

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, January 17, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:33 p.m. Thursday, January 17, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Mitch Gerlinger, Peter Schmalzer, and Larry Johnson. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if there was any public comment? Hearing no requests, he moved to the next agenda item.

3. **Election of Officers:** Larry Johnson reviewed the current list of officers as follows:

President	Larry Johnson
Vice President	Dennis Goodsell
Secretary	Peter Schmalzer
Treasurer	Dennis Magers
Trustee	Mitch Gerlinger

Mitch Gerlinger made a motion to keep the current officers. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

4. **Approval of Minutes – December 20, 2012:** Mitch Gerlinger made a motion to accept the minutes as written, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

5. **Financial Reports and Payment of Bills:** Maureen Sidley reviewed the financial reports and said there was nothing unusual. She mentioned that the final audit for Employers Insurance (former Worker's Compensation company) was only \$114.00. Larry Johnson stated the total cash in all our accounts is \$218,000 plus. He asked Maureen what dollars do we expect as income between now and the end of the fiscal year (June 30th)? Maureen said she would look at prior years and email the Board with an estimate. Larry explained that they will be putting together the proposal for the 2013 capital improvement projects, so they will need to know the income projections. Maureen mentioned this year, because meeting dates conflict with reporting deadlines, the Board will need to sign the tentative budget in March, so the tentative budget will be worked on at the February meeting. Peter Schmalzer made a motion to pay the bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

6. Action Reports:

a. **Road Committee - Road Repairs and Maintenance:**

Larry Johnson said we've had an unusual winter month of snow and ice on the roads, which is starting to melt, so they will begin grading of the main collector roads. He explained that grading when it's warm means you're grading mud, and grading when it's frozen means you're pushing blocks of frozen dirt around. Jim Hicks stated they did a survey [of the roads], and 19 roads need to be graded, which is pretty good. Jim explained that if the roads thaw down about half an inch, they can grade. He mentioned it takes about three gradings to completely fill and level the potholes.

Larry said he wants to acquire a 3/4- to 1-ton four-wheel-drive pickup truck with a snow plow on the front that could be chained up. He continued and said this is what will be needed to plow the upper-elevation roads with steep grades which cannot be plowed with the motor grader. There was some discussion on this matter, with the Board concluding that after the snow season has ended, they will actively look for a truck and snow plow on the public surplus and private market for the lowest possible price, but if none is found by September 1st, they will look at investing more money to ensure they have the equipment in time for the upcoming snow season. Larry asked Jim to look into our options and have some costs for the next meeting.

Larry displayed the District map that the Assessor's office gave us showing where the residences are within the District. He explained that he traced and labeled the roadways and had it scanned onto a CD. He asked Cathy Glatthar to have the map put up on the website. Peter Schmalzer suggested color-coding the roads by the level of maintenance.

b. **Operations Manager's Report:** Jim Hicks said the last time we had a surplus equipment auction, the oil distribution truck was on the list but it did not receive any bids. He said someone is interested in the truck and wanted to know if he can get rid of it. The Board gave Jim the authorization to dispose of the truck.

Jim then discussed the bi-weekly operations report, and suggested publishing the report be discontinued. Discussion ensued and the Board decided to have the report be given out at the monthly meetings and be attached to the minutes. Cathy will work with Jim to format a report to be presented at the monthly meetings.

Dennis Goodsell asked Jim what the status was on the list of needed equipment repairs that was reported last month? Jim said none of the repairs have been made yet.

7. Judicial/Government Affairs: None.

8. Old Business – Updates:

a. **Wayside Yard Special Use Permit (SUP):** Larry Johnson explained the hydroseeding hasn't been done because of the snow. Jim Hicks reported the fire inspection was done. Cathy Glatthar said the code violation compliance has been extended to the end of January, and if the hydroseeding can't be done by then, we'll extend it for another month.

b. **Ironwood Water Truck Fill Station:** Larry Johnson reported the plans have been submitted to the building department for permitting. He reviewed the latest status report from the reviewing agencies, and reported that he had submitted additional

information as requested. He said the plans have been distributed to the contractors so they can provide costs for the work. The project needs to be completed by the end of March. Cathy Glatthar asked if Larry had met with Truckee Meadows Fire to review the plans as stated in the agreement? Larry said he still needed to do that.

- c. Approval of Annual Audit:** Maureen Sidley read an excerpt of a letter from the auditor as follows [Note: the entire letter is attached]:

"Please inform the Board members that the audit opinion is an unqualified 'clean' audit opinion and there were no audit findings in the fiscal year ended June 30, 2012. The information on page 16 reflects the District's results of operations and that there is an excess of revenue over expenditures of \$69,844."

There was some discussion about the audit figures. Maureen interjected and explained the audit is not about operations, but about how well the Board complied with NRS statutes. She also stated that the audit shows how well the Board did at paying one year's expenses against that year's budget. Dennis Goodsell made a motion to approve the audit. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

- d. Discuss Signage:** Larry Johnson asked Jim what is the estimated cost of a sign? Jim Hicks said about \$100 for an 18" x 24" or 30" sign, completely installed. Larry said there are two levels of signage he was considering: 1. Equestrian usage signs and the recommended speed limit is 35 [mph] on the main roads, and he suggested raising the speed limit to 45 [mph] on the chip-sealed roads - these entry signs need to be large; and 2. Hazardous road conditions (i.e. Road Narrows Reduce Speed). Dennis Magers voiced his concern over raising the posted speed limit and the possibility of the GID being held liable if there is an accident. Louie Test agreed with Dennis M. and advised the Board to keep the 35 [mph] speed limit.

The Board discussed the matter some more and Cathy Glatthar suggested they form a subcommittee to formulate a plan and associated costs and bring it back to the Board. Larry assigned Dennis Goodsell and Dennis Magers to the signage subcommittee.

- e. Discuss Water Usage and Water Rights:** Larry Johnson commented that we use a fraction of the water we have, and that will be an issue at some point, but no time soon. Louie Test explained that if [the State Engineer] pursues abandonment or non-use of the water rights, they will give notice and there will be time to react. Larry said this is not the time to sell anyhow because of the economy. Maureen Sidley reported the extensions we filed in November were approved. Mitch Gerlinger asked if we could lease some of our water rights? Louie Test said you have the right to lease water rights.
- f. Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson stated he spoke with Community Development and they are conferring with the Building Department on how to include the GID in the permitting process.
- g. Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Same as for item 8. f.
- h. Board Member's Handbook:** Cathy Glatthar said she had nothing this month.

9. **New Business:** None

10. **Calendar Review:**

- Cathy Glatthar stated she handed out not only the updated calendar, but also the Local Government Finance (LGF) Calendar of Events. She told the Board she wanted them to be aware of the LGF calendar and that she has added any pertinent items from that calendar to the GID's calendar.
- Cathy reiterated what Maureen Sidley said earlier about needing to shift the tentative budget work from March to February because we would otherwise miss the statutory April 15th submittal deadline.
- Cathy said, for January, the election of officers took place tonight and because there were no changes, she will let the Registrar's Office know that the list of officers stayed the same.
- Cathy reported that she handles the constituents email list and the twice-a-year requirement that constituents re-affirm their desire to remain on the email list.
- Cathy stated the Truckee Meadows Regional Planning Agency sends us an annual reporting form, but we are a non-affected agency and we just inform them that we are not participating.
- Larry Johnson asked if everyone did their candidate filings by [January] 15th? Everyone said they did.
- Cathy asked Mitch if he signed his oath of office? Mitch Gerlinger replied, "yes."
- Cathy said Maureen Sidley will need to file the Quarterly Economic Survey by February 14th.
- Cathy mentioned that both the tentative budget and the tax rate will be on next month's agenda.

11. **Correspondence:** None

12. **Public Comment (limited to three minutes per speaker):**

George Boyce asked if the Board had seen any projections for next year's revenue?

Cathy Glatthar replied that preliminary projections come out on February 15th.

Larry Johnson asked if there were any further public comments? Hearing no requests, he moved to the next agenda item.

13. **Board Member and Staff Items:**

- Larry Johnson asked if anyone knew the future of the Citizens Advisory Boards (CABs)? Cathy Glatthar said [the County Commission] is still working on it and they are supposed to make a decision by the end of March. Dennis Magers asked if there was an NRS that requires CAB meetings? Cathy said she was not sure.

14. **Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:08 p.m.



December 31, 2012

To the Board of Trustees
Palomino Valley General Improvement District
C/o Maureen Sidley
Post Office Box 615
Sparks, Nevada 89432

Enclosed are twelve (12) copies (eleven (11) bound and one (1) unbound) of the audited financial statements and one original and ten copies of the required Board communication letter for the Palomino Valley General Improvement District for the year ended June 30, 2012.

Since I will not be at the Board meeting, certain required information needs to be included in the minutes. Please inform the Board members that the audit opinion is an unqualified "clean" audit opinion and there were no audit findings in the fiscal year ended June 30, 2012. The information on page 16 reflects the District's results of operations and that there is an excess of revenue over expenditures of \$69,844.

If you have any questions, call me at our Reno office.

Sincerely,

KOHN COLODNY LLP

A handwritten signature in cursive script that reads "Beth".

Beth Kohn-Cole

ATTACHMENT
01/17/2013 Meeting
Agenda Item 8. c.

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, February 21, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:31 p.m. Thursday, February 21, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Peter Schmalzer, Larry Johnson, and Mitch Gerlinger. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if there was any public comment? Hearing no requests, he moved to the next agenda item.

3. **Approval of Minutes – January 17, 2013:** Dennis Goodsell made a motion to accept the minutes as written, and Peter Schmalzer seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley asked the Board to also approve the reimbursement to Larry Johnson for payment of the building permit plan check fees for the Ironwood well project. Peter Schmalzer made a motion to approve the bills. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Larry Johnson asked Maureen to explain the report he just signed. Maureen said it is the Quarterly Economic Survey, which is filed with the State Department of Taxation. She explained it's a comparison of current year cash balance to prior year cash balance and current year fund balance to prior year fund balance. She said there are other questions such as, were there any situations during the past quarter that would affect cash flow? She stated she checks the box for fluctuations due to people moving into and out of the area and property values. Larry reviewed the fund balance figures and said overall the fund balance is down and that is due to our capital improvement expenditures.

5. **Action Reports:**

a. **Road Committee - Road Repairs and Maintenance:**

Larry Johnson reported the condition of the chip seal is "adequate." He said there are some areas of failure. The failures on Ironwood are due to clogged nozzles on the distribution truck. He said there is a 12-month guarantee on the work, so he will be in contact with our contractor to discuss making repairs. He mentioned other areas of chip seal are borderline pot holing, and said Jim [Hicks] has patched those areas on Ironwood. He then asked Jim if he has patched any other chip seal? Jim said they have also patched the chip seal on Whiskey Springs.

Mitch Gerlinger mentioned the chip seal on Whiskey Springs near Wild Horse was deteriorating. Larry said it's probably because moisture is getting under the chip seal; it then freezes and thaws causing it to "blow out." Larry then stated that he has identified areas where chip seal is not going to work; such as at major intersections with turning motion (i.e. the intersection of Ironwood and Amy, and Amy and Wilcox Ranch, the sharp curve on Ironwood, etc.). He mentioned that those areas may be paved with regular asphalt or concrete or keep it as gravel or some version of that.

Larry then mentioned the last time he drove Axe Handle, the chip seal surface was in great shape. He talked about the chip seal on Range Land and said the edges are "raveling" a bit due to people driving on the edges. Mitch asked if it would help to extend the width of that road? Larry responded that it would be better if all the roads were wider, because when two vehicles meet, someone will be driving on the edge. He continued and explained that it would be a fairly major effort to widen these roads.

Larry reported the Board had received Jim's [Operations Report] showing the roads graded and other work done for the past month. He asked if anyone had any questions or comments on the report? He asked if anyone had received any requests from residents that were not made by phone or email? He reported receiving a complaint that the drainage ditches are ditches and not swales that can be driven in. He reported that he has discussed the potential of widening the roads with Jim. Jim acknowledged that request and will work on it.

Cathy Glatthar said Larry had asked for an estimate of the funds that would be available for the capital improvements plan for this year. Cathy handed out a spreadsheet. Maureen Sidley said she provided everyone with the actual revenue and expenditures over the past 12-month period. Cathy then reviewed her calculations, explaining that the revenue and expenditures are for the seven-month period from February to August. She reported net operating funds for capital improvements of \$80,000. There was some discussion about the estimated figures.

b. Operations Manager's Report: Jim Hicks reviewed the list of equipment repairs that have been performed and those that are in process.

6. Judicial/Government Affairs: None.

7. Old Business – Updates:

a. Wayside Yard Special Use Permit (SUP): Larry Johnson said the hydroseeding was done. Jim reported the hydroseed was watered yesterday. Cathy Glatthar mentioned receiving a call from Roger Pelham. Mr. Pelham explained the code enforcement officer, Lora Barretta, inspected the Wayside yard, but the final okay will not be given until we have 50% vegetative growth. Larry asked what 50% meant? Cathy said she would get clarification.

b. Ironwood Water Truck Fill Station: Larry Johnson reported the costs are coming in higher than expected and the total may be around \$55,000 instead of \$30,000. Larry mentioned that [former Board member] Dave Kennedy's estimate was \$60,000. Jim Hicks reported the concrete pad had been poured, and the generator was tested and will be placed on the pad a week from Monday. Jim continued and said Knoblock will be out Saturday to pull the pump and drill the hole in the pipe. He reported the plumber was unable to find the fire hose connector, so Jim said he

bought one from Western Nevada [Supply]. Larry reviewed the construction schedule and said it will be tight to get it all done by March 31st. Larry reported per the Fire Department the drive will have to be widened to a minimum of 20 feet.

Jim said a timer, propane block heater, and a solar panel with charge controller will be needed to ensure the generator will start in the winter. Mitch Gerlinger made a motion to approve up to \$2,500 for these items, and Peter Schmalzer seconded the motion. Hearing no opposition, the motion passed.

- c. **Signage Subcommittee Report:** Dennis Goodsell said besides warning signs about horseback riders, he felt we had all the signs we needed. Larry Johnson asked that the subcommittee consider road hazard signs. Peter Schmalzer said he wanted to see minimum or end of maintenance signs which would let newcomers know not to expect maintenance. Mitch Gerlinger said he preferred end of maintenance signs. Larry mentioned the sharp, blind curve on Quaking Aspen would be a good place for signs. Dennis G. said he will get with Dennis Magers and report back at the next meeting.

Peter suggested that all signs comply with [National Committee on Uniform Traffic Control Devices (NCUTCD)] standards. Louie Test agreed. There was further discussion about sign standards, concluding with Peter making his sign standards manual available to the subcommittee.

Louie suggested posting something on the website about equestrian activity. Cathy Glatthar said she drafted a notice about dirt road driving etiquette, but she was waiting for Larry to review it. Larry said he had read it and to go ahead and post it. Louie Test read the document, and made some changes. Cathy said she would get it posted.

- d. **Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson stated he had not heard back from Community Development, and he said he will follow up with Trevor Lloyd.
- e. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Same as for item 7. d.
- f. **Board Member's Handbook:** Cathy Glatthar passed out a new contact list and said that she updated the list of County agency contacts such as adding Amy Ray, the TMFPD's Fire Marshal.

8. **New Business:**

- a. **OM's Equipment & Vehicle Plan/Budget:** Jim Hicks said a 4-wheel drive pickup truck is needed, and handed Larry Johnson some price and specification sheets for a snow plow, a sander, and an asphalt seal coating sprayer. Cathy Glatthar explained that in the past, Jim has lost out on some good deals because he had to wait for Board approval. She said to avoid that, Jim presents his equipment and vehicle list and the Board votes on a maximum expenditure level. Larry asked Cathy to scan the sheets and forward them to the Board so they can review them and discuss them at the next meeting.

- b. Tentative Budget:** Maureen Sidley handed out a budget worksheet and reviewed the numbers. She explained the ending fund balance number cannot be zero; it must be equal to at least two month's worth of expenditures, approximately \$67,000. She explained that she will use these figures for the tentative budget which the Board will be signing at the next meeting. She asked that the Board fill in their suggested numbers and they will work on finalizing the numbers at the next two meetings and have the final budget ready to be signed at the May meeting.

Cathy Glatthar explained that when the preliminary revenue projections were published, the Consolidated Tax (CTX) number was similar to last year's figure. She said she suspected that the alternate formula agreed to with Truckee Meadows Fire Protection District (TMFPD) was not used to calculate this year's CTX amount. She said we are supposed to get the greater of \$45,000 or what the 0.0687 would have generated in property taxes. She emailed Tom Gransbery at the Department of Taxation, and he confirmed that the alternate formula was not used, so the projected budget figure for CTX should be increased by \$45,000 to \$200,631.

- c. Determination of Tax Rate:** Mitch Gerlinger said because we have an agreement [with TMFPD] we can't increase the tax rate, so we can reduce it or leave it as is. Peter Schmalzer made a motion to keep the tax rate as is [at 0.4198], and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

9. Calendar Review: Cathy Glatthar reviewed the calendar of important dates.

- Maureen Sidley will have until February 25th to notify the Department of Taxation that our tax rate is remaining the same.

For the March meeting:

- The Board will be signing the tentative budget.
- Larry Johnson and Peter Schmalzer will present their strategic plan.
- The auditor/auditing firm will be designated.
- The deadline for completion of the Ironwood WTFS is March 31, 2013.

10. Correspondence: None

11. Public Comment (limited to three minutes per speaker):

Larry Johnson asked if there was any public comment? Hearing no requests, he moved to the next agenda item.

12. Board Member and Staff Items:

- Larry Johnson mentioned there was a structure fire on O'Hara this past weekend and possibly because of the change over from Reno Fire to Truckee Meadows Fire there was a lack of information about the availability of water from the Wayside Yard. Dennis Goodsell said he had informed the Spanish Springs station about the Wayside water when it was Reno Fire. Now that it is Truckee Meadows Fire, there are new people there, so he will stop by and talk with them. Larry said he had Jim Hicks go to the yard to be available to fill the tanker. Jim said they never showed up.

- Cathy Glatthar said the road map Larry Johnson wanted posted on the website has been posted, but it loads sideways. She asked Mitch Gerlinger if he could flip the file and send it to her to have it re-posted? Mitch said he would take care of that.
- Mitch reported that he spoke with Teresa Long, Washoe County [Health - Haz Mat]. He said Ms. Long will inspect the Wayside Yard when the weather improves.

13. **Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Dennis Magers seconded the motion. Hearing no opposition, the meeting adjourned at 7:13 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 01/21/13 to 02/14/13

ATTACHMENT: 02/21/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Ironwood
Amy
Wilcox Ranch
Wild Horse
Broken Spur
Grey Van
Peak (E-W)
Peak (N-S)
Sage Flats
Quaking Aspen
Wilcox (Crazy Horse to Quaking Aspen)
Wilcox (Goodher to Mid)
Grass Valley (W)
Range Land
Grey Van (N)
Easy Jet
Jackrabbit
Big Dog
Two Forty

OTHER ROAD WORK:

Snow Removal
Chip Seal Patching Ironwood
Chip Seal Patching Whiskey Springs
Patch Asphalt, Whiskey Springs
Patch Asphalt, Right Hand Canyon

EQUIPMENT:

Chevy 1 ton dump truck to town for repair
Freightliner dump truck to town for repair
Chevy 1 ton dump truck: Adj. injection pump, Adj. transmission

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, March 21, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:34 p.m. Thursday, March 21, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Peter Schmalzer, and Larry Johnson. Mitch Gerlinger was absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.
2. **Public Comment (limited to three minutes per speaker):**
George Boyce asked what temperature range is necessary to patch the chip seal or when will the chip seal be patched?
Larry Johnson said that will be addressed under the road report. Larry then asked if there was any further public comment? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – February 21, 2013:** Peter Schmalzer made a motion to accept the minutes as written, and Dennis Magers seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:** Larry Johnson submitted several invoices involving construction of the Ironwood well site for payment, and asked the Board to include those in the approval of the bills. Peter Schmalzer commented on the power bill. Maureen Sidley stated the power bills are typically high in the winter and low in the summer. Jim Hicks mentioned the block heaters for the trucks. Peter made a motion to approve the bills including the additional invoices submitted by Larry. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.
Maureen reported that very little revenue came in for the month and the only expenses out of the ordinary were for equipment maintenance.
5. **Action Reports:**
 - a. **Road Committee - Road Repairs and Maintenance & Strategic Plan for 2013:**
Larry Johnson briefly reviewed road conditions and maintenance done over the past month. He then proceeded to explain the [strategic] plan for this year. He began by reporting he and Peter Schmalzer had driven all the chip sealed surfaces, and recommended to the Board to put out two contracts for this year: 1. Chip seal repair of the existing chip seal surfaces, and 2. With the balance remaining (anticipating a total budget of \$100,000) after the chip seal repair, two alternate recommendations:
 - a. Micro pave over the top of existing chip seals (as was successfully done on Axe Handle), or
 - b. chip seal more roads. It will depend on the amount of money remaining after the chip seal repairs are done. Larry said he will get estimates and bring them before the Board next month.

