

**Minutes of the
Gardnerville Ranchos General Improvement District
Board of Trustees meeting held
Wednesday, October 6, 2021, at 5:00 p.m.
@ 931 Mitch Drive, Gardnerville, Nevada 89460**

Trustees Present: Leann Teter, Bob McDowell, Brad Newlon and James McKalip, John Sheridan will join the meeting later.

Pledge of Allegiance: Led by Leann Teter

Public Comment: Iain Webb was present to request the Board consider a change in sick time policy. Iain has put in his two weeks' notice recently and is requesting he be paid at his full rate of pay for his accumulated hours of sick time. He does not agree with the current policy that pays an employee 50% of accumulated sick time up to 90 days at 50% of their pay. Sick hours are paid in full when employed, why the difference? Vacation hours are paid in full at the full rate of pay at the end of employment, but sick time is not. This does not seem fair to be penalized for good attendance. Iain is not opposed to the limit of 90 days, but he is opposed to the 50% pay cut. Iain stated that although he has not been at GRGID as long as some, he has given it his all and worked hard for the District. Iain wished the best for the District and thanked Greg Reed for all he taught him in the past couple of years.

Approval of the Agenda:

Jim McKalip motioned to approve the Agenda. Leann Teter seconded the motion. Four ayes. Motion passed.

New Business:

- I Discussion and possible action to adopt Resolution 21-5 authorizing the issuance of the Gardnerville Ranchos General Improvement District, Nevada, Water Revenue Bond, Series 2021 and otherwise concerning the bonds and the water revenues pledged for their payment. Board Discussion followed by public comment. Possible action to adopt Resolution 21-05 authorize the issuance of the Gardnerville Ranchos General Improvement District, Nevada, Water Revenue Bond, Series

2021 and otherwise concerning the bonds and the water revenues pledged for their payment.

Marty Johnson from JNA Consulting Group, LLC was present and Bond Counsel Kendra Follett from Sherman & Howard, LLC. attended by Zoom. Mr. Johnson discussed the bid package he put together for approximately thirty banks. Four proposals were received for 20-year financing. The interest rates received range from a 2.19% from Sterling National Bank up to a 2.97% from Western Alliance Bank. These are all banks who are active in making loans to Municipalities which is different than making loans to corporations or individuals. Sterling Bank had no additional fees for the bank lawyer and is recommended by Marty Johnson of JNA.

John Sheridan joined the meeting Zoom. Bob McDowell commented there is a ton of recordkeeping work for Greg. Mr. Johnson explained that the District Manager is designated as the Paying Agent and Registrar; there is only one buyer holding the bond to maturity. The bank will send an invoice to the District twice a year. There will be a payment schedule put together. Kendra explained that this is the same as what Greg has been doing with the SRF Loans. Jim McKalip stated that the definitions and terms of the contract made it easier to understand. He also asked if there was anything in the agreement that is unique or unusual to the District's situation or is this standard? Marty Johnson and Kendra Follett stated these are essentially the same legal terms as the SRF loans. John Sheridan questioned if this loan could be purchased back after two years? Greg replied that the District could pay the loan early at the overage cost of 102%, however if the District waited longer, 7 years, it can be paid off penalty free. Ms. Follett added you do not have to ask anyone to prepay this loan and beginning April 29, 2029, you just pay the outstanding amount. Brad reiterated that original plan was to pay off the SRF loan first and the concept of borrowing earlier was for lower interest rates, however he feels the savings will be lost in material costs. He will not give a positive vote for this project.

Bob McDowell motioned to adopt Resolution 21-05 authorizing the issuance of the Gardnerville Ranchos General Improvement District, Nevada Water Revenue Bond, Series 2021 and otherwise

concerning the bonds and the water revenues pledged for them

Payment. Jim McKalip seconded the motion. Four ayes. Motion passed. Brad Newlon stood opposed.

Public Comment: none

John Sheridan requested a special meeting to further dive into the Waterworth presentation and get a more in-depth conversation about financing phase II, considering the excessive cost of materials and considering the SRF loans will not be paid until 2024. A Workshop was scheduled for Wednesday, October 27, 2021, at 6 p.m.

- II Discussion and Possible action to adopt Resolution 21-06 creating a process of selecting and maintaining a list of qualified real estate appraisers and amending the Policies and Procedures to include Section 9.7 which includes that list of appraisers. Board discussion followed by public comment. Possible action to adopt resolution 21-06 creating a process of selecting and maintaining a list of qualified real estate appraisers and amending the Policies and Procedures to include Section 9.7 which includes that list of appraisers.

Greg explained that on September 4, 2019, the Board authorized the District Manager to offer the property at 1389 Langley Drive for sale. NRS 318 was recently amended to include processes for the sale of real property by a 318 district. The first step requires that the Board adopt by Resolution a procedure for creating and maintaining a list of approved appraisers. If the Board approves the next step is to select two appraisers and solicit appraisals for the property. Then, a further Board resolution would be required prior to offering the property for sale by auction. Finally, the Board would have to approve the sale at the subsequent meeting.

