium is \$16,068.00 a 4.9% increase, Vision renewal premium remains the same with no increase at the rate of \$2,170.00. He reported the District also offers Group Life and Accidental Death and Dismemberment, as well as, Long Term Disability. Both of these policies renew July 1, 2025.

Mr. Melton reported staff requested LP Insurance to perform an analysis for health insurance coverage the meets the District's requirements, to include retiree coverage. Based on the proposals presented; staff recommends approval of District's health insurance plan with Hometown Health as it is the most viable choice. He also recommends renewal of Dental and Vision Insurance Plan with Kansas City Life.

Ms. Dowling reported renewal is effective July 1, 2024; open enrollment period is the month of June for employees.

Treasurer Neumann commented as a retiree he currently only has health insurance and no dental or vision insurance until he is eligible for Medicare. He stated it would be nice to have dental and vision insurance.

Trustee Ortiz inquired if the District Board of Trustees are eligible to be apart of the District's dental and vision insurance.

Mr. Holland responded the District's health, dental, and vision insurance is not limited to employees only. If the District requested to include coverage of Trustees too, LP Insurance can do so.

Ms. Shipman responded it would have to be a formal agenda item on the District's agenda for discussion to consider providing benefits for Trustees. It would also require a change to the personnel manual, as the personnel manual is strictly for District employees only.

Additional discussion ensued regarding pharmaceuticals and how it is impacting the health insurance.

Vice Chair Rider commented he would like to keep the current health insurance plan; it is an added incentive to the District's employees and a great benefit tool with recruiting new employees.

Chairperson Severt commented she concurs with Vice Chair Rider comments; she also stated she works in Human Resources and sees how the cost of medical treatments impact a family's household.

Audience member Mr. Revty commented it is nice to hear that insurance rates are finally stabilizing and not being inflated like years past. Being able to provide insurance to employees is a huge benefit.

*Vice Chair Rider made a motion to approve renewal of District's current medical Hometown Health Gold HMO and Gold X PPO plan in the total amount of \$277,139.00, Kansas City dental plan renewal in the total amount of \$16,068.00, and vision plan renewal in the total amount of \$2,170.00. Trustee Ortiz seconded the motion. The motion carried unanimously.*

**Item# 13. Discussion and possible action to approve M4 Engineering bid proposal for the amount of \$2,017,807.00 and award for the 5 Ridges Development Project 1 – Watermain Improvements.**

Mr. Melton reported the 5 Ridges Project 1 was one of the identified projects required to serve the 5 Ridges Development, as well as, provide additional benefits to the District's existing customers. This project is considered a public works project because it has a direct impact to the District current water operating system. A public notice was issued soliciting professional bids, and the District held the bid opening on May 09, 2024. Shaw Engineering reviewed all six bids for the District's Public Works Project #WA-2024-337 for the installation of approximately 1,860 LF of 14" water main, 1,560 LF of 12" water main, 2,260 LF of 8" water main, valves, connection assemblies, pressure reducing valve vault, and repair and surface improvements/restorations related to the new development. Project has three locations beginning with W. 7<sup>th</sup> and Tanberg, Chimney, and Cezanne. M4 Engineering is the apparent low bidder with a bid amount of \$2,017,807.00. M4 Engineering have satisfactorily completed all the forms associated with the bid proposal package and is properly licensed in the State of Nevada. It is Shaw Engineering and the District's recommendation to award this public works project to M4 Engineering for the total amount of \$2,017,807.00. He reported this public works project is 100% developer funded. The District will issue the notice to

proceed once the District has received the 50% deposit of the bid amount and 15% contingency from the developer.

Vice Chair Rider inquired how the improvements will affect the fire hydrants in the District's service territory.

Mr. Melton responded it will provide additional efficiencies with the fire hydrants with additional fire flow due to the upsizing of the water mains in the three locations identified.

Treasurer Neumann inquired when Project 2, construction of a new Sidehill Water Storage Tank will take place.

Mr. Melton responded, Project 2 has been designed and is earmarked for implementation once the development hits a certain threshold with a set number of connections. He does not have a timeframe to report at this time.

*After further discussion Treasurer Neumann made a motion to award M4 Engineering bid proposal in the amount of \$2,017,807.00 for the District's Public Works Project #WA-2024-337 for the installation of new water main, valves, connection assemblies, pressure reducing valve vault, and repair and surface improvements/restorations related to the project as presented by staff. Trustee Ortiz seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 14. Discussion and action to schedule a Tariff Hearing August 08, 2024 to amend District Rule No. 16 regarding New Development.**

Mr. Melton reported there is a need to hold another tariff hearing to address possible amendments to District's Tariff Rule 16 regarding new development. The amendment would require the developer to pay the District 50% of the engineers estimate plus an additional 15% contingency prior to advertising for contractor bids for water and wastewater public work projects. This amendment is recommended as a protection to the District and current customers. Staff recommends scheduling the Tariff Hearing August 8, 2024.