Peter Schmalzer mentioned that some areas where cold patch has been used will require to be chip sealed before micro paving is done. Larry talked about micro paving Range Land. George Boyce, in the audience, asked if the north side of Range Land would be widened to prevent the edge from being damaged? Larry said there are limitations on the width. Peter suggested installing "delineators" along the edge to prevent people from driving on the edge of the chip seal. George Boyce mentioned again the problem with the school bus driver pulling off onto the shoulder of the road and waiting for the pickup time. He suggested the driver waits at the chain-up area on Pyramid Highway. Larry said they will need to catch the driver and talk to him. Peter suggested "priming" the shoulder before doing the repair work. Larry agreed.

Larry said we haven't received much in the way of requests for maintenance. Cathy Glatthar said a request came in yesterday for Curnow Canyon that she forwarded to Jim. Larry asked Jim if he grades the upper section of Axe Handle when he grades Curnow Canyon? Jim said they haven't needed to because the work they did some time ago has held up. Larry explained that section of road was previously badly potholed and he had Jim bring DG from the bank onto the road and grade it, and it has held up through the winter. Peter commented that a few of the chevrons on that upper section need to be touched up.

- b. Operations Manager's Report:** Jim Hicks reported on the repairs to the International dump truck, and stated the rest of the equipment is in use and won't be taken in until the Ironwood well project is completed. Larry Johnson asked if there were any leads on a truck with a snow plow? Jim said there was nothing at this time.

6. Judicial/Government Affairs:

Cathy Glatthar reported on Senate Bill number 171 which may give the PVGID access to grant money for road repairs and maintenance. She handed out some information and reviewed some of the highlights. She explained it is a 70% match and gave an example of a \$500,000 project, \$350,000 would come from the fund, and the PVGID would have pay \$150,000. She advised the Road Committee should be ready to submit a request for funding by July 1, 2013.

7. Old Business – Updates:

- a. Wayside Yard Special Use Permit (SUP):** Larry Johnson asked if there were any signs of growth in the hydroseeded areas? Jim Hicks said "no." Cathy Glatthar mentioned getting clarification from Roger Pelham that 50% vegetative growth meant 50% vegetative coverage of the disturbed areas.

- b. Ironwood Water Truck Fill Station:** Larry Johnson and Jim Hicks reviewed the progress to date on the construction. Larry reported a slight decrease in the plumbing costs due to the selection of a smaller vault.

Cathy Glatthar reported she requested some additional funding from Truckee Meadows Fire Protection District (TMFPD), and they have agreed to increase their funding by \$12,500. She said Chief Moore will seek approval from the Fire Commission on March 26th.

- c. OM's Equipment & Vehicle Plan/Budget:** Peter Schmalzer made a motion to authorize the Operations Manager to spend up to \$15,000 for a 4-wheel drive pickup

truck, sander and snow plow. Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

- d. Tentative Budget:** Maureen Sidley explained that the new forms are not out yet, and the dates are locked on the old forms, so she does not have the tentative budget ready for signatures tonight. She discussed the options with the Board, and it was decided that she would prepare the form as soon as it is available and will get it signed by Larry Johnson and two other Board members and submitted by the April 15th deadline. Maureen said she had a worksheet with the updated figures for the final budget. Cathy Glatthar mentioned the CTX revenue figure needed to be increased by \$45,000. Peter Schmalzer recommended putting an additional \$25,000 in capital outlay for equipment, and any remaining balance in road maintenance. Larry asked that the ending fund balance be set at \$70,000. Peter Schmalzer made a motion to approve the tentative budget as discussed. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Maureen mentioned receiving a letter from the State [Department of Taxation] stating their review of the audit was "clean."

- e. Signage Subcommittee Report:** Dennis Goodsell said he does not see the need for any additional signage. He mentioned a post without a sign on Wilcox Ranch heading west just before you reach Amy. Jim Hicks said it was probably a "turn" sign and he would look into it. Dennis said he needs to check the roads on the west side of the highway to see if any signs are needed over there. He requested the item remain on the agenda.
- f. Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson stated he had nothing to report.
- g. Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson stated he had nothing to report.
- h. Board Member's Handbook:** Cathy Glatthar said she had nothing this month.

8. New Business:

- a. Designation of Auditor/Auditing Firm:** Peter Schmalzer made a motion to designate Kohn Colodny as the auditor. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

9. Calendar Review: Cathy Glatthar reviewed the calendar of important dates.

- March 31, 2013 is the deadline for completion of the Ironwood WTFS. Cathy asked Larry Johnson to inform TMFPD of the completion of the project. Cathy mentioned that when the project is done, we will need to bill the TMFPD and include copies of the invoices. Maureen Sidley said she would compile the invoices.
- By April 1st, Maureen Sidley will notify the Department of Taxation about the auditor designation.
- The tentative budget must be filed by April 15th.
- The final budget will be worked on at the April meeting.
- The Board members are to submit comments regarding the OM's performance

appraisal to Larry Johnson. Larry will then write up the appraisal in time for the closed session in May. Peter Schmalzer asked Maureen to email copies of last year's appraisal to the Board members.

- Jim Hicks will be conducting the performance appraisal of Dan Schaufus. Larry asked Maureen to email a copy of Dan's appraisal from last year to the Board.

10. **Correspondence:** None

11. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if there was any public comment? He thanked the member of the public for attending. Hearing no requests, he moved to the next agenda item.

12. **Board Member and Staff Items:**

- Cathy Glatthar reported the Traditional Mexican Rodeo operation on the west side of the highway applied for a special use permit (SUP). She said because the comments and conditions had to be submitted before tonight's meeting, Larry Johnson asked her to submit the following comments and conditions: 1. The proponents shall water Roadrunner Road and Ernie Lane before contestants and spectators arrive and re-water those roads just before their guests leave. 2. Inform the PVGID of their event schedule so the PVGID can make every effort to grade Roadrunner Road as soon as possible after each event.

13. **Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Dennis Magers seconded the motion. Hearing no opposition, the meeting adjourned at 6:34 p.m.

PVGID OPERATIONS REPORT
Reporting Period: 02/18/13 to 03/14/13

ROADS GRADED:

Wilcox (Quaking Aspen to Goodher)
Mid
Bacon Rind (S)
Bacon Rind (N)
Grass Valley
Broken Spur
Chieftan
Crazy Horse
Yellow Tail
Chantry Flats
Rebel Cause
Anniversary
Prairie
Pony Springs
Hay Canyon
Crossover

OTHER ROAD WORK:

Patch Asphalt, Whiskey Springs
Patch Asphalt, Right Hand Canyon

EQUIPMENT:

Freightliner Dump Truck, back from shop: R&R Clutch, R&R Flywheel, Repair air leak
International Water Truck, to town for repair
International Water Truck, back from shop: Repair air break system
International Dump Truck, to town for repair
International Dump Truck, Back from shop: R&R Clutch, R&R wheel oil seal & break shoes, R&R #1 injector
International Water Truck: R&R Fan Clutch
International Water Truck: R&R Brake pod bracket

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, April 18, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:32 p.m. Thursday, April 18, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Mitch Gerlinger, Peter Schmalzer, Dennis Magers, and Larry Johnson. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.
2. **Public Comment (limited to three minutes per speaker):**
Larry Johnson asked if there was any public comment? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – March 21, 2013:** Larry Johnson reviewed some modifications to the minutes, and gave Cathy Glatthar a marked up copy and asked her to make the changes as indicated. Peter Schmalzer made a motion to approve the minutes as amended. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:** Maureen Sidley stated the bank balance in all accounts is [\$216,335.65]. She reported there were two large payments for the plumbing and electrical work for the Ironwood fill station. Larry Johnson asked Jim Hicks if he had received the final bill for hooking up the block heater to the generator [at the Ironwood fill station]? Jim Hicks said that amount is included in the payment for the electrical work, but there will be an invoice from D & D Plumbing for running the gas line from the tank to the block heater. Larry then commented that the invoice to Truckee Meadows Fire Protection District (TMFPD) can now be prepared, and he asked that it include all the costs incurred since the agreement was signed, so that TMFPD will see there was cost sharing to complete this project. Peter Schmalzer made a motion to approve the bills and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.
5. **Action Reports:**
 - a. **Road Committee - Road Repairs and Maintenance:**
Larry Johnson reported he will be meeting with Alex Faust of Sierra Nevada Construction (SNC) on Monday to discuss how to structure a contract for the chip seal repair work. Larry asked the Board for authorization for the Road Committee to enter into a contract and proceed with the chip seal repairs. He continued and said he wants the repair work to be done before the next meeting. There was some further discussion regarding road work options after the chip seal is repaired. Peter Schmalzer said we won't know how much money remains for other work until the chip seal is repaired. Mitch Gerlinger made a motion to authorize the Road

Committee to enter into a contract not to exceed \$20,000 and conduct the chip seal repair work. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Dennis Goodsell asked what life expectancy they hoped to get out of the chip seal? Dennis Magers commented that on Ironwood, he felt the chip seal wasn't holding up very well for two reasons: 1) the chip seal is too narrow for two cars to pass, and 2) in a few areas, the sub-soil is too loose. Peter Schmalzer said lessons were learned from the chip seal work that was done. Larry Johnson added if we micro-pave over the chip seal, as was done on the lower section of Axe Handle, we will get the five years or more out of it. Discussion turned to widening the existing chip seal sections. Peter commented that the cost to widen would probably be greater than the cost to chip seal.

Cathy Glatthar reported receiving a 2013 event schedule from the Traditional Mexican Rodeo operation on Ernie Lane. She said that was a condition of approval imposed by the GID for the special use permit (SUP). Peter Schmalzer asked about the barrel racing events on Amy (not Amy Ranch Stables). Cathy said nothing has come in on that operation, and asked if it was private or commercial? No one knew.

- b. Operations Manager's Report:** Jim Hicks reported the Ironwood fill station is up and running. The Fire Department has inspected it. The propane tank was installed this morning, and D & D Plumbing will be running a pipe from the tank to the generator. BZ Electric will then come in and hook up the block heater. Jim mentioned the Fire Department would like a video on how to operate the fill station, and that will be done after the system is automated.

6. Judicial/Government Affairs:

Louie Test reported receiving an NRS (Nevada Revised Statutes) provision from Cathy Glatthar dealing with an exemption from prevailing wage requirements for contracts under \$100,000. Louie said he would research it further and be sure there isn't some other NRS that negates the exemption.

Cathy Glatthar updated the Board on the status of SB171 (Senate Bill number 171) which is the bill that may provide the GID with grant funding for road repairs and maintenance. She explained that this bill is "exempt" from the deadlines set for moving from one house to the other; therefore it did not "die" last Friday. She said it was "re-referred" to the Senate Finance Committee.

7. Old Business – Updates:

- a. Wayside Yard Special Use Permit (SUP):** Larry Johnson said all is done except for needing 50% coverage of the revegetation. Cathy Glatthar reported receiving an email from Roger Pelham reminding us that the 50% revegetation must be in place by the end of three years from the approval of the SUP, which will be February of 2014.

- b. Ironwood Water Truck Fill Station:** Larry Johnson said that was covered earlier. Mitch Gerlinger asked what was decided about the locks for the gates? Larry said we would use the TMFPD's locks.

Cathy Glatthar explained a resolution needed to be passed for the amendment to the

agreement with Truckee Meadows Fire Protection District (TMFPD) for additional funding (from \$30,000 to \$42,500). She presented the Board with Resolution F13-R1 (attached). Larry thanked Cathy again for her idea to ask for additional funding. Peter Schmalzer made a motion to adopt Resolution F13-R1. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

- c. **Budget - Final:** Maureen Sidley explained she already sent everyone the final budget worksheet, and the fund balance was brought down to \$70,134. She asked if anyone had any changes? No one had any changes.
- d. **Signage Subcommittee Report:** Dennis Goodsell said he didn't have anything this month.
- e. **Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson said he didn't have anything to report, but acknowledged this should be done in the near future.
- f. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Same as for item 7. e.
- g. **Board Member's Handbook:** Cathy Glatthar handed out updated "Asset" pages. She also provided the Board with an updated list of contacts.

8. **New Business:** None

9. **Calendar Review:** Larry Johnson and Cathy Glatthar reviewed the calendar of important dates.

- Larry asked the Board members to submit to him any comments regarding the OM's performance appraisal within the next week, and he will then write up the appraisal in time for the closed session in May. The Board discussed and decided to start the closed session at 4:30 p.m.
- Cathy will prepare letters for the OM and crew member to advise them of the closed session no later than 5 days prior to the closed session.
- Maureen Sidley will have the notice of the budget hearing published "not more than 14 days or less than 7 days prior to the hearing date."

10. **Correspondence:** None

11. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if there was any public comment? Hearing no requests, he moved to the next agenda item.

12. **Board Member and Staff Items:**

- Cathy Glatthar explained the Board Member's Handbook has policies regarding performance appraisals and compensation and they require some updating in order to comply with the Open Meeting Laws. She asked to have this item on next month's agenda.

13. **Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Dennis Magers seconded the motion. Hearing no opposition, the meeting adjourned at 6:31 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 03-18-13 to 04-11-13

ATTACHMENT: 04/18/13 Meeting Agenda Item 5. b.

ROADS GRADED:

- Bacon Rind (N)
- Bacon Rind (S)
- Curnow Canyon
- Chantry Flats
- Grey Van
- Peak (E-W)
- Sage Flats
- Quaking Aspen
- Wilcox Ranch (Amy to Quaking Aspen)

OTHER ROAD WORK:

- Patch Ironwood (Twice)
- Patch Wilcox Ranch

OTHER:

- Ironwood Well Site Work

EQUIPMENT:

- None

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

RESOLUTION NO. F13-R1

AMENDMENT TO
COOPERATIVE AGREEMENT WITH THE
TRUCKEE MEADOWS FIRE PROTECTION DISTRICT (TMFPD)
FOR A PALOMINO VALLEY WATER SUPPLY

This is an Amendment to the Cooperative Agreement that was made and entered effective October 23, 2012 ("Agreement"), by and between the Truckee Meadows Fire Protection District ("TM") and the Palomino Valley General Improvement District ("PV").

WHEREAS, the parties are public agencies authorized by NRS 277.045 to enter into cooperative agreements for the performance of governmental services for each other;

WHEREAS, the parties have entered into the Agreement to establish a well and large vehicle access to PV's water and well, specifically a water truck fill station ("WTFS") as specified in PV's Special Use Permit No. SB10-009 obtained from and approved by Washoe County, Nevada, and now desire to amend said agreement.

NOW, THEREFORE, with full incorporation by this reference of all recitals set forth above, it is agreed between the parties to amend the Agreement as follows:

1. Paragraph 3 is amended to and shall read in its entirety as follows:

TM Payment. The parties agree that upon completion of PV's construction of the well, WTFS and appurtenances as defined above, PV shall tender to TM an invoice for the cost of construction and permits, supported with proof of costs, in an amount not to exceed \$42,500.00. TM shall pay to PV the billed amount of construction costs not exceeding \$42,500.00 within 30 days of receipt of the invoice.

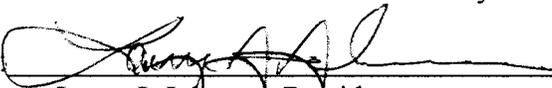
2. All other terms and conditions of the Cooperative Agreement remain in full force and effect.

BE IT FURTHER RESOLVED that this Resolution be spread at large upon the minutes or attached thereto.

Upon motion by Trustee, PETER SCHMALZER, seconded by Trustee MITCH GERLINGER the foregoing Resolution was passed and adopted this 18TH day of APRIL, 2013 by the following vote:

AYES: 5 NAYS: 0
ABSENT: 0 ABSTAIN: 0

Board of Trustees of the Palomino Valley General Improvement District

By 
Larry J. Johnson, President

SPECIAL MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, May 16, 2013

MINUTES

Larry Johnson called the special meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 4:35 p.m. Thursday, May 16, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Mitch Gerlinger, Dennis Magers, Peter Schmalzer, and Larry Johnson. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board; and Louie Test, Legal Counsel.
2. **Public Comment (limited to three minutes per speaker):**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. ***Retire to Closed Session:** Larry Johnson commented that employee Dan Schaufus received the notice of the closed session and would not be appealing his appraisal and therefore was not present. Dennis Goodsell made a motion to go into a closed session, pursuant to NRS 241.030, to review the performance appraisal of Operations Manager, Jim Hicks, and no action will be taken and discussion during the closed session will be limited to considering the character and professional competence of said employee. Peter Schmalzer seconded the motion, and hearing no opposition, the Board went into the closed session.

Reconvene for the Open Session of the Special Meeting.

Larry Johnson reconvened the special meeting at 5:35 p.m.

1. **Roll Call:** Dennis Goodsell, Mitch Gerlinger, Dennis Magers, Peter Schmalzer, and Larry Johnson. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board; and Louie Test, Legal Counsel.
2. **Public Comment (limited to three minutes per speaker):**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – April 18, 2013:** Peter Schmalzer made a motion to accept the minutes as written, and Dennis Magers seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:** Maureen Sidley explained there was one change to the [disbursements list] from the one she had emailed to the Board. She said she learned from Jim that the Carlisle's invoice was the same as the one paid last month, so it was removed. Peter Schmalzer asked if all the invoices for the Ironwood well had been paid? Jim Hicks said there will be another small bill from D & D [Plumbing] for hooking up the [block] heater. Jim confirmed there would not be another bill from the electrician, and the Palomino Propane payment was for the tank rental and

propane. Peter Schmalzer made a motion to pay the bills as submitted. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Maureen handed out an "Estimated Operating Funds and Expected Revenue" report that was prepared by Cathy Glatthar. Cathy explained that she and Maureen conferred on the report. Cathy reviewed the report and stated that the estimated \$100,000 net operating funds for capital improvements amount was up a little bit from the February report. She cautioned the Board that the nearly \$11,000 of ad valorem revenue that came in this month is unusual, and might replace the \$13,000 estimated revenue for July. Peter pointed out that the \$42,500 from Truckee Meadows Fire Protection District (TMFPD) should be added to the net operating funds because the bills had been paid. Cathy agreed and apologized for missing that. Peter then asked if the additional consolidated tax (CTX) money from TMFPD was accounted for in these numbers? Cathy said it was and pointed out the July and August CTX figures were \$4,700 higher than the previous months. In answer to another question, Cathy explained that the annual expected CTX distributions were divided by 12, so the monthly payments are, for the most part, equal [adjustments do occur for unexpected increases in sales tax revenue]. Maureen commented that in the summertime when income is low, basic expenditures are lower at \$24,000 per month based on a 4-month average. She remarked that Cathy had used a 12-month average of [\$33,500].

5. Action Reports:

a. Road Committee - Road Repairs and Maintenance: Larry mentioned that he noticed Jim Hicks had graded Ironwood and Wilcox, and said it's a nice riding surface. Peter Schmalzer said two corrugated culverts are [exposed] on Ironwood. Jim said many culverts were not installed deep enough.

- Review and Possibly Award Contract for 2013 Road Rehabilitation Program

Larry explained that when he and Pete met with the contractor [Sierra Nevada Construction (SNC)], the contractor suggested combining the repairs and the slurry seal into one contract. Larry said contract documents were typed up by Cathy and Maureen had the [notice to bid] published in the newspaper. Larry further stated he took contractors on site visits to each of the areas to be worked on. Only two bids were received today by 3:00. Larry said with the economy, there were only two contractors left who could do this work. Larry handed out the bids, and commented that there was a tremendous swing between the bids: Intermountain (a subsidiary of Granite Construction) \$163,572 and SNC \$93,007. Larry explained the bid proposals had two cost levels: 1) A lump sum cost to do the repairs and surfacing, and 2) Unit costs for micro-surfacing and slurry seal. The unit costs will allow for extending the surfacing where needed, with the intention of staying just under the \$100,000 budget.