Jim McKalip asked if the District would have to get new appraisers for each lot of land it sold. Greg stated there is language in how you are to maintain a list of appraisers. Leann asked if there would be a deadline for the appraisers. Greg stated that there would be a deadline and the District would take the first two or the first few lowest appraisals as Bob McDowell had suggested. The Board would have to make that decision in this resolution tonight. Jim McKalip stated it is more transparent to take the first two appraisers bids. Mike Rowe stated that when you

get two appraisals the price that you ask for the property is the average of the two appraised values.

John Sheridan motioned to adopt Resolution 21-06 creating a process of selecting and maintaining a list of qualified real estate appraisers. Leann Teter seconded the motion. All ayes. Motion passed.

Public Comment: none

III Discussion and possible action to authorize the District manager to execute a contract with Lumos & Associates to design a retrofit for the Kimmerling Sewer Lift Station at a cost not to exceed \$37,000.00. Board discussion followed by public comment. Possible action to authorize the District Manager to execute a contract with Lumos and Associates to design a retrofit for the Kimmerling Sewer Lift Station at a cost not to exceed \$37,000.00.

The Kimmerling lift station has had multiple pump failures this year. New pumps and motors have been installed. There have been large pieces of debris entering the lift station creating problems for the pumps and motors, causing them to fail.

Mike Bennett reviewed this proposal for Engineering Services. The proposal addresses operational issues at the lift station associated with clogging of the existing pumps and excessive debris accumulation in the existing wet well. Causes of the clogging include rags and construction debris. Desired improvements include replacing existing pumps with grinder pumps, installing manually cleaned bar screens or similar devices to be potentially located in a separate vault, and installing a permanent emergency generator. Information derived from Task 2 will give Lumos and the District an idea as how to approach the rest of the Tasks in the proposal if at all.

John Sheridan asked what year the Springfield Lift Station was built. Mr. Bennett replied in the late nineties. John is really concerned about Greg budgeting for four pumps for \$200,000 that we already purchased that were the wrong pumps and when the current pumps went down we just blew \$200,000 grand and now we want to change the pumping system again? Greg stated he would look at that, and he is not sure where the \$200,000 number is coming from and stated the

District did not pay \$200,000 for two pumps but he will get the numbers for him. Greg stated that the District did buy two pumps for the lift station: one is a Flight, and one is a Gorman. Greg is just concerned that if they do not solve the issues with the lift station then the new pumps may blow up too. John stated that he gets the need for grinder pumps and is hoping going forward that grinder pumps get installed in all new lift stations built in the future.

Jim McKalip motioned to authorize the District Manager to execute a contract with Lumos and associates to design a retrofit for the Kimmerling Sewer lift station at a cost not to exceed \$37,000.

John Sheridan seconded the motion. All ayes. Motion passed.

Public Comment: Susan Stonestreet mentioned that when they worked on the community plan this was an area they were thinking would grow quite a bit in the Ranchos and asked the Board keep that in mind.

John Sheridan asked if the development at the end of Tillman would flow through the Kimmerling lift station. Mike Bennett replied that it would not; it bypasses that area it is west of Tillman.

Consent calendar:

Minutes:

Leann Teter motioned to approve the Minutes from the September 1, 2021, board meeting. Bob McDowell seconded the motion. All ayes. Motion passed.

Public Comment: none

Check Summary:

Leann Teter motioned to approve the August check summary Bob McDowell seconded the motion. All ayes. Motion passed.

Public Comment: none

Reports:

District Engineer: Michael Bennett and John Lesperance were present to review the project tracking schedule for October 2021.

District Counsel: Mike Rowe has spent a good part of the month working on the two resolutions on the agenda tonight.

District Manager: Greg stated that Bluerock Park still needs a lot of work after the vandalism incident.

Trustee Reports:

John Sheridan asked how long the lag time was with Carson Pump on the well rehabilitation. Greg stated they are extremely busy, well six is out of the ground and Carson Pump is working on putting that back together. DRI has come in and is doing some camera work in that well. John agreed there is a lot of work that still needs to be done at Bluerock park and asked if the District will be submitting that to insurance. Greg stated the District will more than likely submit the damages to the sheriff department and let the vandal pay for the damages when he/she is caught.

Jim McKalip met with Greg and would like a new letter to send to Senator James Settlemeyer and Assemblyman Jim Wheeler regarding potential funding for upcoming projects. He will also be at a luncheon with Mark Amodei next week. Jim would like to see an article in the paper to keep the public informed of current District projects.

Public Comment: none

Adjournment:

**Jim McKalip motioned to adjourn the meeting. Bob McDowell
Seconded the motion. Four ayes. Motion passed.**

(John Sheridan's Zoom connection was lost)

Meeting adjourned at 7:10 p.m.

By

Dawn Hinds
Acting Secretary