*Vice Chair Rider made a motion to schedule a Tariff Hearing for August 8, 2024 to consider amendments to District Tariff Rule 16 regarding new development as presented by staff. Treasurer Neumann seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 15. Discussion and possible action per District Personnel Policy 9.3.1; Board determined percentage for annual employee wage increase.**

Mr. Melton reported the District's Personnel Manual Section 9 "Performance Management" subsection 9.3.1 "Frequency of Performance Appraisals" states "During June of each year, the Board will determine the percentage calculations on which raises are to be based. Evaluation scores as set by the manager/supervisor will determine the individual employee's raise." Per the policy the board votes on the percentage to be used for At Expectation performance. For the 2024/2025 budget, the board approved a 6% increase to the compensation line items within the budget. All employees of the District are compensated from the water and sewer operations funds. The approved water operations fund total

operating expenses are \$3,929,249.00 and the sewer operations fund total operating expenses are \$3,357,132.00 respectively; the combined total being \$7,286,381.00. The approved budget amount from both these funds for both office and field employee compensation is \$1,837,170.00 or 25.21% of the total operating expenses for both these funds. Mr. Melton provided a brief overview of the District's past annual increases and provided a copy of the District's 2023/2024 accomplishments. He stated staff is dedicated, competent and represent the District professionally. Staff has worked diligently and effectively being good stewards of the District's funds in efforts to keep expenses down during a time of inflation. He reported the Western-Region Consumer Price Index for 2024 is 3.7%; management is recommending a 4% compensation increase to employee's that scored At Expectations on their annual evaluation. He provided for information the cost breakdown for 3.5%, 4%, and a 4.5% increase and how it would impact the District's budget.

Additional discussion ensued regarding the 2023/2024 accomplishments and additional implementations of efficiencies by management, accounting, office and field staff. The Board of Trustees acknowledged all the hard work and dedication by staff and are appreciative that staff continues to remain fiscally responsible and deliver clean and safe drinking water.

*Vice Chair Rider made a motion to approve a 4.5% compensation increase for employee's that scored At Expectations. Chairperson Severt seconded the motion. The motion carried unanimously.*

There were no public comments.

**Item# 16. Legal report by Maddy Shipman.**

None

**Item# 17. Field report by Brad Baeckel.**

Mr. Baeckel reported on the following:

- He received an alarm notification regarding the District's pump stations shutdown due to Truckee Meadows Water Authority having difficulties getting their pumps to start. He believes the pump start up failure was because of the Hug High Fire and the demand that was being put on both the water systems. He took the precaution and shut off all of the park irrigations and isolated other non-essential connections.
- Staff is working with the District landscaper regarding some of the park irrigations systems. The District had to replace a controller at Gepford Park and continue to make adjustments to the sprinklers to recover the dry spots that are surfacing on the athletic fields.
- He attended a walk through for 5 Ridges Village 2 & 4; there are several items on the punch list that still needs to be corrected. 5 Ridges Village 1A has paid their second water facility fee payment and have started construction.
- St. Peter Catholic Church Water Project has been completed and submitted.

**Item# 18. Office report by Erin Dowling.**

Ms. Dowling reported on the following:

- Staff has been fielding a lot of calls regarding the opening of the pool. Staff has been advising customers of the pool hours including the Senior Free Swim Hour.
- The District typically conducts its non-payment disconnects on Wednesday's. However, the District will be closed on Wednesday, June 19, 2024 in observance of Juneteenth Day, the District will perform its non-payment disconnects on Thursday, June 20, 2024.
- The District's drop box has been out of service since May 24, 2024; staff believes the drop box may have been compromised. The District heard from several customers after they received their late notice they had placed their payment in the drop box. The District filed a police report with the Washoe County Sheriff Office. The good news, no fraudulent activity has been reported by any of the customers.
- Staff have been working diligently updating the Tariff, forms, and billing system with the implementation of the rate increase effective July 1, 2024.
- The District has begun its required Lead and Copper Testing, staff has been contacting various customers for sampling.
- Staff has been working with Springbrook regarding the implementation of the new Integrative Voice Response system for phone payments.

**Item# 19. Manager report by Chris Melton.**

Mr. Melton reported on the following:

- The District had to recertify returning lifeguards and providing training for all new lifeguards for this year's pool season.
- Washoe County Board of Adjustments approved the District's Special Use Permit for the new main pump station.
- The Department of Taxation has examined the District's Final Budget and found it in accordance with NRS, compliance with the law and appropriate regulations.
- He thanked the Board for the acknowledgement of the District employees.
- He wished Treasurer Neumann a happy birthday on behalf of the District.

**Item# 20. Public Comments.**

None

**Item# 21. Board Comments.**

Treasurer Neumann requested a flyer to be displayed at the Neighborhood Center promoting Free Senior Swim.

Vice Chair Rider commented he is working on getting sponsorships for additional free swim days.

Chairperson Severt thanked staff for always keeping her informed with current business and emergencies, as well as, accommodating all of her requests.

**Item# 22. Future Agenda Items.**

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

- Proclaim July Recreation Month
- Renewal of Nancyann Leeder Legal Service Agreement
- Presentation by John Spears with Edward Jones regarding District's investments
- General Manager Annual Evaluation

**Item# 23. Adjournment.**

*Trustee Ortiz made a motion to adjourn at 6:48 pm. Treasurer Neumann seconded the motion. The motion carried unanimously.*

Approved by the SVGID Board of Trustees on July 11, 2024  
Minutes Prepared by: Jennifer Merritt, Administrative Assistant