Mitch Gerlinger expressed concern with overruns like we had last year, and suggested no additional work be added until we know the repair work will not exceed the bid amount of \$93,000.

Louie Test mentioned that contracts for \$100,000 or more must be at prevailing wages, and cautioned the Board to keep that in mind.

Maureen explained the reason the \$200,000 is in the bank account was the sale of the [Employers Insurance] stock some years ago. She expressed her concern

about the bank balance going down, because she has been with the GID when there wasn't enough money to cover payroll. Larry agreed that we can't allow our reserve to fall remotely to those levels. He continued and said he takes exception to decisions of past Boards to sit on hundreds of thousands of dollars and drive through mud and rock. He said he believed it was the Board's fiduciary duty to improve these roads to the limits of our budgeting abilities, but at the same time have sufficient reserves. Peter mentioned Maureen gave him the bank balance from last May and we've gone down about \$100,000. He said that was with a \$170,000 program last year, and we are getting \$42,500 reimbursed by the TMFPD, so that \$170,000 expenditure last year only reduced our bank balance by about \$60,000. He continued and said about \$110,000 of what was spent last year was sustainable and \$60,000 was unsustainable. He said our revenues will come in more evenly throughout the year now that more of it is coming in as CTX than as ad valorem. He concluded that a \$100,000 program is sustainable. Larry suggested the Board authorize the Road Committee to spend [just under] \$100,000 on the program, and not extend the contract until all the extras are identified and then make the decision to extend the contract.

Larry read the scope of work as outlined in the construction bid documents:

Axe Handle Road

Patch potholes with micro-surface mixture. Apply prime coat and chip seal to south shoulder deterioration near 5200 Axe Handle Road. Apply prime coat and chip seal full width (18') for 925 lineal feet (LF) in upper section, followed by micro-surfacing of this same 925 LF interval.

Ironwood Road

Apply prime coat and chip seal to the following:

- North shoulder 305 LF extending east from cattle guard
- South shoulder 810 LF on curve, as marked
- North shoulder 250 LF at BLM entrance, as marked
- Intersection of Little Ironwood Road, as marked

Apply micro-surfacing from cattle guard 305 LF east.

Apply Type 3 slurry seal to remainder of chip seal surface (4975 LF x 20' wide).

Range Land Road

Patch potholes with micro-surface mixture. Apply prime coat and chip seal to both north and south shoulders to create a 20 ft wide surface. Apply micro-surfacing to entire chip sealed surface (20 ft wide x 4420 LF).

Whiskey Springs Road

Patch potholes and transitions of existing chip seal surfacing with old pavements with micro-surface mixture. Apply chip seal to north shoulder near Sage Flats

Road and 1200 Whiskey Springs Road (1.5 ft wide x 1550 LF). Apply prime coat and chip seal full width in swale near Wild Horse Road and the intersection of Wild Horse Road and Whiskey Springs Road. Apply micro-surfacing from edge of State Route 445 Right-of-way 1500 LF east. Apply Type 3 slurry seal full width approximately two (2) miles as directed by Owner.

Peter suggested having the contractor start with Range Land because there are more uncertainties, and then they'll know if there will be any extra funds available to extend the contract.

Mitch Gerlinger made a motion to accept the bid from SNC and authorize Larry Johnson to sign the contract with the scope of work as stated in the proposal with the option to extend. Dennis Magers seconded the motion. Hearing no opposition, the motion passed.

Larry thanked all those who helped with the construction documents. Peter mentioned that Larry did most of the work with a little help from others. Larry asked Jim to email the bids to the Board. He said he would contact the two contractors and let them know their status. Larry talked about the construction schedule, and said SNC will start sometime between May 27th and June 3rd.

Larry commented that people have been amazed at what has been done, and have asked where the money came from. Larry explained that this amount of money may not be available every year. He said almost everyone has been disappointed that this hasn't been done before, but he said he has explained to people that past Boards didn't have this technical expertise. He expressed his admiration for Harold Shotwell for having served on the Board for 12 years.

Peter said the people who own the horse facility on Whiskey Springs mentioned possibly paying for chip seal to be done on Little Ironwood. Mitch had Ron Olson's phone number, and Larry agreed to call him.

Larry concluded the road report by mentioning the \$42,000 buffer and wanted the Board to think about budgeting for Durablend and possibly having the roads watered just before people start coming home. Jim said it would cost about \$25,000 to put Durablend on Ironwood and Wilcox Ranch. Peter recommended just doing Ironwood. Jim said the problem is Wilcox is indicating more that it's coming apart than Ironwood. Dennis Magers suggested doing only part of Ironwood. Larry mentioned there is a buildup of the Durablend and if you skip a year, you may lose the benefit of that buildup. Dennis M. mentioned that Wilcox hill [aka upper Wilcox Ranch Road] was sprayed with Durablend last year and asked if that worked out and was it a worthwhile venture? Jim said it takes about three years to buildup enough Durablend in the soil so it lasts. He added that he thought it would be a good improvement for that area. Larry asked Dennis G., Dennis M. and Cathy what their opinions were since they drive that section? Dennis G. said it was slick this winter. Dennis M. agreed that it was slick, but the hill held up a lot better and the exposed rock was greatly reduced, and he felt it was worthwhile to apply the Durablend. Cathy said the road was slippery before the Durablend was put down. Jim asked if it was worse with the Durablend? Dennis M. and Cathy both said they didn't think so. Cathy said

recently it had rained early in the morning and when she drove down the hill, she was in first gear and had no problem. She did add that it would help if the drainage "escapes" were opened up. Dennis M. said he noticed flags were placed on the south side of road where the escapes are, and wondered if the phone company marked the phone line. Jim said they use the grader and "grade" in the escapes and have never hit the phone line. He commented that they couldn't grade the escapes last time they graded the hill because the ground was too wet.

Mitch asked about further "paving" and asked if Amy would be next? Larry said that will be based on the performance of the whole system, and if we get in a bind for dollars, the Amy route is shorter than the Ironwood route. Larry talked about the possibility of funding from other sources, such as gas taxes that Pete has been looking into. Or possibly the matching grant funds from Senate Bill 171; which we need to know if that moves [out of committee] and then we need to know from NDOT if our roads are public roads and if we are eligible for the grant funds. Larry said that if that's so, he will have to get bids for a half-a-million dollar project by July 1. Cathy spoke up and informed the Board that SB171 is an "exempt" bill, but it must be passed out of committee by May 29th or it "dies." Larry asked Louie Test to find out if we are eligible for this if it passes. Peter talked about the gravel section of Winnemucca Ranch and Olinghouse Roads which are county roads and the county gets State funding from gas taxes. He said he did some research and learned those roads are on private or BLM land. He said from what he found, those sections of road are not owned by the county, yet they collect gas taxes for those roads. Larry reiterated the need for Louie to determine if our roads are considered to be public roads and therefore making us eligible for the matching grant funds if the bill passes.

Larry then read a letter he wrote to Elwood Lowery, Chairman of the Pyramid Lake Paiute Tribe, requesting immediate removal of stray horses on private land throughout Palomino Valley due to life safety issues. Larry's letter cited the recent fatality that resulted when a motorcycle rider collided with a feral horse. His letter stated all wild horses in the Pah Rah mountains are under Tribal jurisdiction and responsibility, and requested immediate action be taken to remove the trespass animals from private lands and roadways. Louie Test asked how Larry knew these were the Tribe's animals? Larry responded that he researched it with BLM years ago, and BLM entered into an agreement with the Tribe that all horses in the Pah Rahs were Tribal horses and would be managed by the Tribe.

Larry reported receiving a letter from NDOT regarding safety improvements at the intersections of Pyramid Highway and Axe Handle and Whiskey Springs Roads. Larry reviewed the improvements being proposed, and at both locations, they would install a solar powered stop beacon, a stop ahead sign, an updated stop sign, and a double-arrow sign. Larry then read his response letter, which questioned why the most heavily used intersection in the District of Ironwood [Road] and SR445 was omitted. Larry's letter commented that the PVGID would much rather see NDOT construct a deceleration lane or grade and pave portions of the [Ironwood - SR445] intersection within their right-of-way. His letter described the dangerous road conditions at this intersection and mentioned the repeated requests for NDOT to address these safety issues, but to only be told that insufficient budget exists. Larry said he would copy Commissioner Bonnie Weber on this letter. Peter wanted NDOT to be aware that those two roads are chip sealed, and NDOT will need to be careful not to damage the chip seal when installing the signs.

b. Operations Manager's Report: Jim Hicks reported the International water truck was in the shop to have a new air compressor and fan hub installed. He reported on the progress at the Ironwood well site, and said the plumbers are scheduled to come out Monday morning to install the pipe from the propane tank to the block heater. He said BZ Electric will come out after the pipeline is installed. He mentioned the generator has a low charge voltage error when it is shut down, but the charge voltage is normal; CAT [Cashman Equipment] will be called out to check it. He reported the automation of the well will be done next week and he will contact Chief Moore to schedule a training and videotaping session.

6. Judicial/Government Affairs:

Louie Test did confirm that an exemption from the prevailing wage requirement does exist for contracts less than \$100,000. He added the State Legislature is trying to pass legislation that will get rid of the prevailing wage.

7. Old Business – Updates:

a. Wayside Yard Special Use Permit (SUP): Larry Johnson asked Jim if the hydroseed was being watered? Jim Hicks said it was, but nothing is growing. Larry wondered if it would germinate next winter after getting sufficient moisture. Cathy Glatthar mentioned we have until next February.

b. Ironwood Water Truck Fill Station: Cathy Glatthar supplied the Board with the cost-to-date of \$57,619 for the well construction since the signing of the agreement with TMFPD (in October 2012).

c. Public Hearing: Final Budget for Fiscal Year 2013-14: Peter Schmalzer made a motion to approve the final budget. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

d. Signage Subcommittee Report: Larry Johnson asked that this item be removed.

e. Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements: Larry Johnson said he had nothing this month.

f. Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards: Larry Johnson said he had nothing this month.

g. Board Member's Handbook (BMH): Cathy Glatthar handed out the updated list of resolutions and Resolution F13-R1 which added more funding from TMFPD for the Ironwood well construction.

8. New Business:

a. Revise BMH Policies for Performance Appraisals and Compensation: Cathy Glatthar handed out some proposed changes and asked the Board to review it and it will be discussed at next month's meeting.

b. Action on Closed Session: Peter Schmalzer made a motion to accept Jim Hicks' performance appraisal. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

c. Employee Compensation: Larry Johnson asked Maureen Sidley what was done

last year? Maureen responded that Jim Hicks received a 5% increase and Dan Schaufus received a 3% increase. Peter Schmalzer talked about the gap between Jim and Dan was narrower than Jim's responsibilities and capabilities would indicate. Larry stated that Dan's rate is where it should be for his position, but he thought Jim was underpaid for his supervisory capacity. Larry reiterated to Jim that it's been good working with him this year. Peter agreed and added that if Jim retired tomorrow they'd have a hard time filling that position at the salary Jim receives. Larry asked what the cost of living was for this year? Mitch Gerlinger looked it up and reported the government site showed 1.7 for 2013. Peter asked what is paid for PERS? Maureen said 23.75% of the gross. Mitch Gerlinger made a motion to give Jim Hicks a 5% raise and Dan Schaufus a 3% raise effective with the next pay period which begins on May 27, 2013. Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

9. Calendar Review: Cathy Glatthar reviewed the upcoming items:

- Maureen Sidley will be filing the final budget by June 3rd.
- The Auditor's letter of engagement will be signed next month.
- Cathy asked that when the Air Quality permit comes in for the two aggregate pits, she will copy it and email it to Community Development. Jim Hicks said it came in the mail today and handed it to Cathy.

10. Correspondence:

- Larry Johnson reported receiving an email requesting the washboard on Bacon Rind be fixed. Peter Schmalzer said he would draft a response and send it to Cathy to forward via the GID email account. Larry mentioned he will be meeting with a representative from Western Emulsions to discuss soil stabilization products. Larry said he would like to do a soil stabilization test section on one of the areas that washboards the worst. Peter expressed his opinion that Durablend is at the upper limit of cost effectiveness for soil stabilizers, and it may be cheaper to chip seal. Mitch Gerlinger said it might be worthwhile to stabilize before chip sealing. Peter asked Jim if Bacon Rind has ever been rolled? Jim said they haven't rolled Bacon Rind, but they have rolled other similar roads and there was no lasting benefit. Larry asked that Peter include in his response that once a smooth surface is created, people tend to drive faster and almost immediately the washboard will reappear. Jim mentioned asphalt grindings, if we could get them, would stabilize the road.

11. Public Comment (limited to three minutes per speaker):

Larry Johnson asked if anyone had any public comments? Hearing no requests, he moved to the next agenda item.

12. Board Member and Staff Items:

Cathy Glatthar reported receiving an Agency Review request for the special use permit application for the horse racing events on west Grass Valley Road. She said a response was sent in with the usual conditions of approval for such equestrian facilities.

13. Adjournment: Peter Schmalzer made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:20 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 04-15-13 to 05-09-13

ATTACHMENT: 05/16/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Right Hand Canyon
Wild Horse
Grass Valley (South of Whiskey Springs)
Amy
Grass Valley (W)
Grass Valley (E)
Bacon Rind (S)
Bacon Rind (N)
Prairie
Range Land
Grey Van
Rebel Cause
Amy (S)

OTHER ROAD WORK:

Patch Asphalt on Right Hand Canyon
Patch Ironwood

OTHER:

None

EQUIPMENT:

International Water Truck: Repair & Replace Compressor and Fan Hub

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, June 20, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:40 p.m. Thursday, June 20, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Mitch Gerlinger, Peter Schmalzer, and Larry Johnson. Dennis Magers was absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; and Cathy Glatthar, Assistant to the Board.

2. **Public Comment (limited to three minutes per speaker):**

Cathy Glatthar announced the organizational meeting for the Palomino Valley Volunteer Fire Station would be held on Thursday, June 27th at 6:00 p.m. Anyone interested in becoming a volunteer firefighter was encouraged to attend.

George Boyce asked if the contractor was going to come back and fix the washboard on the south side of Range Land near the culvert? He also commented that the slurry seal edge was uneven.

Larry Johnson explained that the slurry seal was placed with a "screw auger" and there will be "surges" of material; that is normal. Jim Hicks and Peter Schmalzer both said they drove the road and did not notice the washboard.

Larry Johnson asked if there were any further public comments? Hearing no requests, he moved to the next agenda item.

3. **Approval of Minutes – May 16, 2013 Open and Closed Sessions:** Dennis Goodsell made a motion to approve both the open and closed session minutes as written, and Peter Schmalzer seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley said this is the last month of the fiscal year and the GID is under budget in the Government and Highway expense categories, the Capital Outlay is right at budget, and Income is below budget by \$43,000. She explained the revenue comes in about three months in arrears, but she only expects to get somewhere between \$15,000 and \$18,000. Larry Johnson asked if we have received the reimbursement from the [Truckee Meadows Fire Protection District] (TMFPD)? Cathy Glatthar answered, "no." She said they are waiting to test the operation of the well and then they will make the payment. Larry then asked Jim Hicks when the test will be done? Jim said they want to run the well again and be sure it does not fail (due to a generator error) before they set up the test session with TMFPD. He said they ran the well yesterday and everything worked fine. He said CAT had been out, but their diagnostic equipment was not working. Peter Schmalzer said we should not pay Cashman for the service call. Cathy mentioned there is a bill from Cashman, but it's from last September. Maureen explained the bill was found in a desk drawer. Jim explained it was for the Wayside generator and it is a valid bill. Jim mentioned CAT was supposed to come out shortly after we purchased the Ironwood generator to run it and

test it, but they did not. Peter said if they had come out, it would have still been under warranty and they would have fixed the problem without charge back then. He said it would be worth a phone call to see if they will come out at no charge. Maureen mentioned the \$8,867.30 check for the insurance, which covers equipment, autos, liability, and workers' compensation. She said by joining the POOL/PACT we have saved thousands.

Larry stated a bill came in from Sierra Nevada Construction (SNC) for the base bid plus extra work that was authorized. He said SNC has not completed the work and they will not be paid until all the work has been completed. Maureen suggested paying the bill by the end of June in order to have the expense go against this year's budget.

Peter Schmalzer made a motion to pay the bills (excluding the SNC bill) as submitted. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Cathy said she received a response from the Treasurer's office about the \$11,000 ad valorem tax payment received in May. She said it is an extra payment and we will still get an end-of-year payment in July, which is estimated at \$13,000. Larry wanted to know how much money there will be to spend on additional road improvements? Maureen said she heard that there will be a special assessment by the Employment Security Division (unemployment fund) in order to pay the interest on the loan from the Federal government. She said an example was given and a company whose gross payroll for 2012 was \$175,000 would pay \$15,000. She said the GID's gross payroll last year was around \$100,000, which would be about \$7,000 or \$8,000. Larry said we'll wait to see what that assessment comes in at, and see what funds are available next month.

5. Action Reports:

a. Road Committee - Road Repairs and Maintenance: Larry Johnson thanked Jim for being there with the contractor on a daily basis. Larry then reviewed the work done by Sierra Nevada Construction (SNC), and as mentioned earlier, the work isn't finished. He said SNC still has to finished the slurry seal on Whiskey Springs. He said the work that has been done looks good. He commented that Range Land is better, but has underlying problems with the subgrade. Larry said experience has shown that from now on the process will be to chip seal and "Cape" [slurry] seal or micro-surface each section of road, instead of just chip sealing over dirt. Peter mentioned that subsequent applications could be just chip seal. Larry said we might micro-surface instead because of its self-leveling properties.

Larry then discussed the Durablend program for this year and proposed spending \$25,000 to do the following sections of roads: The 4 miles of dirt on Ironwood, the 3/10ths of a mile on Amy [between Ironwood and Wilcox Ranch], the first 2 1/2 miles of Wilcox Ranch [Amy to Quaking Aspen], and the Wilcox "hill" (about 1 mile) [Goodher to Mid]. Larry said this could be done next month and asked for approval from the Board. Cathy Glatthar talked about the section of Wilcox Ranch from Quaking Aspen to Goodher, which has had Durablend applied for the past two years. She wanted to know how much more it would cost to add that section so we don't lose the benefit of the previous two applications? Jim said it's 1.6 miles and fairly narrow and would cost about \$4,000. There was some discussion about whether or not to add this section of road. Note: At 40 minutes into the meeting the recorder failed.

Larry asked that before a motion is made on the Durablend program, he wanted to discuss Bacon Rind, both north and south. He said Bacon Rind washboards quickly after being graded and he wants to do some test sections. He proposed to grade, scarify/rip the surface, haul in either gravel or [asphalt] grindings (which may not be available anymore), grade it, and compact it. He proposed spending \$10,000 to \$12,000 on these test sections. After some discussion, Larry said he would get some cost estimates and have them for the next Board meeting.

Cathy and Maureen said they would provide an estimate of what the Board could spend on additional road improvements at the next meeting.

Peter Schmalzer made a motion to spend up to \$25,000 on Durablend for the approximately eight miles of roads discussed earlier and include Wilcox Ranch from Quaking Aspen to Goodher if there is money remaining. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Larry reminded the Board about the letter from NDOT [Nevada Department of Transportation] regarding the installation of safety improvements at Axe Handle and Whiskey Springs. He said his letter in response suggested safety improvements at the busiest intersection in the District, which is Ironwood and Pyramid Highway. He said the letter was copied to our County Commissioner, Bonnie Weber. He said Bonnie Weber is on the RTC (Regional Transportation Commission) and has discretionary funds (\$20,000) and is looking for ideas for an RTC project to benefit the District. He said he suggested improvements to the Ironwood Road intersection. Peter asked if we are in the RTC's District? He said RTC is an MPO (Metropolitan Planning Organization) and gets Federal funding to be used within its borders. He said the RTC may have a different border for Federal funds and another for other funding. Larry said he asked Bonnie Weber if RTC funds could be used in an NDOT right-of-way, and she said she would look into it. Larry added that when he spoke to the individual who sent the letter from NDOT, and she said she had some discretionary funds for safety improvements. Larry said he has invited her out to inspect the Ironwood intersection.

- b. Operations Manager's Report:** Jim Hicks reported all the equipment is working. Larry Johnson asked that the crew try to remove the boulders from the ditches.

6. Judicial/Government Affairs:

Cathy Glatthar reported SB171 [matching grant funds for public works projects] "died."

7. Old Business – Updates:

- a. Wayside Yard Special Use Permit (SUP):** Larry Johnson reported the Air Quality [permit] was sent to Planning and Development as required by the SUP. Cathy Glatthar mentioned that Roger Pelham acknowledged receiving the permit. Mitch Gerlinger asked if the hydroseed was growing? Larry said we should have 50% coverage by next February.
- b. Ironwood Water Truck Fill Station:** Larry Johnson said the well is operational and asked Jim if they are using it when they grade Ironwood? Jim said, "yes." Cathy Glatthar supplied the Board with the final cost-to-date of \$58,244 for the well construction since the signing of the agreement with TMFPD (in October 2012). Larry commented that the GID's portion was nearly \$16,000.

c. **Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson said he had nothing this month.

d. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he had nothing this month.

e. **Board Member's Handbook (BMH):**

- **Revise Performance Appraisals and Compensation Policies:** Cathy Glatthar handed out the proposed language and asked if anyone had any comments? Dennis Goodsell said it follows the NRS. Larry Johnson agreed and felt the new procedures were more appropriate. The Board decided to wait on approving the new language until Louie Test reviews it.

George Boyce asked how the Board determines raises?

Larry Johnson said the cost of living index is considered, and merit raises are available. He said the Board also considers industry standards for those positions.

8. **New Business:** None

9. **Calendar Review:** Cathy Glatthar reviewed the upcoming items:

- Maureen Sidley will have the Annual Fiscal Report published on or before July 1st.
- Cathy will inform constituents on the email list that they must re-affirm their desire to remain on that list.
- Jim Hicks will need to file the annual throughput/consumption figures for the Wayside gasoline fueling facility no later than July 20th. Cathy reminded Jim that AQMD will send him a form to fill out.

10. **Correspondence:** None

11. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if anyone had any public comments? Hearing no requests, he moved to the next agenda item.

12. **Board Member and Staff Items:**

- Maureen Sidley reported on July 1st, PERS [Public Employees' Retirement System] will be increasing from 23.75% to 25.75%, and the GID will have the option to pay the entire amount (which is currently being done) or reduce the employees' wages by 1.141075% to cover the 2% increase. She asked that this item be on next month's agenda, and said she would email the information to the Board for their review prior to the next meeting.

13. **Adjournment:** Peter Schmalzer made a motion to adjourn the meeting. Dennis Goodsell seconded the motion. Hearing no opposition, the meeting adjourned at 7:07 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 05-13-13 to 06-13-13

ATTACHMENT: 06/20/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Ironwood
Wilcox Ranch (Amy to Quaking Aspen)
Amy (Whiskey Springs to Ironwood)
Pasture View
Crazy Horse
Ironwood
Amy (Ironwood to Wilcox Ranch)
Wilcox Ranch (Amy to Quaking Aspen)
Roadrunner
Wilcox Ranch (Quaking Aspen to Mid)

OTHER ROAD WORK:

Patch Asphalt Right Hand Canyon
Patch Asphalt Whiskey Springs

OTHER:

Ironwood Well Site Work
Chip Seal Axe Handle, Range Land, and Whiskey Springs
Micro-surface Axe Handle, Range Land, Ironwood, and Whiskey Springs

EQUIPMENT:

None

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, July 18, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:35 p.m. Thursday, July 18, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Peter Schmalzer, and Larry Johnson. Mitch Gerlinger was absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; and Cathy Glatthar, Assistant to the Board.

2. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.

3. **Approval of Minutes – June 20, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley explained that the \$54,866.71 ad valorem income was not all ad valorem; that \$42,500 was from Truckee Meadows Fire (TMFPD) for the Ironwood well. She shared with the Board a Budget to Actual report for the year end [June 30, 2013], in which she estimated the outstanding income amounts. She stated less revenue came in from ad valorem, but more money came in from both CTX and Fair Share. She explained that with the TMFPD money, the GID will receive approximately \$50,000 more revenue than what was expected.

Peter Schmalzer asked about the outcome with the unemployment [special assessment] mentioned at last month's meeting? Maureen said it ended up only being \$42.

Peter then asked if the payment to American Truck and Trailer was for the International water truck? Jim Hicks said it was, and explained what happened. He said the truck has been repaired and it is back in the GID yard. Jim explained that they have to use both water trucks for the application of Durablend. Peter said he suspected the International water truck is overweight, and that is causing the ongoing problems. There was some discussion on this, and the outcome was the International is not overweight.

Peter questioned the Cashman bill for troubleshooting the generator [at Ironwood]. He asked if this was the time the technician came out and his diagnostic equipment wasn't working? Jim said yes, the technician was not able to pull up the history and see what happened when the generator failed. Jim said there are still some issues with the generator, but no code has come up. The Board discussed this further and, in conclusion, they decided to not pay the Cashman bill and asked Jim to contact them about the invoice and the unresolved problems with the generator.

Peter Schmalzer made a motion to pay all the bills, except for the Cashman bill. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Cathy Glatthar handed out an estimate of the operating funds through the end of August. Larry Johnson reviewed the handout, stating that with the expected revenue through August 31st of \$14,000, the net operating funds for capital improvements would be \$36,000. He said \$25,000 has been allocated for Durablend, leaving \$11,000. He said under the road report, he will present costs for improvements to Bacon Rind.

5. Action Reports:

a. **Road Committee - Road Repairs and Maintenance:** Larry Johnson stated Sierra Nevada Construction (SNC) did finish the "Cape" [slurry] seal portion of the contract. He said they submitted the bill and it was within the budget for the overall project. Larry asked Maureen Sidley for the check and said he would hand deliver it. Maureen asked Larry to get a clearer copy of the invoice for the records.

Larry stated the first application of Durablend has been done [approximately three miles of Ironwood Road], but he's not happy with the performance in some places. He recommended that those areas be re-sprayed. Jim said they can fix the bad spots, but he's unsure if the Durablend will work in those areas. Peter Schmalzer said those areas have failed because the fines are gone, and material needs to be brought from the Wayside yard and then re-spray. Jim expressed his concern about the volume [of Durablend] not being enough to penetrate and hold. Peter asked if EMC² could be applied first and then spray with Durablend? Jim explained that the two products are not compatible (a test section on Grass Valley was done years ago). Jim suggested applying mag-chloride first, leaving it for awhile and allowing it to pack down and then go over it with Durablend. Larry asked Jim to order the Durablend and schedule the completion of this year's program.

Larry then reviewed the costs for building some test sections on Bacon Rind. He reiterated that Bacon Rind is sandy and requires a high level of maintenance. He stated the cost for base material is \$5.50 per ton (with an account), trucking is based on an hourly rate for a round trip and will be approximately \$4.00 per ton. He said material and trucking together is about \$10.00 per ton, which equates to \$15.00 a yard. He continued and said for \$10,000, they could do two, quarter-mile sections, one on Bacon Rind north and one on Bacon Rind south. He explained there is another option and that is to use a reject material called "Class E" (at \$2.50 per ton); however, they have to obtain lab test results on this material first. After some discussion, Dennis Goodsell made a motion to spend up to \$10,000 on the Bacon Rind test sections. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

Larry reported on a complaint he received that he believed is outside of the GID's jurisdiction. He explained the complaint was received from 3025 Ironwood Road, and it had to do with signage. He said two parcels share a driveway - 3025 and 3050 - which is across from the eastern edge of the horse corrals. He said the owner of the house at the top of the driveway has put up a road sign that bears his name, ["Brinsko"], and it is off the GID's right-of-way. He said there was a medical emergency at 3025, an ambulance was called out, and the ambulance got confused because of the private drive sign and the address. He continued and said the owner's sister is the one who contacted the GID, and she wants the GID to make the Brinsko's remove their private road sign. Larry said he told the woman he would consult with the GID's legal counsel. Larry said he took pictures and measurements in case the GID becomes a defendant in a lawsuit, because the woman is going to

seek an attorney. Larry asked Cathy to email Louie Test on the matter. Cathy said she would pull up the maps and send them along with an email to Louie. She suggested having Louie write a letter to the woman and asked Larry for her name and address. Larry said he would get that information to her.

Peter then asked Larry the status of the RTC [Regional Transportation Commission] possibly making some road improvements at Ironwood and Pyramid? Larry said he did get a call from an RTC engineer, Brenda Lee, who has had discussions with NDOT [Nevada Department of Transportation]. He said NDOT is doing site and right-of-way surveys, and right now we are waiting. He said there was some discussion as to where NDOT's improvements end and ours begin. Larry thought it was at the cattleguard, but NDOT is not sure if it is. He concluded by saying NDOT is looking at the design of a better deceleration lane for the turn onto Ironwood.

b. Operations Manager's Report: Jim Hicks reported the International water truck has a few minor cracks in the tank and in the mounts, which will need to be welded. He said when they put down the Durablend, they ran both water trucks out of Wayside. He said at the end, the pump was down and had blown a fuse. He felt that indicated the well had cavitated. He said we went from pumping 200 to 225 gallons per minute, and now we are at 140 to 160 gallons per minute. He said they won't run two trucks out of Wayside in the future; that they did it this time so they didn't drive over the newly sprayed Durablend on Ironwood.

6. Judicial/Government Affairs: Louie Test was not present.

7. Old Business – Updates:

a. Wayside Yard Special Use Permit (SUP): Nothing at this time.

b. Ironwood Water Truck Fill Station: Covered earlier.

c. Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements: Larry Johnson said he had nothing this month.

d. Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards: Larry Johnson said he had nothing this month.

e. Board Member's Handbook (BMH):

- **Revise Performance Appraisals and Compensation Policies:** Cathy Glatthar handed out newly proposed language, and said Louie Test had recommended removing the text box which cited Nevada Revised Statute (NRS) 241.033 and inserting "or as amended" after the reference to the statute. Peter Schmalzer made a motion to adopt the proposed changes, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

8. New Business:

a. PERS Increase: Maureen Sidley reviewed the two options available to the Board to address the increase in PERS from 23.75% to 25.75%: 1) the Board can decide to absorb the 2% increase; or 2) the employee's pay can be reduced to cover the increase. Peter Schmalzer made a motion to absorb the increase, and Dennis Goodsell seconded the motion. Hearing no opposition the motion passed.

9. **Calendar Review:** Cathy Glatthar reviewed the upcoming items:

- Cathy asked Jim Hicks if he received the renewal form for the throughput/consumption figures for the Wayside gasoline fueling facility? Jim said he did receive it, filled it out and returned it.
- Maureen Sidley will file the Indebtedness Report on or before August 1st.
- Maureen will need to submit proof of publication of the Annual Fiscal Report no later than August 14th. Cathy mentioned an error with the State's Calendar of Events; it showed July 1st as the deadline for publishing the Annual Fiscal Report. The date should have been August 1st. Maureen said the report will be published next week.
- Maureen will submit the Quarterly Economic Survey by August 14th.

10. **Correspondence:** None

11. **Public Comment (limited to three minutes per speaker):**

Larry Johnson asked if anyone had any public comments? Hearing no requests, he moved to the next agenda item.

12. **Board Member and Staff Items:** None

13. **Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Peter Schmalzer seconded the motion. Hearing no opposition, the meeting adjourned at 6:45 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 06-17-13 to 07-11-13

ATTACHMENT: 07/18/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Quaking Aspen (O'Hara to Mtn Aspen)	Two Forty
Hockberry	Roadrunner
Quaking Aspen (Wilcox to O'Hara)	Rangeland
Bacon Rind (North)	Grey Van
Bacon Rind (South)	Rebel Cause
Grass Valley (West)	Broken Spur
Prairie	Wild Horse
Jackrabbit	Sharrock
Big Dog	Pasture View
Peak (North-South)	Ironwood
Peak (East-West)	

OTHER ROAD WORK:

Clean Ditches on Ironwood
Patch Ironwood

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, August 15, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:35 p.m. Thursday, August 15, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Mitch Gerlinger, Peter Schmalzer, and Larry Johnson. Dennis Magers was absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment (limited to three minutes per speaker):**

Otto "Bud" Lehmkuhl, 2100 Right Hand Canyon Road (RHCR), thanked Jim Hicks for the phone call about the roads, and thanked the Board for the chip seal. Mr. Lehmkuhl read his statement regarding the condition of Right Hand Canyon Road into the record (see attachment). He further commented about the weeds along Whiskey Springs Road needing to be removed.

Earl Burgin, 2300 RHCR, said the blind curve on RHCR is dangerous, especially for motorcycle riders like him. He said if the pavement was better in that section, it would not be so dangerous. He mentioned the pot holes on both RHCR and Whiskey Springs; it's especially dangerous at night on a motorcycle. He then commented that the weeds along Whiskey Springs Road are a hazard because the deer hide in them and can't be seen until they run onto the road.

Ron Covington, RHCR, asked when the funding comes in?

Larry Johnson said those types of questions will be answered later.

Ron Covington, then asked about the size of the area the GID handles?

Larry answered, 97 miles of roads.

Ron Covington, said he did not understand why when the road [Whiskey Springs] was repaved [chip sealed] why didn't the GID start at one end and go till they ran out of money? He mentioned State highways being repaved when they don't need to be, and why can't that pavement be used here?

Larry reiterated that answers to those questions will be given later in the meeting.

Ellen Baker, 2700 RHCR, said she lives near the end of the pavement where the big turn is and after a rain the soil washes down into that area and gets deep and holds the water for a long time. It's a dangerous curve and asked if something could be done?

Larry asked if there were any further public comments? Hearing no more requests, he thanked the citizens for coming to the meeting and moved to the next agenda item.

3. **Approval of Minutes – July 18, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley explained there is one more ad valorem payment due from the previous fiscal year [ended June 30, 2013]. She reported income of \$15,000 this month. As for the bills, she reported nothing outstanding except for the payment for Durablend.

Larry Johnson said there was a question about when the funding comes in and asked Maureen to explain to the audience what the sources of funding are and when they are received.

Maureen stated there are three sources of funding: Ad Valorem (Property Taxes); Consolidated Tax (CTX) (Sales and Use Taxes); and LGTA (Fair Share) (also Sales and Use Taxes). She further explained both the CTX and LGTA revenues come in monthly, but are approximately one month behind from actual collection.

Larry clarified that the [property] tax bills that property owners receive are itemized and the amount that goes to the PVGID is listed. He stated that is the majority of our funding. An audience member asked if that [money] is received once a year? Larry said there are four installments for the property taxes, and as payments are made, the GID receives its portion from Washoe County approximately one month later. Larry further explained that the GID is authorized and created by the State Legislature, and is a quasi-municipal agency with specific duties and responsibilities. He said our specific duties are strictly limited to maintenance of the existing roadways that were present when the District was created.

An audience member asked how many residents or non-residents pay the tax? Larry replied there are approximately 500 residences in the District and every private parcel is taxed. Larry then said the heaviest used roads are Ironwood, Whiskey Springs, Axe Handle, and Range Land. Mitch Gerlinger mentioned that Winnemucca Ranch Road is not a PVGID road; it is owned and maintained by Washoe County.

Maureen returned the discussion back to finances, and said the County and State give the GID estimates of the revenue and that is what is used to establish the budget. However, the actual revenue varies from those estimates and the Board works with the actual revenue received. Larry concurred and said since 2009, property values have fallen and so have our revenues. Larry mentioned there had been a large reserve built up by past Boards, and this Board made the decision to spend some of that reserve to benefit the citizens by making road improvements. He said that is why chip seal and slurry seal/micro-surface has been put down on the roads with the highest amounts of traffic, and benefit the most residents. Larry returned to financial matters, and asked if there were any more questions on finances?

An audience member asked what it costs per foot to do the chip seal? Peter Schmalzer replied 25 cents per square foot for the chip seal and the same for the micro-pave. Larry added that's 50 cents per square foot times 20 feet wide, equals \$10 per lineal foot.

An audience member reviewed the income received for the month and asked if it was correct that no ad valorem revenue was received? Larry said that's correct, the last [installment] was in March. Cathy Glatthar said the four property tax installment dates are August, October, January, and March. She explained the GID receives approximately 40% [of the annual total] about 30 days after the August due date. She said the next three installments, the GID receives about 20% of the property tax total. Larry added the reason it is loaded towards the front end is that some people pay their annual taxes all at once. Larry said the GID only gets a tiny fraction of the total amount property owners pay.

Larry explained that in the budget process, a reserve is kept because of unforeseen situations such as equipment repairs, flash floods, well failures, etc. He confirmed the amount is approximately \$70,000, which covers about two months of expenses.

Peter asked if there will be another payment for Durablend? Jim Hicks said the total for Durablend is about \$24,300, so there's about \$15,000 yet to be billed.

Maureen asked if the matter of the Cashman bill from last month was resolved? Peter asked Jim if the problems with the generator at Ironwood have been resolved? Jim said the problem still exists, even though another technician came out. He explained the problem with the generator and because no code is displayed, Cashman's technicians haven't been able to determine the problem. Maureen explained the payment this month is for the first bill that was held from last month and the new bill from this month. Cathy commented that Jim had questioned the trip charge on the first bill, and asked to look at the second bill to see if an adjustment had been made. Cathy reported that Cashman did not bill us for a trip charge for the second visit. After some discussion, Larry agreed to meet with Cashman and would take the check with him.

Peter Schmalzer made a motion to pay the bills. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Cathy Glatthar mentioned the Board needed to discuss an increase in the amount to be spent to purchase a four-wheel drive pickup truck, snow plow, and sander. Larry asked Jim if he was able to find these items for the allotted \$15,000? Jim said he had not. Larry then asked Jim to look into what's available at what cost and report back to the Board at next month's meeting. Larry explained to the audience there are some higher elevation roads that cannot be cleared of snow with the grader, so we are in need of a 3/4- or 1-ton pickup truck and a plow.

5. Action Reports:

a. Road Committee - Road Repairs and Maintenance: Larry Johnson said since last month's meeting, Durablend has been applied to Ironwood, Amy, and Wilcox Ranch (from Amy to Quaking Aspen and the hill between Goodher and Mid). Peter Schmalzer remarked that the Durablend is not holding up in some places on Ironwood. Jim Hicks said he believes the problem is the material [soil] in those areas won't hold the Durablend. In response to an audience member's question, Larry explained Durablend is a mixture of magnesium chloride [mag-chloride] and some polymers. He further stated it is not as corrosive as mag-chloride and it can be re-graded better in the winter time. He said we have yet to find a "cure all" material, and we are required to provide dust abatement. Peter said there are other products out there, but the price becomes high enough that it is not competitive with chip sealing. Mitch Gerlinger added that chip seal is the solution for dust control. Peter continued and explained the program: grading, basic maintenance, and the capital improvement plan, which is comprised of chip sealing and Durablend. He said this year's capital improvement plan is done; next year's plan will be discussed in February.

Larry explained the philosophy behind the chip sealing. He said for the first two miles of Whiskey Springs and the mile of Ironwood, the chip seal was placed directly upon the existing dirt subgrade. The performance wasn't what was expected, so a "Cape" seal was applied. So far, it appears to be very durable. He cautioned that it is a thin surfacing and not a pavement. This relieves our road crew from having to grade

those areas regularly. Chip seal/Cape seal does not last like a pavement; after about five years, it will need to be resurfaced. Larry mentioned that a road maintenance manual will be developed so future Boards will know what steps to take each year to evaluate the roadways. Even with the technical expertise on the Board, we still are trying to see what works best with our limited budget. Peter stated we will extend the chip seal network, but in five to seven years, we will need to begin the resurfacing program (i.e. the first chip sealed section will need to be resurfaced).

Larry informed the audience that a road committee was formed with Jim Hicks, Road Supervisor, Peter Schmalzer and himself. The GID website (pvgid.com) provides an email address for requests for maintenance and Jim's phone number. The road committee meets every Monday morning and reviews those requests, prioritizes them and gets them done. He explained that Right Hand Canyon Road (RHCR) will not be paved, but they will do a better job of filling pot holes.

The conversation turned to the [weeds] along Whiskey Springs Road. Peter said we haven't done mowing in the past. Larry clarified that we do not have a mower. After some discussion, Larry asked Dennis Goodsell to look into options including contacting the County, the State, and/or the University's Department of Agriculture regarding noxious weed control programs that might be available. Jim Hicks mentioned there is the issue of disposing of the weeds once they are cut down.

Larry addressed the RHCR residents and talked about options for the road. He said pavement costs about \$80,000 per mile and there's not enough money to do that or a special assessment district could be established, but he didn't think they would want to have to pay \$30,000 to \$40,000 each to pay for pavement. He said there are no good solutions to take care of those areas with the deteriorating pavements. He explained that asphalt pavement normally has a 20-year design life and those pavements were put down in the '60s and '70s. He asked the audience if the work the GID performed last year with the "dirt veneer" would be acceptable if it was graded at regular intervals? Several audience members said it was acceptable and worked well for awhile until the pot holes started to appear again. Larry said if that was an adequate solution for them, the GID will grade it on a more frequent basis.

An audience member said he lived on a BLM road in Oregon and the residents used post hole cement mix to fill pot holes and they lasted for years.

Jim Hicks reported they have looked at the road, and they will need to stabilize the dirt with Durablend in order for it to last.

Larry explained that they have conducted a number of tests - pulverizing and scarifying sections of the old pavement - and it was not successful. There are a number of solutions that are just not available to the GID because of the cost.

An audience member volunteered to help fill pot holes. Louie Test explained there are liability issues, so volunteering is not permissible.

An audience member asked how many people are on the road crew?

Larry answered, "two."

Larry then addressed an audience member's question that if there are two guys on the road crew, what do [the Board members] do? Larry said they don't get paid; they volunteer their time to sit on the Board even though they are elected in the general election.

An audience member remarked that going to a four-day work week was a wise decision.

Larry wanted to clarify that we do not have legally enforceable speed limits on our roads. We do have "advisory" speeds posted. The downside to the improvements made over the past few years, is that people drive at freeway speeds and now we have new sets of complaints, such as the roads are not wide enough. When you are meeting someone at 70 miles per hour, no, the roads are not wide enough. The roads are perfectly safe at the 35 miles per hour recommended speed. These roads are what we inherited decades ago, and we don't have the money to widen the roads. He asked that everyone please drive sensibly.

Larry concluded by telling everyone on RHCR the GID hears you and the Board will do their best to address your issues, but there is only so much they can do with the dollars, the staff, the equipment, and the time that is available. He thanked everyone again for coming.

- b. Operations Manager's Report:** Jim Hicks reported the Wayside generator is throwing a non-fatal code, that they believe is a sensor. Larry asked about the well performance on Wayside? Jim said it has been down considerably to about 180 gallons per minute. He said he has been in contact with the Fire Department and he is waiting for them to contact him back.

6. Judicial/Government Affairs: Louie Test said there was nothing to report.

Larry mentioned the Ironwood sign issue that came up last month that requires Louie's attention. Larry said he will get with Cathy to clarify who's involved and then have Cathy relay the information to Louie for review.

7. Old Business – Updates:

- a. Wayside Yard Special Use Permit (SUP):** Larry Johnson said we may end up having to redo the hydroseeding and this time we'll need to install a temporary irrigation system in order to guarantee success.
- b. Ironwood Water Truck Fill Station:** Covered earlier.
- c. Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson said he had nothing this month.
- d. Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he had nothing this month.
- e. Board Member's Handbook (BMH):** Cathy Glatthar handed out the revised Performance Appraisals and Compensation policies, which were approved last month.

8. New Business:

- a. Actual Billed Real Property Tax Report:** Cathy Glatthar handed out the report and explained that the amount actually billed by the Treasurer's office was \$26,209 less than what was estimated for budgeting purposes. She explained she did a comparison of prior years' billed to budgeted, actual to budgeted, and actual to

billed. For the prior two years, 2012-13 and 2011-12, the actual to billed was higher by \$30,164 and \$24,582 respectively. She theorized that "Centrally Assessed" ad valorem revenues were offsetting the differences between the projected and the billed ad valorem taxes for the properties within the District. She explained that centrally assessed ad valorem taxes are "related to the operating property of an interstate or intercounty nature, such as those owned by airlines, railroads, telecommunications, electric power, gas pipeline, private carlines and water companies." Cathy reminded the Board that we received an unexpected \$11,000 in ad valorem revenue in May. She questioned the source of the revenue, and learned from the Treasurer's office that the centrally assessed amount was higher than expected in the fourth quarter.

Peter Schmalzer asked if companies like the phone company pay ad valorem taxes on their infrastructure? Cathy said, "yes." She added that a new [company] coming online is the Ruby Pipeline, which is a natural gas pipeline from Wyoming all the way to Oregon.

9. **Emergency Item:** Larry Johnson stated he received a request from the De La Luz Horse Racing Event promoter to use a GID water truck fill station to obtain water for dust control on Grass Valley Road for their event on August 24, 2013. Mitch Gerlinger made a motion to add this matter as an emergency item to the agenda. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Veronica Cortes introduced herself and said she was representing the Rancho De La Luz Horse Races (a sole proprietorship), not to be confused with the Mexican Rodeos off of Winnemucca Ranch [Ernie Lane]. She explained that one of the conditions is that they water Grass Valley Road from Pyramid Highway to 6205 Grass Valley Road before the event and after the event. They have two upcoming events, August 24th and September 28th.

After some discussion, it was determined that 2 1/2 miles of roadway would need to be watered, which would take about 20,000 gallons of water which equals 5 truck loads.

Louie Test advised the Board to develop a policy that would include the following conditions:

- Only a licensed contractor could access the site to fill water trucks
- The contractor must provide proof of liability insurance
- The GID be named as an additional insured on the proponents liability insurance
- A "Hold Harmless and Assumption of Risk" agreement be filed with the GID
- Water could only be used on GID-maintained roads

Louie cautioned the Board to be watchful of their water rights and be sure these agreements would not cause them to exceed their allocation.

Louie felt there needed to be some compensation for the cost to pump the water (generator fuel), not the water itself since they are watering a GID-maintained road.

Louie asked what the liability insurance limits were? Ms. Cortes said she thought the limits were \$1million/\$3 million.

Peter Schmalzer made a motion to approve the use of the Wayside water truck fill station for the two aforementioned events, provided the above listed conditions are met and a Board policy be drafted for future requests. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

Dennis Goodsell signed the Washoe County business license sign off sheet, which signified the GID was aware of the events and the conditions.

Larry asked Cathy to collect the documents from Ms. Cortes prior to the event.

10. **Calendar Review:** Cathy Glatthar stated there were no items for the month of September.

11. **Correspondence:** None

12. **Public Comment (limited to three minutes per speaker):**

Marvin Reed, 2900 Right Hand Canyon Road, asked what road the horse racing water truck would use?

Larry Johnson replied Grass Valley Road, and, yes, they should water their haul route.

Larry asked Mr. Reed to supply Jim Hicks with an estimate to move a large boulder from the edge of Chieftan Road, because it is blocking the drainage way.

Larry asked if anyone had any further public comment? Hearing no requests, he moved to the next agenda item.

13. **Board Member and Staff Items:**

Cathy Glatthar said she wanted to follow up on a question that was asked by a resident. The resident wanted to know how wide was the stretch of Grass Valley Road from Pyramid Highway to the property where the horse racing events are held? Cathy reported that Jim Hicks measured the road and it is 22 feet wide.

14. **Adjournment:** Peter Schmalzer made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:30 p.m.

August 12, 2013

Otto Lehmkuhl
2100 Right Hand Canyon Rd.
Reno, NV 89510
775 560 5104

I want to thank Mr. Jim Hicks for a pleasant phone discussion regarding Right Hand Canyon Rd. Right Hand Canyon Rd. is approx 2 miles of pavement beginning at Whiskey Springs Road. The problem areas vary from side to side and right or left. Large pot holes exist and sand runs on to the road causing yet another problem. There are 33 homes; approx 100 residents; and I expect 75 vehicles and trailers.

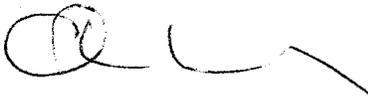
To my knowledge, there hasn't been any physical injuries to the passengers. Damage to the vehicles is prevalent.

There is a 'blind' and dangerous curve, and as the road continues to deteriorate I have concern regarding the safety.

As with other P.v. roads, we get our share of visitors, family, construction, delivery, emergency, school busses, and potential property and home buyers. I wonder what those motorists think of the road and how well it speaks of the area.

I am aware of the amount of roads in "Axe Handle", "Winnemucca", and Palomino Valleys requiring your attention. However, all I am asking, and believe my neighbors are as well, is for you to give serious concerns to Right Hand Canyon Road.

Thank you,



P.S. The weeds along Whiskey Springs Road create hiding areas for mule deer.

PVGID OPERATIONS REPORT

Reporting Period: 07-15-13 to 08-08-13

ATTACHMENT: 08/15/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Lost Springs
Amy (Whiskey Springs to Wilcox Ranch)
Amy (South of Wilcox Ranch)
Curnow Canyon
Bacon Rind (South)
Bacon Rind (North)
Sage Flats
Right Hand Canyon
Ironwood
Amy (Ironwood to Wilcox Ranch)
Wilcox Ranch (Amy to Quaking Aspen)
Wilcox Ranch (Goodher to Mid)

OTHER ROAD WORK:

Repair Culvert on Wilcox Ranch
Durablend Ironwood
Patch Ironwood
Mag-Chloride Ironwood Patches
Repair Storm Damage on Broken Spur
Durablend Wilcox Ranch (Amy to Q. Aspen)
Durablend Amy (Ironwood to Wilcox Ranch)
Durablend Wilcox Ranch (Goodher to Mid)

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, September 19, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:33 p.m. Thursday, September 19, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Mitch Gerlinger (arrived at 5:50 p.m.), Peter Schmalzer, and Larry Johnson. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment (limited to three minutes per speaker):**

Otto "Bud" Lehmkuhl, 2100 Right Hand Canyon Road (RHCR), thanked the Board for the work done on RHCR. He asked about the white patches on Whiskey Springs?

Larry Johnson said those holes were filled with "Sakrete."

Larry asked if there were any further public comments? Hearing no more requests, he moved to the next agenda item.

3. **Approval of Minutes – August 15, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley reported the first ad valorem payment [for the new fiscal year] was received. She said a bill came in late, and asked the Board to approve payment to American Truck and Trailer in the amount of \$584.89 for repair of the water truck. Larry Johnson and Peter Schmalzer reviewed the bills for the test sections done on Bacon Rind. Larry verified that Martin Marietta gave us the discounted rate of \$5.50 per ton for the aggregate base material. Larry explained that \$10,000 was budgeted for the project and approximately \$7,300 was spent. Peter asked if the payment to the State of Nevada, Division of Water was for certificates for water rights? Maureen said we did receive certificates for two of the water rights, which she thought were in the Wayside well. Cathy Glatthar offered to report on the status of the water rights at the next meeting. Dennis Goodsell made a motion to pay the bills. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

Larry gave Maureen two receipts for building permit plan check fees he paid and was reimbursed for in the amounts of \$336.21 (12/21/12) and \$788.24 (1/17/13).

Maureen mentioned the auditors are working on the audit. Larry said he needed to submit a statement to the auditor that he was unaware of any fraud or embezzlement.

5. **Action Reports:**

- a. **Road Committee - Road Repairs and Maintenance:** Larry Johnson reported on the Bacon Rind Road test sections. He said they mixed aggregate base into the native soils; the north section has performed well, but the south section is not

performing well. Peter Schmalzer agreed and said the south section has a lot of loose aggregate. After some discussion, the Road Committee decided to work on coming up with a solution for the south section. Larry acknowledged audience members Cynthia and Mark Agliolo, who live on Bacon Rind south. Mr. Agliolo commented that so far the test section is very nice and hasn't developed the washboarding as quickly as it has in the past. He asked if high speeds cause the washboarding? Larry said there are two factors: 1) sandy soils washboard faster than soils with some clay content; 2) number of vehicles and the speed at which they travel. Larry asked the Board to consider authorizing the remainder of the \$10,000 to add more material to that section if the Road Committee deems that as the appropriate approach. Jim Hicks reported that the north test section is just starting to washboard. Larry said it has lasted about 30 days, so that is better than in the past.

Peter reported there are slippage cracks in the chip seal on Range Land. He suggested filling those cracks with something to keep the water out.

Larry then reviewed a few requests for maintenance. Regarding Silver Horse, he questioned if that section of road was on the list of accepted roads? Cathy Glatthar said part of the road is maintained. Larry said he would check it out and determine where our maintenance ends. Larry then discussed the request to repair the cattleguard on Range Land and the "soft spot" on the south side of the intersection of Range Land and Grey Van. Jim Hicks said in that area the alkali needs to be replaced with material from the Wayside pit.

Cathy Glatthar mentioned the Parcel Map Review for a parcel near the south end of Grass Valley that is being divided into four lots. Larry explained the access to those parcels is from Amy to Sharrock. He further explained the mid-section of Grass Valley is interrupted by the turf farm, and this parcel is south of the turf farm. After some discussion as to whether or not the parcels fronted the PVGID-maintained section of Grass Valley Road, Larry said he would verify where maintenance ends in the morning and draft a letter to Grace Sannazzaro, Planner, as to the conditions of approval to be imposed by the PVGID. Louie Test said to be sure not to give the impression to the buyers of the parcels that if the road is not maintained in front of their properties, that it will be maintained if conditions are imposed.

Larry reminded the Board that at the last meeting he asked Marvin Reed give the GID an estimate to remove the boulder from the drainage way on Chieftan Road and improve the channel. Jim Hicks reported the estimate came in at \$1,000. Mitch Gerlinger made a motion to have Marvin Reed remove the boulder and reshape the channel to protect Chieftan Road for \$1,000. Peter Schmalzer seconded the motion. Hearing no opposition, the motion passed.

Mitch discussed the concrete patches on Whiskey Springs. He said the concrete is disintegrating and this doesn't appear to be an effective method. Jim reported the first mix used was a fast set mix and the second one was high strength. The consensus was the patches were too thin to hold up. Mitch asked if a load of asphalt patch could be dumped and then graded out? Peter said that is one of the options talked about in the past. Larry said the issue is about setting priorities and where to spend the limited funds. Mitch said his concern is the time the crew spends on patching the asphalt. Jim reported they do most of the patching in the Spring and then again in the Fall.

b. Operations Manager's Report: Jim Hicks reported the International water truck was taken in to the shop. He said the problem was the injection control sensor, which has been repaired. He said a turbine in the Ironwood well pump broke and must be replaced. He stated the pump will be repaired and re-installed on Sunday and it will cost \$6,945. He reported the 770 grader needed a new front tire and that cost \$670. He said they conducted a road survey and 42 roads need to be graded.

Mitch asked about the status of the Ironwood generator? Larry said he did go to Cashman and talk with them. He said they came out, but again the generator did not throw a code. He said there is a simple procedure to get the generator running, but the firefighters are not going to know that. He said we need to get the pump back up and running, then we'll work on the generator again. Peter asked what was the cost for NV Energy to put in 3-phase power? Cathy said she thought it was \$82,000 back in 2008.

6. Judicial/Government Affairs: Cathy Glatthar said there were some changes that came out of this past legislative session that pertain to the GID. She passed around a handout (see attachment) and reviewed the changes as follows:

- AB65 - Meeting notices (agendas) must include the name and contact information for the person designated by the public body from whom a member of the public may request the supporting material for the meeting.

Cathy proposed adding the following to the footer of the agendas:

"Supporting material may be requested from Cathy Glatthar, palvalgid@gmail.com or 775-848-6788"

Cathy also noted: Per NRS 241.020 subsection 5.: "The public body shall make at least one copy of the documents described in paragraphs (a), (b) and (c) [supporting materials] available to the public at the meeting to which the documents pertain."

- AB445 - Meeting notices (agendas) are to be posted on the official website of the State.

Cathy explained this bill requires the State to setup a system that will allow public bodies to post their agendas to the State's official website. This system is to be operational by January 1, 2014. This bill allows public bodies of local governments until July 1, 2014, to comply with the new requirement. She said this item will be added to the calendar of events so it is not forgotten.

- SB74 - Fees charged for extraordinary use of personnel to provide a copy of a public record have been reduced to 50 cents per page; and copies of minutes or audio recordings of public meetings are to be made available to a member of the public upon request at no charge.

Cathy asked Louie Test if this meant we could only charge 50 cents per page for photocopies and the time it takes to research and compile the records? Louie Test agreed; we can only charge 50 cents per copy and nothing extra for our time.

Regarding audio recordings of the meetings, Cathy commented that it costs the GID money to provide these copies and she hoped this would not be abused. She said she'd rather see the money spent on road work.

Larry reported the Ironwood sign issue has been handled. He said he gave the individual permission to post a sign with their house number and Ironwood Road within the GID right-of-way.

7. **Old Business – Updates:**

- a. **Wayside Yard Special Use Permit (SUP):** Larry Johnson said there is nothing new to report.
- b. **Ironwood Water Truck Fill Station (WTFS):** Covered earlier.
- c. **Rancho De La Luz Horse Races - Use of Water Truck Fill Station:** Larry Johnson said later in the agenda, he will review a policy for use of the WTFS that he drafted. He said they sent us a receipt for the rental of a water truck for their last event. Cathy Glatthar explained for their August 24th event, they were unwilling to spend the money for \$1 million/\$2 million limits of liability insurance coverage. She said in lieu of using our WTFS, they rented a water truck and used treated effluent from the City of Sparks. She said it was too late to look into whether or not treated effluent was allowed for dust control. She said the following week she contacted the Health Department and learned from the Director of Environmental Health, Bob Sack, that dust control is not an allowed use of treated effluent. She said she drafted an "Acknowledgement" that Louie Test has approved, and she will get it signed by the event operator. She reported that Veronica [De La Luz representative] told her they would have the higher limits insurance for their next event (September 28th) and will want to use the GID's WTFS.
- d. **Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson handed out his draft of the policy and procedure. He explained this amends an existing resolution [F92-R1]. After some discussion and explanation, some changes were made to the policy. Larry said he would make the changes and send the document to Cathy. Cathy said she will assign it a resolution number and have the final version for approval at the next meeting. Dennis Magers mentioned there is a new driveway going in on Ironwood Road that's on an upslope. Larry said he has to still get with the County so that these conditions are part of the building permit process.
- e. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he would have this for the Board's review next month.
- f. **Board Member's Handbook (BMH):** Cathy Glatthar handed out two updated pages: 1) Page 9 of Chapter III - Administration - Prevailing Wage Requirements notation was added to Requests for Bids Process section; 2) Appendix D - Updated Board of Trustees chart.

8. **New Business:**

- a. **Develop Policy for Use of Water Truck Fill Station:** Larry Johnson stated he drafted a policy for the Board's review. Cathy Glatthar handed out a list of the requirements Louie Test and Board compiled at the last meeting. The Board discussed the draft and made the following change to item 3: The user submits proof of liability insurance, in an amount not less than \$1 million per occurrence and \$2 million general aggregate, naming the District as "Additional Insured". Louie Test

read the "Hold Harmless and Assumption of Risk" agreement that will be used. The consensus was if the private party causes damage to a PVGID roadway, this agreement holds them responsible for that damage. Peter Schmalzer made a motion to accept the policy as amended. Dennis Magers seconded the motion, and hearing no opposition, the motion passed. Cathy said she will add this policy to the Board Members' Handbook.

9. **Calendar Review:** Cathy Glatthar said in October the Management Representation Letter from the auditor will need to be signed.
10. **Correspondence:**
 - Maureen Sidley said the auditing firm was divided up, so they are asking us to re-sign our contract under the new firm name of "Kohn and Company."
 - Water rights certificates
11. **Public Comment (limited to three minutes per speaker):**

Larry asked if anyone had any public comment? Hearing no requests, he moved to the next agenda item.
12. **Board Member and Staff Items:** None
13. **Adjournment:** Peter Schmalzer made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:20 p.m.

PVGID OPERATIONS REPORT
Reporting Period: 08/12/13 to 09/12/13

ATTACHMENT: 09/19/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Wilcox Ranch (Quaking Aspen to Goodher)
Grass Valley (W)
Pasture View
Prairie
Ironwood (Crossover/"Little" Ironwood)
Piute Creek
Twin Springs
Range Land
Rebel Cause
Ironwood
Crazy Horse
Yellow Tail

OTHER ROAD WORK:

Wilcox Ranch - Storm Damage Repair
Right Hand Canyon - Cover Deteriorated Asphalt with Dirt and EMC2
Bacon Rind (S) - Add Road Base to Front 1/4 Mile
Bacon Rind (N) - Add Road Base at Split 1/4 Mile
Broken Spur (N) - Add Dirt at Turn

OTHER:

None

EQUIPMENT:

None

2013 Legislative Session

Legislation Enacted that Applies to the PVGID

1. **AB65** - An Act relating to public meetings; revising provisions governing the provision of supporting material for meetings to the public.

NRS 241.020 regarding the content of meeting notices (agendas) was amended by adding subsection 2. (c) as follows:

The notice must include:

- (c) *The name and contact information for the person designated by the public body from whom a member of the public may request the supporting material for the meeting described in subsection 5 and a list of the locations where the supporting material is available to the public.*

To comply with this act, I propose adding the following to the footer of the agendas:

Supporting material may be requested from Cathy Glatthar, palvalgid@gmail.com or 775-848-6788
Visit the PVGID's Website at: pvgid.com

Note: Per NRS 241.020 subsection 5.: "The public body shall make at least one copy of the documents described in paragraphs (a), (b) and (c) available to the public at the meeting to which the documents pertain."

2. **AB445** - An Act relating to public bodies; requiring that notices of public meetings by public bodies be posted on the official website of the State.

This bill requires the Department of Administration to establish and maintain a location on the State's official website for the posting of notices (agendas) by public bodies. The Department is to have the locations on the State's official website fully operational by January 1, 2014. This bill allows public bodies of local governments until July 1, 2014, to comply with the new requirement.

NRS 241.020 subsection 3. (b) will be added as follows:

Minimum public notice is:

- (b) *Posting the notice on the official website of the State pursuant to section 2 of this act not later than 9 a.m. of the third working day before the meeting is to be held, unless the public body is unable to do so because of technical problems relating to the operation or maintenance of the official website of the State;*

This item will be added to the calendar so it is not forgotten.

3. **SB74** - An Act relating to public records; reducing the fees charged for extraordinary use of personnel to provide a copy of a public record; requiring a copy of minutes or audio recordings of public meetings to be made available to a member of the public upon request at no charge.

(a) NRS 239.055 subsection 1. will be changed as follows:

... if a request for a copy of a public record would require a governmental entity to make extraordinary use of its personnel or technological resources, the governmental entity may, in addition to any other fee authorized pursuant to this chapter, charge a fee not to exceed 50 cents per page for such extraordinary use. Such a request must be made in writing, and upon receiving such a request, the governmental entity shall inform the requester, in writing, of the amount of the fee before preparing the requested information. The fee charged by the governmental entity must be reasonable and must be based on the cost that the governmental entity actually incurs for the extraordinary use of its personnel or technological resources. The governmental entity shall not charge such a fee if the governmental entity is not required to make extraordinary use of its personnel or technological resources to fulfill additional requests for the same information.

(b) NRS 241.035 subsection 2. will be changed as follows:

Minutes of public meetings are public records. Minutes or audiotape recordings of the meetings must be made available for inspection by the public, and a copy of the minutes or audio recordings must be made available to a member of the public upon request at no charge, within 30 working days after the adjournment of the meeting at which taken. The minutes shall be deemed to have permanent value and must be retained by the public body for at least 5 years. Thereafter, the minutes may be transferred for archival preservation in accordance with NRS 239.080 to 239.125, inclusive.

Note: NRS Chapter 318 - General Improvement Districts, will also be updated to reflect this legislation (NRS 318.085 subsection 3).

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, October 17, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:34 p.m. Thursday, October 17, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Magers, Peter Schmalzer, and Larry Johnson. Dennis Goodsell and Mitch Gerlinger were absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment:**

Cathy Glatthar handed out a "Fact Sheet" (dated 10/2012) from Boeing regarding the history and status of the environmental cleanup project in Palomino Valley.

Larry asked if there were any further public comments? Hearing no more requests, he moved to the next agenda item.

3. **Approval of Minutes – September 19, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Magers seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley explained three items were added to the list of payments: 1. Tom C. Pratt, \$500 to mow the weeds along Whiskey Springs; 2. Power Plan, \$558.55 for a blower; 3. Envirotech, \$53.45. Maureen asked that the Board give her the option to hold the Envirotech check until she can contact them and find out what the invoice is for. She said it may be a late payment charge. Cathy Glatthar speculated that an invoice was not received for the last loads of Durablend. Larry Johnson asked what the bank balance was? Maureen said \$169,748.51. Peter Schmalzer made a motion to pay the bills and give Maureen discretion regarding the Envirotech payment. Dennis Magers seconded the motion, and hearing no opposition, the motion passed.

Larry clarified that the weeds along a section of Whiskey Springs were mowed after a number of residents pointed out there was a safety hazard with deer suddenly coming out of the weeds and onto the road. He expressed his belief that with Whiskey Springs being chip sealed, people are driving too fast and don't have time to react to animals crossing the road at night. Larry asked the Board to consider this as an annual maintenance item (maybe in June), and have the weeds mowed, if necessary, from Sage Flats to Grass Valley. Cathy said she would add it to the calendar.

5. **Action Reports:**

a. **Road Committee - Road Repairs and Maintenance:** Larry Johnson reported since the last meeting the crew had 42 roads to grade. Jim Hicks said they have graded more than half of those roads to date. Larry stated we have been plagued with pump problems with the Ironwood well, and the Wayside well has dramatically dropped and the well was shut down today at 50 gallons per minute. Jim added that he believes

the well is cavitating and must shut down the pump to prevent it from going dry, which will damage the pump. Larry said he will contact Mitch Gerlinger and they will determine where the static water level is and proceed from there. Jim said there is about 100 feet of casing below the pump, so the pump could be lowered another 60 feet.

Larry Johnson commented that this time of year, with the lack of moisture, the grading has a limited life. Larry asked if all the requests for maintenance had been addressed? Jim said yes. Cathy Glatthar asked to discuss Silver Horse. Jim said he determined that we should be grading to the end of the road, which is one mile. Larry asked Cathy to reply to the individual that we will maintain the first mile of Silver Horse. He then asked Jim to add Silver Horse to the schedule of roads to be graded.

Larry explained to the audience there is a system by which residents can make requests for road maintenance and they try to honor those requests and work them into the schedule.

Larry asked Jim if he had driven the two sections of Bacon Rind and how were they holding up? Jim said the north section is really good, and the south section is better than it was before, but it is loose and needs more material. Larry recommended that nothing more be done right now because the problems with the wells may cost a lot of money.

Larry then read into the record a letter regarding the maintenance of Curnow Canyon Road (see attachment). In the letter, the residents requested to be added to the agenda for the November 21, 2013 GID meeting, and invited a representative of the Board to attend their residents meeting on October 20th. Nancy Brown, a co-signer of the letter, was in the audience, and Larry asked her if she had anything to add? Ms. Brown said there are a number of new residents and many can't make the meetings. She said this would be a good opportunity for open communications and understanding. She said she hoped a Board member could attend their meeting. Peter Schmalzer said he would attend. Another audience member asked what is the website address? Cathy Glatthar said PVGID.com.

- b. **Operations Manager's Report:** Jim Hicks reported they replaced the rear tires on the International water truck, and the water pump broke, but they were able to repair it by making some modifications. He said the grader has had two flat tires, neither of which were repairable. He said the first flat was replaced with a new tire, and the second one was a used tire. He said new tires on the rear will probably be needed in the near future and will cost about \$2,800.

6. **Judicial/Government Affairs:** Louie Test had nothing to report.

Update on Deceleration Lane at Intersection of Pyramid Highway and Ironwood Road: Larry Johnson explained that Commissioner Bonnie Weber approached the Regional Transportation Commission (RTC), and asked that they install a deceleration lane at this intersection. He said the project is listed on the RTC's project schedule for 2014 (sometime between July 1 and December 31, 2014) at a cost of \$130,000. Cathy Glatthar asked about the area between Pyramid Highway and the cattleguard [on Ironwood], and whether or not it has been determined who owns it and who is responsible for maintaining it? Larry said Brenda Lee with NDOT is on vacation, but he will follow up with her on that issue. Cathy added that this is a problem at all of our major intersections with Pyramid Highway.

7. Old Business – Updates:

- a. **Wayside Yard Special Use Permit (SUP):** Larry Johnson restated that in order to comply with the SUP, we will probably have to re-seed the disturbed areas, and, will more than likely have to set up a temporary irrigation system. Larry suggested contacting Aspen Landscaping at 691-7722, and get their recommendation on how and when to proceed.
- b. **Ironwood Water Truck Fill Station (WTFS):** Covered earlier.
- c. **Amendment of Resolution F92-R1: Policy and Procedure for Driveway and Private Road Access to GID Roadway Easements:** Larry Johnson stated he had prepared a draft of the policy and Cathy Glatthar put it in resolution format. Larry said this was discussed at the last meeting and has been on the agenda for at least the past eight months, and asked if the Board was ready to approve the resolution? Peter Schmalzer made a motion to approve Resolution No. F13-R2 as written. Dennis Magers seconded the motion, and the Board voted unanimously to approve the motion.
- d. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he had a draft of this amendment, but wants to rework a few sections. He said he would get a draft out for review for the next Board meeting. He mentioned at the last meeting, he talked about the Parcel Map Review off of Grass Valley south. He reported that the GID's maintenance ended at the south border of the parcel. He said he submitted comments to Community Development which pointed out the GID has not accepted that section of Grass Valley Road for maintenance, and driveway entrances should adhere to the standards outlined in this policy amendment.
- e. **Board Member's Handbook (BMH):** Cathy Glatthar handed out updated pages which reflect the legislative changes she discussed at the last meeting. Larry Johnson commented that those changes were regarding providing minutes and audio recordings to the public, and this could potentially cause a hardship to the GID, because we don't have staff on salary to do this work and we can't recover the actual costs. Louie Test suggested we keep track of the costs and if it becomes something substantial, we could present that to the Legislature for reconsideration.

8. New Business:

- a. **Status of Water Rights:** Larry Johnson reported payment was sent for the second water rights permit and the certificates are pending. Maureen Sidley explained that one check was sent, and then the State Water Engineer called and said another payment was needed. She said the second payment was made, and the State ended up sending both checks back, saying the bills had already been paid. Cathy Glatthar reported she updated the water rights page for the BMH. She said the new page reflects the two certificated water rights; both of which are in the Wayside well - eight (8) acre feet and one (1) acre foot. She said she checked with Debbie Maurer of Tri State Surveying, and Debbie confirmed that the summary of water rights was correct. She said Debbie also verified that for the three remaining water rights, we must file for Proof of Beneficial Use (PBU) or a Request for Extension by November 26, 2013. Maureen Sidley will get the meter readings to Debbie for processing.

b. Review of Draft Audit: Maureen Sidley talked about a notation in the audit about expenses exceeding the budget in the Road Maintenance section. She explained that we were told by our now-retired State Department of Taxation contact, Tom Gransbery, that we have only one fund and therefore have to be sure our actual expenses don't exceed the total, budgeted expenditures. She explained she spoke with our new contact person, and was told that per a statute, we cannot exceed the budget in a particular ["function"]. Maureen said the auditor, Beth Kohn, said we should write a letter explaining what happened. Cathy Glatthar said she reviewed the statute referred to in the audit, NRS 354.626, and believed she found two exceptions that apply. She explained that the completion of the Ironwood well was not anticipated when the budget for 2013-2014 was drafted. She said because we entered into an interlocal agreement with the Truckee Meadows Fire Protection District (TMFPD) for the completion of the Ironwood well, we had additional expenses and additional income (\$42,500). Cathy read the exceptions contained in NRS 354.626. Maureen reiterated that a letter needs to be written and sent in with the audit. Maureen stated for the record that overall, the Board under spent the budget last year. For the sake of the audience members, Larry Johnson reviewed the history behind the interlocal agreement with TMFPD to provide a second source of water for fighting fires.

9. Calendar Review: Cathy Glatthar reviewed the upcoming items:

- Maureen Sidley will submit the Quarterly Economic Survey by November 14th.
- Maureen will work with Debbie Maurer at Tri State Surveying on the water rights PBU and/or extension applications prior to the November 26th deadline.

10. Correspondence:

- Letter regarding the maintenance of Curnow Canyon Road

11. Public Comment:

Marvin Reed, [hired to remove a boulder from the Chieftan Road drainage way] reported that he was unable to remove the boulder, because it appears to be "connected" somewhere; it would probably take dynamite. He said he did reshape the channel and moved rocks into position to armor the curve on the downhill side.

Larry Johnson asked if anyone else had any public comment? Hearing no more requests, he moved to the next agenda item.

12. Board Member and Staff Items: Larry Johnson reiterated the maintenance of Curnow Canyon Road will be placed on next month's agenda.

13. Adjournment: Peter Schmalzer made a motion to adjourn the meeting. Dennis Magers seconded the motion. Hearing no opposition, the meeting adjourned at 6:45 p.m.

Palomino Valley General Improvement District
Homeowners & Residents
of Curnow Canyon Road

October 7, 2013

Palomino Valley GID
P. O. Box 615
Reno, NV 89432-0615

RE: Agenda item request for the November 21, 2013 Board Meeting
Maintenance of Curnow Canyon Road

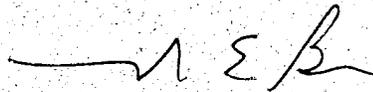
Palomino Valley GID:

The residents of the Palomino Valley GID that depend on Curnow Canyon Road for safe and dependable access to and from their homes have scheduled a special meeting on October 20th to discuss deteriorating conditions and maintenance of Curnow Canyon Road. Resident objective of this meeting is to go over our concerns, review the responsibilities of the GID and come up with recommendations to the GID to improve the road conditions.

This letter serves as a request to be added to the November 21, 2013 Palomino Valley GID board meeting to officially discuss the results of the resident meeting. Connie Paulo has graciously offered her home to host this resident meeting Sunday, October 20th at 2:00 p.m. If a representative of the board would like to attend please RSVP by calling Connie Paulo at 775-424-3233.

Our hope is to work together to address concerns and make improvements.

Regards,



Connie Paulo
855 Curnow Canyon Rd
775-424-3233

Nancy Brown
3500 Outback Lane
775-424-2503

CC: Larry Johnson, President
Dennis Goodsell, Vice President
Dennis Magers, Treasurer
Peter Schmalzer, Secretary
Mitch Gerlinger, Trustee

PVGID OPERATIONS REPORT

Reporting Period: 09-16-2013 to 10-10-2013

ATTACHMENT: 10/17/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Sharrock
Prairie
Ironwood (Graded "S" Turn)
Quaking Aspen
Grass Valley (E)
Right Hand Canyon
Bacon Rind (S)
Bacon Rind (N)
Chantry Flats
Pasture View (N)
Wild Horse (N)
Wild Horse (S and E)
Sharrock
Flagstone
Curnow Canyon
Grass Valley (W)
Big Dog

OTHER ROAD WORK:

Patch Asphalt on Whiskey Springs

OTHER:

Ironwood Well Pump Repairs

EQUIPMENT:

Grader - Two Flat Tires (On different days)
International Water Truck - Replace Rear Tires

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

RESOLUTION NO. F13-R2

AMENDMENT OF RESOLUTION NO. F92-R1
PROCEDURE FOR ACCESS TO DISTRICT RIGHTS OF WAY

WHEREAS, in 1992 the Board of Trustees established a procedure to be followed when any new construction resulted in a driveway, street, or road connection to any of the rights of way of the District;

WHEREAS, the current Board of Trustees has determined the procedure needed to be amended.

NOW, THEREFORE, pursuant to the powers vested in the Board of Trustees by Chapter 318 of the Nevada Revised Statutes, the following, amended procedure shall be followed in all new construction if said construction will result in a driveway, street, or road connection to any of the rights of way of the Palomino Valley General Improvement District (PVGID):

1. Plans or engineered drawings shall be submitted to the PVGID for approval prior to any road construction that connects with PVGID rights of way whether temporary or permanent.
2. Plans shall be drawn to a scale of not less than 1" = 100' and on paper not less than 11" x 17" in size.
3. Plans shall clearly indicate the location of the proposed connection with distance from nearest property corner on District roadway.
4. Plans shall clearly indicate the difference in elevation (in feet) between the proposed crown of the access road and the flow line of the drainage ditch and the crown of the District's road.
5. Drainage from upslope roadways or driveways shall not be allowed onto PVGID maintained roadways. Upslope drainage shall be handled by one of the following methods:
 - a. Construct and maintain a broad, gentle swale across the new access to perpetuate flows and match the grade of the roadside V-ditch of the PVGID maintained roadway. If cross slopes create unacceptable erosion potential, the swale shall be armored with four-inch (4") deep geocell filled with concrete or other methods acceptable to the District.
 - b. Install and maintain a minimum twelve inch (12") diameter culvert to perpetuate drainage and match invert of PVGID V-ditches. Larger diameter culverts may be required if PVGID ditches carry large flows.

The method will be selected by the District upon receipt of location information, site inspection by District personnel, and consultation with the applicant.

The new roadway shall exhibit a minimum four percent (4%) crown or cross slope and roadside V-ditches.

6. Connection to PVGID rights of way which are accomplished in the foregoing manner shall be deemed to be revocable encroachments permitted by PVGID so long as maintained by the owner thereof.

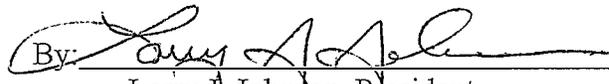
BE IT FURTHER RESOLVED that this Resolution be spread at large upon the minutes or attached thereto.

Upon motion by Trustee, PETER SCHMALZER, seconded by Trustee DENNIS MAGERS, the foregoing Resolution was passed and adopted this 17TH day of OCTOBER, 2013 by the following vote:

AYES: 3 NAYS: 0

ABSENT: 2 ABSTAIN: 0

Board of Trustees of the Palomino Valley General Improvement District

By: 
Larry J. Johnson, President

NOTE: This Resolution cannot be amended or cancelled without a vote of the PVGID Board of Trustees.

NRS 354.626

Unlawful expenditure of money in excess of amount appropriated; penalties; exceptions.

1. No governing body or member thereof, officer, office, department or agency may, during any fiscal year, expend or contract to expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, in excess of the amounts appropriated for that function, other than bond repayments, medium-term obligation repayments and any other long-term contract expressly authorized by law. Any officer or employee of a local government who willfully violates NRS 354.470 to 354.626, inclusive, is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment. Prosecution for any violation of this section may be conducted by the Attorney General or, in the case of incorporated cities, school districts or special districts, by the district attorney.

2. Without limiting the generality of the exceptions contained in subsection 1, the provisions of this section specifically do not apply to:

(a) Purchase of coverage and professional services directly related to a program of insurance which require an audit at the end of the term thereof.

(b) Long-term cooperative agreements as authorized by chapter 277 of NRS.

(c) Long-term contracts in connection with planning and zoning as authorized by NRS 278.010 to 278.630, inclusive.

(d) Long-term contracts for the purchase of utility service such as, but not limited to, heat, light, sewerage, power, water and telephone service.

(e) Contracts between a local government and an employee covering professional services to be performed within 24 months following the date of such contract or contracts entered into between local government employers and employee organizations.

(f) Contracts between a local government and any person for the construction or completion of public works, money for which has been or will be provided by the proceeds of a sale of bonds, medium-term obligations or an installment-purchase agreement and that are entered into by the local government after:

(1) Any election required for the approval of the bonds or installment-purchase agreement has been held;

(2) Any approvals by any other governmental entity required to be obtained before the bonds, medium-term obligations or installment-purchase agreement can be issued have been obtained; and

(3) The ordinance or resolution that specifies each of the terms of the bonds, medium-term obligations or installment-purchase agreement, except those terms that are set forth in subsection 2 of NRS 350.165, has been adopted.

↪ Neither the fund balance of a governmental fund nor the equity balance in any proprietary fund may be used unless appropriated in a manner provided by law.

(g) Contracts which are entered into by a local government and delivered to any person solely for the purpose of acquiring supplies, services and equipment necessarily ordered in the current fiscal year for use in an ensuing fiscal year and which, under the method of accounting adopted by the local government, will be charged against an appropriation of a subsequent fiscal year. Purchase orders evidencing such contracts are public records available for inspection by any person on demand.

(h) Long-term contracts for the furnishing of television or FM radio broadcast translator signals as authorized by NRS 269.127.

(i) The receipt and proper expenditure of money received pursuant to a grant awarded by an agency of the Federal Government.

(j) The incurrence of obligations beyond the current fiscal year under a lease or contract for installment purchase which contains a provision that the obligation incurred thereby is extinguished by the failure of the governing body to appropriate money for the ensuing fiscal year for the payment of the amounts then due.

(k) The receipt by a local government of increased revenue that:

(1) Was not anticipated in the preparation of the final budget of the local government;
and

(2) Is required by statute to be remitted to another governmental entity.

(l) An agreement authorized pursuant to NRS 277A.370.

(Added to NRS by 1965, 736; A 1969, 801; 1971, 1016, 1345; 1973, 68, 1155; 1975, 40, 279, 711; 1981, 1769; 1985, 648; 1987, 1720; 1995, 1908; 1997, 573; 1999, 833; 2001, 1812, 2324; 2003, 162, 802; 2005, 579; 2009, 432, 852; 2011, 1690, 2728)

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, November 21, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:32 p.m. Thursday, November 21, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Dennis Magers, Peter Schmalzer, Larry Johnson and Mitch Gerlinger. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.

2. **Public Comment:**

Connie Paullo, 855 Curnow Canyon Road, stated she has lived on Curnow Canyon for 17 years, and there are several problems she has noticed. She said the grading is not done properly, the road is too narrow in spots, and she is here to see if something can be done.

Lorena Dorrell, [300 Safari Court], said she moved out here in April of this year. She said she is appalled at the road conditions; they are narrow, heavily rutted, and they turn to goop at the slightest amount of moisture. She said she grew up in a farming community and dirt roads are nothing to her, but these roads are dangerous. The school bus is refusing to come near her home, because of safety concerns. She has a special ed child and she has to drive a mile to get to a bus stop. She said she is disabled and her husband can barely walk. She then stated she has never lived in a community that is rural where there is wildlife that can attack children. Her daughter initially had to be taken to a bus stop three and a half miles from their home. She was almost attacked by a coyote while waiting for the bus. She expressed concern for children who are dropped off at bus stops, who may be in danger of being attacked by wild animals. She said there are no shelters at the bus stops and this is because of the road conditions. She asked why has this been allowed to reach this level?

Larry Johnson said he would discuss this later in the agenda.

Greg Shuler, 400 Curnow Canyon, said he just moved in about two months ago, and in talking with other neighbors a lot of their concerns are that other areas in this county that are similar to ours, are being maintained better than ours. If it were just budgetary, why do other areas that are less dense, have roads that are 20 feet wide and ours are only 10? He said those inconsistencies are what are prompting a lot of contention.

An unidentified woman mentioned there are a couple of people who are not in attendance; one because that person worked for the GID and he felt [the Curnow Canyon] case would not be looked on favorably if he attended and he felt like he could not attend. She said another resident said they'd been fighting this for 15 years and they did not feel like fighting anymore.

Larry Johnson read a letter from Elizabeth Harrison, 700 Curnow Canyon, into the record (see attachment).

Larry Johnson asked if there were any further public comments? Hearing no more requests, he moved to the next agenda item.

3. **Approval of Minutes – October 17, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Magers seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:** Maureen Sidley explained the only unusual payment was the one to Knoblock for the Ironwood well. Larry Johnson added that bill was for essentially rebuilding the pump in the amount of \$18,000. Jim Hicks reported that is the final bill and the well is operational. Dennis Magers asked Jim if they discovered what was scuffing the wires? Jim said they think the casing has shifted slightly. Larry commented that this was a major hit to our budget. Peter Schmalzer made a motion to pay the bills. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

a. **Acceptance of Audit:** Maureen Sidley reported there were no adverse findings and it was a clean audit. She said a note explaining that the overage in expenditures was due to the Truckee Meadows Fire Protection District (TMFPD) partially funding the completion of the Ironwood well was included in the audit report. Dennis Goodsell made a motion to accept the audit. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

b. **Budget - Conversion to One Function:** Maureen Sidley explained we have one fund, but two functions: Government/Admin and Road Maintenance. She said we asked our liaison with the State Department of Taxation, Kelly Langley, if we could convert to one function. She then read the email response from Ms. Langley:

"After reviewing Palomino Valley GID budget I don't see any problems if they wish to combine the two functions into Public Works, as I agree with you that they only have truly one function. This wouldn't require augmentation of the 2014 budget, but it would require approval from the Board."

Larry Johnson said he thought there would be some real advantages to pursuing this change. Mitch Gerlinger said it would make for a cleaner budget. Cathy Glatthar suggested naming the one function "Public Works" since that is the term most commonly used by the legislature and other entities. Larry felt, by definition, that term was overly broad. Mitch stated we are statutorily limited to road maintenance. In answer to Peter Schmalzer's question, Maureen said the expenses would be combined under the single "Public Works" expense category on future "Profit and Loss" statements. Peter Schmalzer made a motion to convert to one function, "Public Works." Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

5. **Action Reports:**

a. **Road Committee - Road Repairs and Maintenance:** Larry Johnson started by explaining some of the history, the duties, and funding of the GID. He said after World War II, land was granted to military contractors for testing missile fuels. Some of those facilities are still in evidence. The defense contractor sold the land to McCulloch Oil. McCulloch named the area Palomino Valley, divided it into 40-acre or larger parcels, and sold those parcels. McCulloch built the roads to minimum

standards required to allow access to all parcels by two-wheel drive vehicles for part of the year. He said he believed the main collector roads (Ironwood, Whiskey Springs, Wilcox Ranch, and Range Land) were improved to a higher degree. Some of the roads were paved in the 1960s to early 1970s to access the defense contractor's sites (Whiskey Springs, Right Hand Canyon, and Axe Handle). McCulloch went to the County to form a General Improvement District. Larry mentioned the County used to have gravel road standards, but has since done away with those standards, because they will no longer accept gravel roads, only paved roads. At the time, the County would not accept the roads because they did not meet any standards - they were narrow, winding, and didn't have crowns or "V" ditches. Peter Schmalzer interjected that most of the roads didn't even have gravel; they were just dirt. Larry continued and said the GID was formed by approval of the [Board of County Commissioners in 1973]. The developer decided which roads within the District would be maintained. All remaining roads would have to be maintained by the lot buyer. Past GID Boards (elected by the [registered voters] of the District) have voted to accept additional roads for maintenance. There is a resolution stating what the standards have to be before the Board would consider accepting a road for maintenance. Today, the GID has approximately 95 miles of roadway to maintain, and that is done on an extremely limited budget. The budget is funded by approximately 50% from property taxes and 50% from sales taxes.

Peter explained that almost all roads in this country are primarily funded by gas taxes. The PVGID does not receive any gas tax revenue. That is one of the reasons why our road network is so underfunded. We have gone to the State and the County to try to get our fair share of gas taxes. Larry said it comes down to the definition of public roads. Our roads lie on easements. City and county roads are right-of-ways, and are therefore owned by the city or county.

Larry stated our budget has decreased significantly because property values have gone down, and because sales tax revenues have been down due to the recession. Past Boards have conducted traffic counts, and those counts have shown that Ironwood is the most heavily traveled road in the District with Whiskey Springs, Axe Handle, and Range Land following, in that order. The present Board has the philosophy to help the most people with our efforts whenever possible. The roads have been divided into categories 1, 2, and 3, with category 1 roads being those most heavily traveled, followed by 2 and then 3 being those roads with the least number of residents served. Larry said he wants the Board to review the level of maintenance designations for Curnow Canyon and consider increasing those levels. He stated the first portion of Curnow is a level 2, and the last portion is a 3.

Larry said the pavement done in the 70s had a 20-year life, and there was no feasible way to rehabilitate those old pavements to acceptable standards. We've made an attempt by cape sealing (combination of chip seal and slurry seal) portions of Axe Handle, Whiskey Springs, Ironwood, and Range Land. These improvements have reduced the miles of roadway that have to be graded. There is not enough money to pave the roads (\$200,000 per mile), so this is a relatively short term solution. The cape seal put on the lower section of Axe Handle cost \$50,000 per mile. We hope to get five years performance life from the cape seal and then we will have to cape seal again.

Larry explained in the summertime we have to meet air quality standards, which requires dust abatement. He explained we have two seasons: dust and mud. Dust palliatives are used on the dirt sections of the major collector roads to reduce the maintenance. Without the dust palliatives, the roads would require constant grading, and we don't have the manpower. Drawback is when it gets wet, it sticks to the underside of vehicles and we get complaints from residents.

Larry said the road maintenance crew keeps records of the roads graded, and our Road Supervisor, Jim Hicks, conducts surveys to determine which roads need to be graded, but with 95 miles of roads, they can't get to all of them. We have set up a website and a maintenance request procedure. He said a Road Committee was formed, and reviewed his and Peter's backgrounds in road construction and pavements. Larry reported the Road Committee meets every Monday morning and reviews any requests for maintenance, and prioritizes any safety-related requests.

Peter said a lot of people tell them they are not doing things right. He said we know that, but it's because we can't afford to. He said we are trying to find ways to make things better, but stay within our budget. Larry added that we inherited these roads that met no one's standards, and that's the problem.

Mitch Gerlinger informed the audience that we have a five-person, volunteer Board of elected officials and we have a [two-person road maintenance] crew. Larry added we own our own equipment, maintenance yard, and water wells. Water has to be used when grading and that can limit how much road is graded, because of distance and time to get back to the well site, fill up, and return to the grading site.

Larry talked about the GID's two production wells; one at Wayside and one at Ironwood. He said we received [\$50,000] from the defense contractor to put towards the wells. Ironwood well was dug, but not completed until this year after the TMFPD partially funded the construction of the well site. Larry reiterated that \$18,000 had to be spent to repair the Ironwood well pump; that's equivalent to a quarter of a mile of cape seal that won't be done next year. Fortunately, the Ironwood well is up and running, because the Wayside well is down due to the past three years of drought.

Larry said we have people show up to these meetings and ask: Why isn't my road paved? Why isn't it 20-feet wide? Why isn't our road gravel? How come it's muddy or washboard? And, when possible, and with you folks tonight, we're going to do our absolute best to address your issues. He told the audience he really welcomes their input and comments; we're all in this together.

In response to Connie Paullo, Larry set up an appointment with the Curnow Canyon residents to look at the road and examine the widths, culverts, etc. and come back to the Board at the next meeting to discuss his findings and recommendations.

Discussion continued on various matters relating to Curnow Canyon including: widening the road may pose problems with the phone company's buried cables; trees overhanging the road are the responsibility of the property owner; some of the problems are related to speed and people need to slow down; it's a zero sum gain - what is done for Curnow Canyon, takes away from another area.

Mitch added that this is a relatively new Board and no one should feel like they can't approach the Board. Peter and Larry agreed. Larry said he takes exception to anyone saying they will not be treated fairly by this Board. He said a lot of people buy houses out here and have unreasonable expectations. They don't do their homework, and they don't research what the roads are like in the wintertime.

Bonnie Weber, Washoe County Commissioner, said she is the Chairman of the Regional Transportation Commission (RTC) as well. She asked if there were restrictions on what Lenora [Dorrell] was here for: school buses? She wanted to know if the GID has to make accommodations for folks who require school buses or does the school district have to do that?

Larry answered that the school district drove the roads forty years ago and established the bus stops. It is then up to the buyer and homeowner to get their children to the designated bus stop.

Lenora Dorrell said the school district says they cannot get close to her home because of the road conditions.

Larry said that is why they established those bus stops 40 years ago, because they could not safely get the school buses past those points. Larry said he's not unsympathetic, but people have to accept some responsibility and ask where does the school bus stop. Before you buy a home out here, you should ask what level of maintenance there is and at what point am I responsible for maintaining the road to my house.

Lenora Dorrell said the grader skips over the section of Wilcox Ranch Road from Goodher to Mid, and Mid Road is maintained better than Wilcox Ranch. She said nobody lives on Mid and the only people who access Mid is herself, because she lives on Safari Court off of Mid.

Dennis Magers said Mid Road is in such good shape, because there isn't any traffic.

Lenora Dorrell said she doesn't ask the GID to maintain Safari Court, and she doesn't expect the bus to come all the way to her house, though she has a legal right under Federal law to have a special ed bus come to her house to pick up her child. She said it's not because of her road, but because of Wilcox Ranch Road between Goodher and Mid, which she believes is a level 2 section. She also said in the seven months that they have lived here, they have only seen it graded one time. She said the grader drives over the top of that road several times without ever touching it.

Cathy Glatthar said they have no reason to go over that road without touching it, because that is the end of maintenance.

Jim Hicks reported that section of Wilcox Ranch has been graded three times this year.

Lenora Dorrell said it's in sorry condition again, and there are pot holes deep enough that it caused a blowout on her truck.

Larry said after these storms, every road in the system is in sorry condition.

Lenora Dorrell said she was more concerned not about her tire, or her truck, or her inconvenience of having to take her children to a bus stop that is quite a distance from her home, but rather the safety of everybody's children. How many people drop their children off at a bus stop because they can't sit and wait?

Dennis Goodsell said years ago, the school bus came all the way to the intersection of Wilcox Ranch and Tree Farm, and that was the same bus driver that was parked at Mid Road two days ago.

Lenora Dorrell said she had to threaten legal action to get them to come up to Mid Road in good weather. She said one time that section of road was graded slightly wider, so the school district agreed to have the bus go up to Mid.

Larry addressed Ms. Dorrell and said he wanted to clarify a few things. He said in the wintertime he didn't blame a school bus driver one bit for not wanting to go past Goodher, because going to Mid Road is up a pretty good, winding grade with clay soil with boulders/cobbles sticking through. Yes, it is a very difficult road. It is what we inherited. Safari Court between Mid Road and your residence, quite frankly, following a storm, almost takes a chained, four-wheel drive to get through. We cannot remove the hill.

Lenora Dorrell said even during summer conditions she had to battle [the School District] to get them up the road, because they said it was unsafe then, because it was poorly maintained, narrow, and had blind spots. However, she understands the Board faces extreme financial difficulties, that there [is a] lack of public easements that affect the roads, but what can be done to address these. She said she refuses to believe that there is not some other way to address these, besides handing out excuses.

Larry asked if they had sufficiently addressed Curnow Canyon? A few audience members were waiting until the agenda item [8. a.]. Larry asked them to speak now.

Steven Brown wanted to know if they could get the unsafe sections of Curnow back to a safe condition? He mentioned he had a tractor with a box scraper and said he would go out and smooth the road on occasion.

Louie Test said the GID cannot authorize individuals to work on the roads.

Larry reiterated he will meet them in the field; they can point out the trees that need to be removed and the GID can inform the property owners that the trees need to be removed; road widths, culverts, etc. will be looked at.

Bill Ford, 855 Curnow Canyon, said there are problems with the "V" ditches and the culverts.

Peter Schmalzer said that goes back to we know how to do things right, but it takes a long time to cut ditches compared to grading the surface of the road. When this Board first started, they were pushing hard for improving crowns and improving ditches, specifically to get that water off. He said that was a big pet cause of his, and found that in the process of doing that, we got so far behind on all the rest of the grading that the rest of the network was falling apart. They had to change focus and be sure the collectors were good, and then free up the grader to handle some of these drainage projects and we haven't built up enough time yet. He talked about their letters mentioning that the culverts don't flow, and said he'd guess that less than a quarter of the culverts across GID roads actually flow water. The culverts were not put in right to begin with. He said we have the equipment and the knowledge to correct them, but ...

Bill Ford interjected with some comments on the "V" ditches.

Peter explained that there is very little width to work with, so either the "V" ditch is built into the existing road, making it even more narrow, or it has to be built outside the road. The problem is most of Curnow is a sunken road, and to build the ditch outside the road, they would have to remove a tremendous amount of dirt. That would be the right way to do it, but it would take so much time to do that.

Bill Ford then commented about the dirt piled up against the guardrail was acting like a jump. He said that dirt needs to be moved away from the guardrail to let the water flow.

- b. **Operations Manager's Report:** Jim Hicks reported there are 35 roads that need grading. He said all the equipment and the Ironwood well are running.

6. **Judicial/Government Affairs:** Louie Test had nothing to report.

7. **Old Business – Updates:**

- a. **Wayside Yard Special Use Permit (SUP):** Larry Johnson said this is one thing he forgot to mention earlier when he was talking about the history of the GID. He said when the County re-zoned Palomino Valley [circa 1993], they re-zoned the Wayside parcel [from General Rural to General Rural Residential], and [in 2010] notified us we were in violation of the zoning ordinances. The GID had to get re-zoned and apply for a special use permit (SUP), which cost approximately \$100,000. He said we battled with Community Development over such things as requiring over 100 trees to be planted. He said we fought a number of the requirements and got most of them rescinded. Commissioner Weber asked if it was too late to help? Larry said yes; we have complied with everything and we are almost done, with the exception of the hydroseeding. Peter Schmalzer mentioned the famous quote from Community Development that they wanted it to "look like a 7-Eleven." Commissioner Weber asked if it happens again, can she work with us and them? Larry said yes, and thanked Ms. Weber for her offer.
- b. **Ironwood Water Truck Fill Station (WTFS):** Larry Johnson explained the same situation occurred at this site; the GID had to get the parcel re-zoned and obtain an SUP. He said the conditions have been fulfilled, except for the hydroseeding. Cathy Glatthar stated for the record the Wayside revegetation needs to be in place by February 11, 2014; for Ironwood, it's August 5, 2014. Peter Schmalzer asked if we would be filing for an extension? Larry stated we spent about \$60,000 on the improvements at Ironwood.
- c. **Resolution for Use of Water Truck Fill Station:** Larry Johnson stated this resolution will allow parties to apply to us to use our wells for special events as long as the water was being utilized on GID-maintained roads. He said we have placed the requirement on several horse-related events that they water the roads before, during and after the events. Some of those applicants have come to us and asked to use our water. This resolution was drafted to establish the policy for use of GID water truck fill stations. Cathy Glatthar stated this was passed as a policy, and it was determined after the fact that it needed to be a resolution. Peter Schmalzer made a motion to approve Resolution No. F13-R3 as written. Dennis Goodsell seconded the motion, and the Board voted unanimously to approve the motion, with Mitch Gerlinger absent for the vote.
- d. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he had nothing to report.
- e. **Board Member's Handbook (BMH):** Cathy Glatthar said she had nothing this month.

8. New Business:

- a. Maintenance of Curnow Canyon Road:** Discussed earlier.
- b. Water Wells:** Larry Johnson said we will be watching the Wayside well production and being careful not to pump it dry. He asked Jim Hicks if we had a cost for lowering the pump? Jim said about \$2,000 to drop it 60 feet. Larry told Mitch Gerlinger we would be relying on his recommendations on this. He said the pump is presently set 100 feet off the bottom of the well. Mitch said he would have to look at the well log. Larry asked Mitch to review the well log and give the Board his recommendations at the next meeting. Larry explained to the audience that Mitch is a hydro-geologist.

9. Calendar Review: Cathy Glatthar reviewed the upcoming items:

- Cathy verified with Maureen Sidley that the water rights extensions have been applied for.
- Cathy reported that within 30 days after the audit is delivered to the Board (tonight) it must be filed with the County Clerk and the Department of Taxation. Maureen said she will send the audit out either tomorrow or Monday.
- Cathy will contact Washoe County Parks and reserve this meeting room for 2014.
- Cathy mentioned if the Board wants to petition the Department of Taxation to revise the population estimate, they must do so on or before December 16th. She noted this has not been done in the past. Peter Schmalzer asked what the estimated population is? Cathy said she did not know the number, but would look it up and send it to the Board.

10. Correspondence:

- Two letters regarding the maintenance of Curnow Canyon Road

11. Public Comment:

Steven Brown thanked Jim [Hicks] for sanding Curnow Canyon this past winter.

Commissioner Bonnie Weber said as Chairman of the RTC, she has some discretionary monies and asked Cathy [Glatthar] and Larry [Johnson] what roads could she help with? She said a right turn lane from Pyramid Highway onto Ironwood was suggested. She said she went to RTC and then to Rudy Malfabon, Director of NDOT, who said that was something they could work on, but it would cost about \$350,000; more than the discretionary funds she has. She said RTC has included it on their CIP [Capital Improvement Projects] list and is scheduled for next summer, after July 1st. She said she talked again with Mr. Malfabon and asked that he re-evaluate the cost of the project. She said she was excited that this project will get done by NDOT and she can use the discretionary funds for something else.

Larry Johnson asked the Board to recognize the effort that Bonnie Weber has gone to on our behalf. He said we have, and previous Boards have been trying to get this done for years, and thanked Ms. Weber for opening the door.

Ms. Weber talked about Lenora [Dorrell's] concerns about the well being of students, and she asked that if anyone has any ideas or suggestions, she hoped they would share them with Lenora. She said she could probably help Lenora with the School District. She

understands there is a responsibility issue, and parents should be responsible for their kids, but it's an issue that folks can be talking about.

Discussion about upper Wilcox Ranch Road and the School District started and Louie Test suggested this matter be placed on the December agenda.

Lenora Dorrell said she wants to see the children in this community to be able to get to the bus transportation areas and wait for their buses in a manner that's not going to jeopardize their safety.

Larry Johnson asked if there were any further public comments? Hearing no more requests, he moved to the next agenda item.

12. **Board Member and Staff Items:** Larry Johnson reiterated the maintenance of upper Wilcox Ranch Road will be placed on next month's agenda. Mitch Gerlinger suggested inviting the School Board to attend.
13. **Adjournment:** Peter Schmalzer made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:27 p.m.

Date: 10/20/13
From: Elizabeth Harrison

ATTACHMENT
11/21/2013 Meeting
Agenda Item 2

To Whom it may concern,

My name is Elizabeth Harrison. I have been living at 700 Curnow Canyon Road for twenty years. Curnow Canyon is a dirt road that has been a safety hazard for many years.

Many residents have experienced auto accidents and near-misses due to severe hazardous road conditions. Personally my son rolled his truck and I had a head-on with my neighbor. Most of the accidents occur in one particular area. An area which I have dubbed, "Dead Man's Hill."

The washboard is critically dangerous when it is dry and severely worse when it is wet and muddy. Often there is no controlling the auto. In certain areas on Curnow Canyon Road, my car will be "thrown" from one side of the road to the other side due to the washboard, bumps and pot holes.

In addition to Curnow Canyon needing attention and repair, the upper end of Axe Handle, which adjoins Curnow Canyon, is also a menacing safety hazard. The pot holes are too numerous to count. Once again driving is severely unsafe.

Please help us with our unique community road safety. You can contact me for any further information.

Thank you for your consideration and attention to this matter.

Respectfully Yours,
Elizabeth Harrison



September 23, 2013

Board of Trustees
Palomino Valley General Improvement District
P.O. Box 615
Sparks, Nevada 89432

We have audited the financial statements of the governmental activities and the aggregate remaining fund information of Palomino Valley General Improvement District (District) for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letters to you dated May 23, 2013 and August 1, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Issues concerning significant estimates made by management include:

- Management's identification of and process for making significant accounting estimates.
- Risks of material misstatement.
- Indicators of possible management bias.
- Disclosure of estimation uncertainty in the financial statements.

The most significant estimates affecting your financial statements include:

- Depreciation expense based on the estimated useful lives of property and equipment.
- Management's estimates of collectibility for receivables.

We evaluated the key factors and assumptions used to develop the estimates above in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Significant accounting policies in Note 1.
- Compliance with Nevada Revised Statutes and the Nevada Administrative Code in Note 2.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 23, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

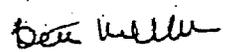
Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Trustees and management of Palomino Valley General Improvement District and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

KOHN & COMPANY LLP



Beth Kohn-Cole, CPA, CGMA



PVGID OPERATIONS REPORT

Reporting Period: 10-14-2013 to 11-14-2013

ATTACHMENT: 11/21/13 Meeting Agenda Item 5. b.

ROADS GRADED:

Ironwood	Anniversary
Amy	Prairie
Broken Spur	Jackrabbit
Wilcox Ranch (Amy to Quaking Aspen)	Sage Flats
Wilcox Ranch (Quaking Aspen to Goodher)	Bacon Rind (S)
Crossover (S)	Bacon Rind (N)
Silver Horse	Pasture View
Crossover (N)	Grass Valley (Turf Farm)
Amy (S)	"Little" Ironwood
Grass Valley (S)	Hockberry
Peak (E-W)	Pony Springs
Roadrunner	Ironwood
Peak (N-S)	

OTHER ROAD WORK:

Patch Chip Seal - Whiskey Springs

OTHER:

Ironwood Well Pump Repairs
Wayside Well Water Pressure/Level Issues

EQUIPMENT:

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

RESOLUTION NO. F13-R3

POLICY FOR PRIVATE USE OF PVGID WATER TRUCK FILL STATION

WHEREAS, the PVGID has imposed a condition of approval for various special use permit (SUP) applications which required the applicant to water PVGID-maintained roadways in order to control the dust created by the traffic going to and coming from their events;

WHEREAS, an SUP applicant approached the Board of Trustees with a request to use the PVGID's water truck fill station (WTFS) to obtain water for dust control purposes.

NOW, THEREFORE, be it resolved, private parties may be granted the privilege of utilizing water from the PVGID's WTFS located at 5105 Wayside Road if the following conditions are met:

1. Water is to be utilized only on PVGID-maintained roadways.
2. The user submits a "Hold Harmless and Assumption of Risk" agreement.
3. The user submits proof of liability insurance, in an amount not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate, naming the District as "Additional Insured".
4. The request for use of District water is coordinated with the Operations Manager a minimum of five (5) working days prior to proposed usage.

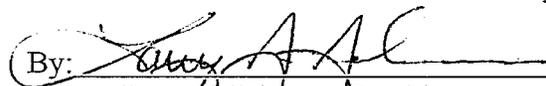
Furthermore, the privilege of utilizing PVGID water may be denied at any time depending upon the availability of water or other factors determined by the Board of Trustees.

BE IT FURTHER RESOLVED that this Resolution be spread at large upon the minutes or attached thereto.

Upon motion by Trustee, PETER SCHMALZER, seconded by Trustee DENNIS GOODSSELL, the foregoing Resolution was passed and adopted this 21st day of NOVEMBER, 2013 by the following vote:

AYES: 4 NAYS: 0
 ABSENT: 1 ABSTAIN: 0

Board of Trustees of the Palomino Valley General Improvement District

By: 
 Larry J. Johnson, President

NOTE: This Resolution cannot be amended or cancelled without a vote of the PVGID Board of Trustees.

Palomino Valley
Homeowner Access
Curnow Canyon Road

November 14, 2013

Board of Directors
Palomino Valley
General Improvement District

Dear Board of Directors of the PVGID:

We appreciate the opportunity to bring to the PVGID Board of Directors homeowners concerns on the road safety and maintenance of Curnow Canyon Road. This road provides access for over 24 families in Palomino Valley.

Curnow Canyon, a winding road with areas of little visibility of oncoming traffic has increasing narrowed over the past few years. Road cuts have deteriorated and drain pipes are damaged and covered with dirt causing flooding during rain and snow. In comparison Bacon Rind Road a straight road with good visibility of oncoming traffic is maintained at 20 feet wide. There is only one area of Curnow Canyon Road that measures at 20 feet and this is where Axe Handle Road changes to Curnow Canyon Road. Curnow Canyon Road is at its narrowest at 12' and averages on 14' in width in most places.

Provided are specific areas of the concern that we would like to bring to the Board attention:

- Corner of Axe Handle and Curnow Canyon Rd – Drain pipe covered with dirt
- 855 Curnow Canyon Rd – 13 Feet Width
- 375 Curnow Canyon Rd – Drain pipe covered with dirt
- Cross section with Sky Canyon, East on Curnow Canyon road. 16' Width slips in both dry and wet weather
- 16' to 12' width – 475 Curnow Canyon Rd to 355 Curnow Canyon Rd.
- 355 Curnow Canyon Rd – No Drain pipe and floods during rain
- 12" to 14' – 355 Curnow Canyon to 195 Curnow Canyon

Our request is to work with the Board to improve conditions. We would like to have Curnow Canyon graded a minimum of 4 times per year, that road be widened to a minimum width 20' so that two cars can pass each other safely, that damaged drainage pipes be repaired and there be a plan to cut the road so water flows off the road and base be used at the intersection of Curnow Canyon and Sky Canyon Road.

We appreciate board consideration.

Sincerely,



Homeowners of Palomino Valley
Curnow Canyon Road

REGULAR MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
PO BOX 615, SPARKS, NV 89432-0615

Thursday, December 19, 2013

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:32 p.m. Thursday, December 19, 2013 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Dennis Goodsell, Peter Schmalzer, Larry Johnson and Mitch Gerlinger (arrived at 6:30 p.m.). Dennis Magers was absent. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; Cathy Glatthar, Assistant to the Board, and Louie Test, Legal Counsel.
2. **Public Comment:**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – November 21, 2013:** Peter Schmalzer made a motion to approve the minutes as written, and Dennis Goodsell seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:** Maureen Sidley stated just over \$17,000 was received in Consolidated Tax (CTX) funds and a little more than \$3,000 in Fair Share (LGTA) revenues. She explained the Budget to Actual report now reflects the one function, "Public Works," but she has kept Capital Outlay separate for auditing purposes. Peter Schmalzer made a motion to pay the bills. Dennis Goodsell seconded the motion, and hearing no opposition, the motion passed.

Maureen informed the Board about a new company, North State, that can do the random drug selection and testing for less money than we are paying now to Bob Stinnett [Stinnett Consulting LLC] and a local lab. The Board gave Maureen direction to switch to the new company.

At this time Larry Johnson announced a change in the order of the agenda and addressed item 8. a. "Maintenance of Upper Wilcox Ranch Road (Hill from Goodher to Mid Roads)" (see below).

5. **Action Reports:**
 - a. **Road Committee - Road Repairs and Maintenance:** Larry Johnson explained with the cold weather the subgrade of our roads is frozen about six inches deep, which limits the opportunity and need to grade the roads. Larry said he drove the Wilcox hill a couple of times in the past few weeks, and it's icy and slick, but it's typical winter conditions. Cathy Glatthar spoke up and thanked Jim Hicks for sanding the hill. Jim said with the amount of traffic on that hill, please let him know when it needs sanding again. Jim reported they also sand Axe Handle and Quaking Aspen. Larry said Jim has been processing material at both the Ironwood and Wayside pits. Jim said they installed some road signs: Ironwood, Whiskey Springs, and Rebel Cause. He said Space Test has to wait until they can drill the hole.

b. 2014 Additional Chip Seal vs. Grading and Drainage Improvements: Larry Johnson explained the Road Committee has been discussing these alternatives over the past few months. He said our capital improvements budget is down partly due to the Ironwood well pump costs. He wanted the Board to think about what was best for the District: Continue the cape seal or contract for drainage projects on Ironwood and possibly Wilcox Ranch. He stated between Quaking Aspen on Wilcox Ranch and the "S" curve on Ironwood, there are eight areas that collect water during major rain events. He reviewed the various solutions to addressing those drainage problems, and stated the work would have to be done by a subcontractor. He said one reason for subcontracting the work, is so that the GID crew can keep up with the regular road maintenance.

Peter Schmalzer said he wanted to clarify what he said last month; these drainage improvements were not as easy as he had hoped for several reasons. He said putting the crown on a road is difficult because disturbing the existing surface can have severe consequences. He explained doing these drainage improvements takes a substantial amount of effort, and that impacts the routine maintenance activities to a large degree. He said he believes we do need to do drainage improvements, including improving cross slopes, ditching, and culverts, but the difficulty in doing so is larger than he anticipated.

Larry said a benefit of doing the cape seal, is that it frees up men and equipment for grading the rest of the system. He said if he were to do a section of cape seal next year, he would like to do Ironwood from the end of the cape seal down through the curve; about half a mile. He said his reason is because for all of Ironwood, that section requires the most frequent maintenance.

Peter mentioned the previously discussed idea of cape sealing Amy between Ironwood and Whiskey Springs. Larry said we won't have sufficient budget to do that. Peter then said this discussion is probably premature. There was some additional discussion on options and costs. Larry concluded by saying he would get cost estimates for the various options, and the Board can make a decision in a few months.

c. Operations Manager's Report: Jim Hicks reported they had a problem with the generator at the Ironwood well. He said they replaced the battery and it is working again. He stated the International water truck timing cover crank shaft seal is leaking and will need to be fixed in the near future. He will get an estimate for the repair.

6. Judicial/Government Affairs: Louie Test had nothing to report.

7. Old Business – Updates:

a. Wayside Yard Special Use Permit (SUP): Cathy Glatthar reported the Amendment of Conditions (AC) was submitted, and the Board of Adjustment meeting will be on February 6, 2014 at 1:30 p.m. She said the AC was for a one-year extension on the hydroseeding.

b. Ironwood Water Truck Fill Station (WTFS) SUP: Cathy Glatthar said for Ironwood, it's the same as for Wayside; we need the hydroseeding to grow.

c. Water Wells: Larry Johnson asked Jim Hicks if there were any problems with the Wayside well? Jim said they monitor the water level while the tank is being filled and

there hasn't been a problem. He did say the valve on the tank is frozen, so they are filling the water truck with the hose. Mitch Gerlinger said he reviewed the Wayside well log and determined that dropping the pump will not result in any benefit.

Brian Peck, in the audience, said he is a hydro-geologist, and agreed with Mitch that dropping the pump will not yield any benefit. He did suggest having a low-water level sensor installed in the well bore that will shut the pump off. He suggested contacting Dan at Carson Pump. Mitch will make the call to Carson Pump.

- d. **Maintenance of Curnow Canyon Road:** Larry Johnson reported meeting with homeowners in Curnow Canyon and decided there were some things they could do. He said Jim Hicks has graded the upper section of Axe Handle. He said they will be widening portions of Curnow Canyon by about four feet. Larry, Peter, and Jim then discussed various alternative ways to accomplish the road widening. There was concern about creating a soft road surface in those areas, and Louie Test suggested posting signs warning about the road conditions and advising motorists to slow down.
- e. **Amendment of Resolution F93-R1: Procedure for Accepting Roads for Maintenance and Road Standards:** Larry Johnson said he had nothing to report.
- f. **Board Member's Handbook (BMH):** Cathy Glatthar handed out the resolutions that were passed at the previous two meetings and asked everyone to file them in their handbooks.

8. **New Business:**

- a. **Maintenance of Upper Wilcox Ranch Road (Hill from Goodher to Mid Roads):** Larry Johnson stated Mr. Rick Martin of the Washoe County School District was present. Larry also said he would like to discuss in general the school district routes and coordination with the GID. He wanted to know what is expected from the GID and what has been done in the past versus where we are at the present time?

Mr. Martin said as far as he knew, there had not been such a discussion with the GID since he has been Director [of Transportation] since 2010. He stated the only conversations he has had have been with Mr. and Mrs. Dorrell over the phone. He said the expectations are to allow them safe access. He said the buses used in this area are changed out every three years, and the interiors - cameras, GPS, and other support equipment - are changed out two to three times a year, because the vibrations the buses are subjected to. He said the concerns regarding the bus stops are safe access and being able to turn the bus around. He stated that before the Dorrells moved out to Safari Court, the last bus stop on Wilcox Ranch Road was at Quaking Aspen, because that was where the majority of the students were. He said there are two areas of concern on Wilcox Ranch beyond Quaking Aspen: 1) the section in between Quaking Aspen and Goodher where there's a wash area that's very narrow and bumpy with little to no shoulder, and 2) the hill just past Goodher going up to Mid Road gets rutted out, especially when there's wet weather. He said they have worked it out with the Dorrells, and in good weather, they get up to Mid. He continued and said that is the farthest they can safely go.

Larry asked Mr. Martin if they are required to provide [bus] service beyond a maintained road? Mr. Martin said they have to have a safe place to access and turn around, and a safe place for the students to wait.

Lenora Dorrell spoke up and said Mid is acceptable to them because of the condition of their road [Safari Court].

Mr. Martin said in rural areas there are a number of people who live off the beaten path and it is not viable for the school bus to go to their homes, so the [bus] stop has to be on a main thoroughfare, in a safe location. He said they do try to get as close as they can, but in certain cases, they can't. He said they are mandated by law to provide reasonable accommodations for special needs students. He said that is typically door-to-door, but in this case (the Dorrells), the closest to the front door as possible is Mid.

Larry commented that the buses used out here are the full sized school buses. Mr. Martin explained they are required by Federal standards to transport students in a safety-qualified school bus; they are not allowed to use a van or other vehicle.

Larry explained there are essentially two problems with the hill from Goodher to Mid in the wintertime: 1) with the clay soils, when it rains it's incredibly slick, and 2) that's a north-facing slope, so when there's snow and cold weather, that hill becomes icy and remains that way. Larry said he presumes that under those conditions the bus driver makes a decision to stop at Goodher? Mr. Martin responded that in winter conditions, their drivers will determine if they need to stop at Goodher; it's a safety concern. He said they have these "winter stops" throughout the rural areas of the County.

Larry asked Jim Hicks how often he has sanded the hill? Jim replied they have sanded it twice. Larry said that's about as good as we can do. Mr. Martin said they understand there are limitations, and their major concern is to service the students as best they can, and do it safely. He said the first time he came out here to inspect Safari Court, he came in from Quaking Aspen. Larry explained that was actually an abandoned easement and no longer a public road. Cathy Glatthar mentioned that is why Safari is called a "court," because it ends at [Ms. Dorrell's] property. Ms. Dorrell said she wanted to talk with the GID about fencing that end of the property off, because UPS came through and almost hit one of her grandkids. Larry told her she can block the road at her north property line, because that easement has been abandoned.

Ms. Dorrell said her concern is for all the children who ride the buses out here. She mentioned the dangers to children waiting for the bus from wildlife, cars driving by and possibly losing control and hitting a child, and rocks flung by vehicles possibly injuring or killing a child. Larry said these concerns were outside of the GID's jurisdiction. Larry reiterated that it comes back to a level of responsibility of the people who buy out here; we assume the risk for our rural lifestyle. Ms. Dorrell said that would be fine if the bus stops were in a place where we could ensure our children's safety, but we don't and we can't. Larry suggested keeping your child in your vehicle until the bus gets to the stop, and then the child gets out of the vehicle and gets on to the bus.

Louie Test intervened and said [the GID] doesn't have the authority to say where the buses stop or where the buses don't stop. He suggested if a School District bus driver has issues with a road, they should contact the GID either by calling Jim Hicks (848-6788), or by sending an email [to palvalgid@gmail.com], and the request will

be handled as quickly as possible. Louie said we only have easements for roadways, and we could not authorize shelters to be built, because that's private property.

Larry addressed Mr. Martin, and requested that the bus drivers don't drive on the edge of the chip sealed roads; this had specifically been observed on Range Land Road. Mr. Martin said he would talk to his drivers about that.

Larry thanked Mr. Martin for attending the meeting.

- b. Employee Bonuses:** Maureen Sidley reported in the past Jim received \$500 and Dan received \$300. Peter Schmalzer made a motion to pay out bonuses in the amount of \$500 to Jim and \$300 to Dan. Dennis Goodsell seconded the motion, hearing no opposition, the motion passed.

9. Calendar Review: Cathy Glatthar reviewed the upcoming items:

- Cathy reminded the Board that by January 15th they will need to file (online) their annual Contributions and Expenses Report and their Financial Disclosure Statement. She said the instructions are in the BMH at the end of Chapter I.
- Cathy asked Maureen Sidley if she had sent the audit to the County Clerk and the Department of Taxation? Maureen replied that she mailed them on the 30th.

10. Correspondence: None

11. Public Comment:

Brian Peck said the GID was doing a great job on the roads. He agreed with the idea of chip sealing Amy, and said he would and does use Amy instead of Ironwood when Ironwood is wet to keep the mag-chloride off his vehicle.

Larry Johnson asked if there were any further public comments? Hearing no more requests, he moved to the next agenda item.

- 12. Board Member and Staff Items:** Cathy Glatthar followed up on the population figures asked about at the last meeting. She reported that she learned since we are a general improvement district, population figures are not used to calculate any of the revenues we receive. She said there is a population figure on the budget report and asked Maureen Sidley where that figure comes from? Maureen said it is [based on an estimate]. Cathy said she will remove the population item from the calendar. Peter Schmalzer asked Cathy if she knew what basis was used to determine how much sales tax revenue the GID receives? Cathy said she did not know, but would try to find out.

- 13. Adjournment:** Dennis Goodsell made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 7:10 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 11-18-2013 to 12-12-2013

ATTACHMENT: 12/19/13 Meeting Agenda Item 5. c.

ROADS GRADED:

- Twin Springs
- Wild Horse
- Range Land
- Wilcox Ranch
- Grass Valley (W)
- Grass Valley
- Amy

OTHER ROAD WORK:

- Add dirt (Top of Axe Handle)
- Patch Asphalt (Whiskey Springs)
- Snow removal
- Sand roads

OTHER:

- Winterize Ironwood Well
- Process material (Ironwood Pit)
- Process material (Wayside Pit)

EQUIPMENT: