

REGULAR MEETING

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

Thursday, January 19, 2017

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, January 19, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Greg Dennis, Jim Currivan, and Larry Johnson. Marty Breitmeyer 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:**

Donald Otto asked if there was any way to have services or items for sale listed on the [PVGID's] website?

Louie Test and Larry Johnson both replied, "no."

John Glatthar said in light of the emergency conditions, you have done an amazing job and thank you. He said there is more precipitation coming and he hoped it would not undo what's already been done.

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

3. **New Trustee Introduction and Orientation:** Larry Johnson welcomed Greg Dennis and Jim Currivan, and thanked them for joining the Board. Larry then spoke about the history of the PVGID. He said the sole purpose is the [operation, repair,] and maintenance of the roadway system, which was inherited from the original developer. He said the original developer divided the land into large parcels (40 acres and up) and put in a road system, which was not required to meet any specific standards. He said the GID has a list of roads accepted for maintenance, and there are a number of roads and essentially private driveways that were not accepted. He explained that everyone within the District pays a portion of their property taxes to the GID. He said the boundary of the District does include some people who do not travel GID roads. He said there is a procedure for those people to request to be removed from the District. He explained some of the roads were paved by a military contractor (Rocketdyne) more than [50] years ago; with a performance life of 20 years. He said over the years some of the pavement was removed because of severe deterioration. He said this Board has a new approach to surface the main arteries: Ironwood, Whiskey Springs, Axe Handle, and Range Land. He said the surfacing program of 3/8 to 1/2 inch of surfacing directly on dirt would not be recommended, but it is performing fairly well. He explained we've had to apply a micro-surfacing over top of the initial Cape Seal (a chip seal with a slurry seal on top). He said he wishes to continue this program and expand it when revenues allow.

Larry then explained the Board's policy on road maintenance: 1. Make all roads passable and safe; and 2. Spend money where it benefits the most people. He explained they do invite requests for maintenance from residents so that our [Operations Manager] doesn't have to drive all 95 miles of roads to determine what needs to be worked on that week. He said we rely on our residents for their help in identifying areas that need work. He said we are here on a volunteer basis and we are going to do the best we can. He remarked that he has put in about 100 volunteer hours over the past two weeks.

4. **Election of Officers:** Larry Johnson suggested keeping the existing officers (President - Larry Johnson, Vice President - Marty Breitmeyer, and Secretary - Mitch Gerlinger) and electing a new Treasurer. Greg Dennis made a motion to keep the existing three officers. Jim Currivan seconded the motion, and hearing no opposition, the motion passed. Greg Dennis made a motion to elect Jim Currivan as Treasurer. Larry Johnson seconded the motion, and hearing no opposition, the motion passed.
5. **Approval of Minutes – December 15, 2016:** Larry Johnson suggested postponing this item to the next meeting, because Marty Breitmeyer and Mitch Gerlinger were absent.
6. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Cathy Glatthar reported on the Estimated Operating Funds, and said there is \$252,206 in the bank accounts. She mentioned that the LGTA revenues are one month behind, but overall we are ahead by almost [8,000]. She asked Maureen Sidley what she found out about a workers' comp bill due in January? Maureen said she will look into it. Cathy said our estimated funds for capital improvements is \$319,166, but that is what is projected for this summer. Larry Johnson said that will be, by far, our biggest budget for capital improvements that we have ever seen. He said however, we are in the midst of incurring significant costs in repairing flood damage.
 - b. **Payment of Bills:** Maureen Sidley stated the [phone] land line has been terminated. She mentioned one equipment repair bill for the 670 grader. Jim Hicks said that was actually for the 770 grader. Jim Currivan made a motion to pay the bills. Greg Dennis seconded the motion, and hearing no opposition, the motion passed.
 - c. **Report on Insurance Policies and Premiums:** Maureen Sidley asked that this be postponed to next month.
7. **Road Maintenance Reports:**
 - a. **Road Reports - Including Report on Flooding:** Larry Johnson said the good news is we don't have anyone stranded anymore. He said we had significant wash outs on probably two dozen roads at least. He said some of them had life safety issues and we addressed them first. He said there was a wash out on Wilcox Ranch Road that took out the whole [section of] road and stranded everyone on the other side. He said they have replaced the smaller culvert with one that has about four times the capacity. He said downstream [of that wash out], about a quarter of a mile, the creek embankment was washed out and it took out about half of the road there, leaving a narrow travel lane. He said they placed a large-rock fill in that wash out and removed trees and vegetation that pushed the raging flood waters over to that bank. He said repair of that area is about 90 percent completed.

Larry said on Twin Springs there is a low-flow, concrete creek crossing. He said the creek washed out the road on both sides of the concrete pad. He said there are a couple of AT&T phone cables exposed. Greg Dennis reported getting in touch with AT&T and he's waiting for a return call. Cathy Glatthar said the lady who lives closest to that area told her AT&T was out that night looking at the situation. Larry said we will probably be ready to start work on that repair the latter part of next week. He said he wants to give AT&T an opportunity to get those cables in conduit and coordinate our repairs with their schedule.

Larry explained that we had a lot of areas of undercutting and we have fixed the majority, if not all, of those areas. He reported closing off a section of Broken Spur just south of Whiskey Springs because the mud was so deep a 4-wheel-drive pickup got stuck. He said no one was stranded there, as they had another way out.

Larry then addressed Sage Flat; it is lower by a couple of feet than the surrounding alfalfa fields and all of the flows from the Axe Handle valley came across Whiskey Springs right at Sage Flat. He said all that water ran down Sage Flat. He said they made it passable and serviceable, but it will need more work, especially at the end of the road.

Larry stated that we have so much damage to our roads, it will probably take two months of grading to repair the roads. Greg Dennis asked how they were addressing the foot and a half of erosion at the edges of most of the roadways; were they having to import fill? Larry said he made an executive decision at the beginning of last week because of the emergency. He said he hired a temporary equipment operator, Don Otto, who has been responsible for a lot of the emergency repairs. Larry drew a diagram on the white board which depicted there being significant quantities of material that can be used to fix the eroded areas. Larry added that he also coordinated with a local equipment owner and operator, Ed Bliss, with a track-mounted excavator to work on the dangerous wash out on Wilcox Ranch. Greg Dennis made a motion to approve the emergency actions taken by Larry Johnson during the recent flood events and to authorize him to proceed with any further emergency actions that need to be taken by the PVGID. Jim Currivan seconded the motion, and hearing no opposition, the motion passed. Larry outlined some of the steps taken to date: Q&D has hauled in rock; Ed Bliss with his excavator has begun work on repairing the dangerous wash out on Wilcox Ranch; and Don Otto has been hired as a temporary employee to repair flood damage.

Ray Nicolai, in the audience, asked Larry if a culvert would be put in at the intersection of Sage Flat and Whiskey Springs? Larry said he would have to look at that, but probably not. He said the flow across Whiskey Springs Road was about 600 feet wide. Mr. Nicolai said Sage Flat Road goes down two more inches each year when the "blade" comes through. Larry explained there are several reasons: roads go down all by themselves because rubber-tired vehicles pack down the surface foot to high levels of relative compaction; and the other factor is in the summertime, every time we drive over these roads, there's a big cloud of dust and there goes more of the roadway being lost. He said this has been occurring for decades. He agrees that wherever there are windrows of excess material, we need to bring that material back onto the roadway; that's the best we can do. He said there are lots of places on the west side of Pyramid Highway that are just low; there's no material to work with. He said when we have flooding events like this, those areas are lakes; there is no place for the water to go.

Don Otto, in the audience, suggested working the ditches back further away from the edge of the surfaced roads to reduce the erosion at the edge of the surfaced roadway. Larry said he likes the idea, but it can't be done everywhere that it would be needed. He explained that they have created retention ponds in areas where a culvert won't work because there's nowhere for the water to go on the outflow side. He said it is a case-by-case situation. Greg Dennis agreed with Larry and remarked that the soil characteristics can change drastically every 400 to 500 yards; there isn't one specific way to solve every problem out there; it has to be on a semi case-by-case basis. Mr. Otto stated he realizes there are limitations on what we can do.

Larry said most people have been extremely appreciative and very understanding. He said there is one exception that he wanted the Board aware of because it might result in a claim. He said we received an email from Mr. Poundstone on Ironwood Road (across from the pit), who has asserted that flows from one of the GID's culverts has damaged his driveway, which was worked on and improved by the GID as a part of an improvement project done a few years ago. He said that improvement project consisted of raising the roadway just immediately south of the Ironwood pit to eliminate ponding that covered the entire road. He said the road was raised sufficiently to allow for a culvert to be installed. He said the adjacent property owner (Mr. Poundstone) on the down slope side, was contacted and the plan was outlined. Larry explained that he had sent a letter to Mr. Poundstone that reiterated what they had agreed to. He said the plan was to install a 12-inch diameter culvert under Mr. Poundstone's driveway (ground was too flat to allow for a larger diameter culvert). He explained that he ended up having two 12-inch diameter culverts installed under the driveway, because he did not believe one would be enough. Larry said Mr. Poundstone asserts the GID installed two 6-inch culverts, instead of the one 12-inch culvert, and insists that the GID agreed to connect the culvert under Ironwood Road with the 12-inch culvert under his driveway. Larry said he inspected, measured, and photographed those culverts today. He said we actually gave Mr. Poundstone twice what was agreed to in the letter, and besides that, he received overland sheet flows hundreds of feet wide that came across his driveway headed to the creek. Larry said he wants to write a letter stating that the GID not only complied with what they said they would do, but they actually doubled the capacity of it. He added that he wants to state that he pulled dead vegetation out of culverts which were plugged, and it is the responsibility of the homeowner to maintain their culverts. Also, he wants to point out that the erosion that occurred on the remainder of the driveway had nothing to do with the flows from the GID's culvert as evidenced by the little gullies coming off the hill and across the driveway and out towards the creek. Larry said this is the same individual who wanted us to clean up his vehicle, and complained that he splashed asphalt all over his vehicle when the GID chip sealed Ironwood, which absolutely did not occur. He stated he walked with that chip seal operation and there was never a segment of exposed oil on that entire operation. However, he said there was a contractor placing chip seal on the Pyramid Highway and had a lane closed at all times and had traffic cones placed and if someone was impatient and drove past those cones, they could have splashed oil onto their vehicle. He said he will be polite, professional and do the right thing. He said they will be flushing out culverts all over the valley for the next couple of months, and they could flush Mr. Poundstone's culverts out. Louie Test remarked this was an Act of God, and the GID does not have liability.

Ray Nicolai wanted to know if the GID has anything to do with Cottonwood creek? Larry responded that the GID does not have jurisdiction over flood control. Greg Dennis stated he has heard this in the past; we do the roads, but when flooding occurs, there have been few funds from any source to fix flood damage issues. He said the GID has received funds from FEMA, some from Washoe County, different funds from different sources; there's an entire process to go through before FEMA funds are made available. He said it's really too soon to know what funding we will pursue. Larry asked Cathy to expound on the FEMA funding potential. Cathy Glatthar said they have to make a disaster declaration and that has not been made yet. She said FEMA has a threshold and if that is met, there's the likelihood that a declaration will be made. She said they will then decide who gets the funding, and it is usually shared cost: 75% from FEMA and 25% from the entity. She said that was the case in 1986 and 2006 (when she handled the FEMA funding). Greg Dennis clarified that FEMA funding only goes to government entities. Mr. Nicolai felt that some government agency should be responsible for flood control measures for Cottonwood Creek. Cathy suggested he contact our County Commissioner, the County Manager, and the Community Services Director.

Larry said he wanted a letter written outlining the extent of the damage, the length of time to make repairs, and approximate cost of repairs and have it sent out to the County Manager, Emergency Management, and our County Commissioner requesting financial assistance. Cathy said she has sent some of that to Aaron Kenneston, Emergency Management Director. Larry said he wants something more formal. He asked if the FEMA grants in the past were for specific projects? Cathy said yes. Greg Dennis added that DSRs [Damage Survey Reports] have to be submitted for each project [repair], and each one is reviewed and approved or not approved. Larry asked if we can do a DSR for all the roads in our system? Greg thought we would have to be more specific. Larry asked Greg to write the letter. Greg said he would and mentioned he received history of emergency funding from Cathy. He said he wants to address the County and say this is what we received in the past and we're expecting the same or better in the future.

Mr. Nicolai thanked everyone for the work they did and left the meeting.

Larry said we will be restoring shoulders, restoring roadside "v" ditches, and unplugging culverts. He said there are still two major wash outs that have to be repaired: one at Twin Springs and the other at Little Ironwood, where half of the culvert was picked up by the current and pushed up into the air at a 45 degree angle. He said the good news is no one is stranded at either location; there is another way out.

Don Otto said there were some problems up on Microwave peak and there's been excessive traffic on Quaking Aspen by the various entities with equipment up there. He said they are destroying the road. Greg Dennis said the GID did receive funds from those entities when they destroyed the road in the past, but he could not remember exactly when that happened. He said we should pursue that source of funds too.

- b. Operations Manager's Report:** Jim Hicks said Don Otto has cleaned up most of the roads around the valley and he's working on the shoulders and he's doing a great job. He said the 670 grader parts are on order; that he had to go to "war" to

get them; hopefully it will be repaired in the next week or so. Larry informed the new Board members that we have a lot of old, tired equipment, and the use of some of that equipment is intermittent (i.e. the backhoe, the roller, etc. are not used every day). He said we may need to look at funding to upgrade critical equipment. He said he wants Marty Breitmeyer to get with Jim and prepare a report on the equipment. Jim said when we need material from an outside source, we need to determine if it's cost effective to buy equipment or to have the material delivered, because it doesn't happen that often. He gave the example of the belly dump - it's not driven on the highway, only in the valley; it does the job in the valley - do we really want to spend the money to buy a new one? He said he doesn't. Larry said our equipment should be OSHA safe. Larry reiterated that he wants this assessment done.

8. Old Business:

- a. **Policy for Accepting Roads Improved by Others:** Larry Johnson said he hasn't done anything on this yet.
- b. **Policy for Use of Credit Cards:** Maureen Sidley said she will get in touch with the auditor and see if they have a policy the GID can use.
- c. **Policy for Removal of Animals Struck by Vehicles:** Larry Johnson said he's been too busy with other matters, but he will make the necessary phone calls to the Department of Agriculture.

9. New Business: None

10. Judicial/Government Affairs:

Louie Test reported the AT&T claim has ended; the insurance company closed the file without us making any payment.

He mentioned there are some people who are interested in withdrawing from the GID because they are not receiving any services. He said we just have to wait and see if we receive any requests. Larry added that there is a procedure for exclusion of real property from the GID - Resolution F08-R3A1. Louie Test said there is a specific section in the NRS [Chapter 318 - General Improvement Districts] addressing requests for withdrawal from a GID.

- 11. Calendar Review:** Cathy Glatthar stated she did not have the calendar tonight because she was waiting for the Local Government calendar for 2017 from the State. She said she would send an email with the calendar items in the next few days. Larry Johnson asked if everyone completed their oath of office and new trustee and annual filings? Cathy said yes, everyone had completed their tasks.

12. Correspondence: None

13. Public Comment:

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

14. Board Member and Staff Items:

Larry Johnson asked if there was anything the new members wanted discussed in the future?

Greg Dennis replied he wants to wait awhile; that our priorities now are to take care of the roads and at some point having the equipment looked at.

Jim Currivan said some of the Curnow Canyon residents had a get together and he shared with the residents some information from the [Board Members Handbook] about reporting needed road work. He said they have a better understanding of what's going on and they were generally appreciative of what's being done. He said some groused about how bad Curnow Canyon was that day, and then the next day the GID was up there and it made him look like some kind of hero. Larry and Jim Hicks said that was Don Otto. Larry said Jim C. needed to be aware that Curnow Canyon was essentially a driveway and now has been built up with a number of homes. He said there was a Board resolution that stated Curnow Canyon and Upper Quaking Aspen [and a few other roads] were seasonal roads and the GID was responsible for making those roads passable for 4-wheel drive vehicles from May to October; beyond those months [there would not be any maintenance by the GID]. He said we have obviously done our best to improve things. He asked if that old resolution should be rescinded? Cathy Glatthar said that old resolution has been superseded by the Accepted Roads and Level of Maintenance [resolution passed in 2006]. Larry then relayed to Jim C. the work the GID did to widen Curnow Canyon so that two vehicles could safely pass.

Greg Dennis wanted to know if there are more of these requests and if there is an extra cost to the GID, who would pay for that? Larry explained the GID will make improvements that are necessary to make roads passable and serviceable. Louie Test added that the Board sets priorities and allocates the funds to those jobs and if there is money left over they will look at the other areas and decide which have the greatest need to repair. Jim C. asked if the GID can accept funds from residents to have improvements made? Larry said yes, we have a policy for that type of request.

Don Otto said there are a number of driveways on the upslope side that do not have a culvert [or they are buried/plugged]. He said he's had to cut out some because they are causing erosion and may damage the asphalt. Larry added that we do have a policy for all new driveways that requires a culvert or a swale. Cathy Glatthar commented that we are not on the plan check, yet.

15. **Adjournment:** Greg Dennis made a motion to adjourn the meeting. Jim Currivan seconded the motion, and hearing no opposition, the meeting adjourned at 7:40 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 12-12-2016 to 01-12-2017

ATTACHMENT: 01/19/17 Meeting Agenda Item 7. b.

ROADS GRADED:

Right Hand Canyon
Two Forty
Hockberry
Amy (Whiskey south to Chip Seal)
Amy (Ironwood-Wilcox)
Wilcox Ranch
Curnow Canyon
Wilcox Ranch
Grey Van
Rebel Cause
Broken Spur
Prairie
Wildhorse (Turn-Silver Horse)
Wilcox Ranch
Amy (Ironwood-Wilcox)
Quaking Aspen

OTHER ROAD WORK:

Add material, Bacon Rind (S) sand seal
Add material, Right Hand Canyon Asphalt
Clear Snow
Repair Washout Wilcox Ranch (Quaking-Goodher)
Add sand - Wilcox Ranch (Goodher - Mid)
Add sand - Quaking Aspen (upper sections)
Add road base - Quaking Aspen (upper sections)
Repair washout (Wild Horse)
Repair washout (Grass Valley)
Storm Damage

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, February 16, 2017

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, February 16, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Marty Breitmeyer, Greg Dennis, Jim Currivan, 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:**

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

3. **Approval of Minutes – December 15, 2016 and January 19, 2017:** Jim Currivan made a motion to approve the December 15, 2016 minutes as written, and Marty Breitmeyer seconded the motion. Hearing no opposition, the motion passed. Jim Currivan made a motion to approve the January 19, 2017 minutes as written, and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:**

a. **Financial Reports:** Larry Johnson reviewed the Estimated Operating Funds report, and said the estimated funds for capital improvements has come down a little bit from last month. He said we have some funds set aside for a hot pot; that Marty is still looking for one so we can do our own patching. Greg Dennis wanted to know what the advantages would be to owning our own hot pot? Marty Breitmeyer said the nice thing about having a hot pot is we can fill it and heat up the material anytime we want, whereas you can't always get the slurry seal mix when you want it. Larry said our capital improvements budget will be significantly reduced by flood damage repairs. Larry explained for the new Board members that these are the funds we use to pay outside contractors to do our surfacing projects, but he thinks only \$50,000 will be spent on flood repairs. Marty mentioned he was able to get some materials donated. Larry added that last fall, the top priorities identified for this year's capital improvements were: (1) the top of Axe Handle, (2) the first Otta Seal section of Ironwood, (3) the half-mile section of Right Hand Canyon, (4) continue Whiskey Springs micro-surfacing. He said we will have to re-evaluate those priorities, and probably have to cut back.

b. **Payment of Bills:** Maureen Sidley stated the bill for the loader tires was paid for in between meetings in the amount of \$4,762.45. Larry Johnson asked how often we get fuel? Jim Hicks replied twice a month. Jim Currivan made a motion to pay the bills. Marty Breitmeyer seconded the motion, and hearing no opposition, the motion passed.

- c. Report on Insurance Policies and Premiums:** Maureen Sidley handed out some information on the insurance coverage we have with the Nevada Public Agency Insurance Pool. She explained that she spoke with both an agent for our Workers' Compensation and Carol Ingalls, who handles the other insurance coverage. She stated there is a \$1,000 deductible for each loss. In response to Larry's question, she explained the flood coverage was for property, and did not include damage to roads. She added that equipment is covered for accidents that don't involve another vehicle, such as if the grader rolled, the equipment is covered up to the declared value. She reported that the first quarterly payment for Workers' Comp was paid in January. Greg Dennis asked what the insurance costs us annually? Cathy Glatthar replied \$8,000, and Maureen added approximately \$4,500 for Workers' Comp. Greg Dennis requested that claim reporting guidelines be added to the Board Member's Handbook. Maureen said she would get the reporting information to Cathy.
- d. Determination of Tax Rate for Fiscal Year 2017-2018:** Cathy Glatthar explained that we have an Interlocal Agreement with the Truckee Meadows Fire Protection District from 2012 in which we agreed to reduce our tax rate so they could increase theirs. In return and to keep the PVGID whole, TMFPD annually gives the GID a portion of their Consolidated Tax (CTX) revenue; the greater of \$45,000 or the amount the tax rate reduction of 0.0687 would have generated. Marty Breitmeyer made a motion to keep the tax rate at 0.4198 for fiscal year 2017-18. Jim Currivan seconded the motion, and hearing no opposition, the motion passed.
- e. Operations Manager's Equipment and Vehicle Budget for 2017-2018:** Jim Hicks said he is not asking for any new equipment. He said the roller on the grader needs to be rebuilt. He said it will cost between \$7,000 and \$7,500. Greg Dennis made a motion to approve rebuilding the roller. Marty Breitmeyer seconded the motion, and hearing no opposition, the motion passed. [Note: The roller rebuild will done in the current fiscal year and will not be included in the capital outlay budget for 2017-18.]
- f. Tentative Budget for Fiscal Year 2017-2018:** Maureen Sidley handed out a budget worksheet and reviewed several items. She said she doesn't have the revenue figures yet, and any unallocated funds above the ending fund balance of \$77,000 is put in the road maintenance line item. Cathy Glatthar suggested the two capital outlay line items be combined into one. Maureen said she would make that change. Greg Dennis asked about the grader and wanted to know if maintenance is being done; is it in good working order; for that matter, what is the condition of all of the equipment? Larry Johnson asked Marty Breitmeyer about doing an equipment inventory. Marty said he would do an evaluation and determine what needs to be done and make recommendations on each piece of equipment; he said he might be able to do this by the next meeting, but definitely by April's meeting. Greg said we need a "sinking fund" for each piece of equipment. Maureen said last year, we budgeted \$75,000 for capital outlay. Larry said to keep that same figure for this budget.

Cathy Glatthar reported on the projected Consolidated Tax (CTX) revenue. She said because of the Interlocal Agreement with TMFPD (mentioned earlier), each year she verifies that the alternate formula is applied correctly. She said this year she discovered that the amount the tax rate reduction of 0.0687 would generate for 2017-18 is \$48,854, but the Department of Taxation added only \$45,000 to the PVGID's CTX base; the alternate formula was not applied correctly. She reported getting in

touch with the Department of Taxation and someone is looking into it, and the March report will reflect the correct amount. She said currently the projected CTX revenue is \$379,471 which is \$50,000 more than last year, and if her figure is correct for the alternate formula, then the estimated CTX revenue for 2017-18 will be nearly \$4,000 more. She added that the projected LGTA revenue should remain at \$30,000. Maureen said she just got the report last night, so she did not have an estimate for the Ad Valorem revenue.

Maureen explained that the tentative budget must be submitted by April 1st, therefore we work on the tentative budget at the February meeting and sign it at the March meeting. She explained that the final budget is worked on at the April meeting; then at the May meeting the budget hearing is held and the final budget is signed and submitted by June 1st. At Larry's request, Maureen explained we have one fund, so it is not critical that budget amounts for individual line items are not exceeded. She said we have to be sure not to spend more than is allocated for all expenses.

5. Road Maintenance Reports:

- a. Road Reports - Including Report on Flooding:** Larry Johnson said it has been a busy and trying month with extensive damage throughout the system. He said the first priority was to restore access to everybody, second to correct life-safety issues where major washouts occurred; at the same time lesser washouts were repaired. He explained additional personnel was hired to work Fridays and weekends.

He said repairs continue and every road in the system needs grading. He said he received a call from Dave Solaro with Washoe County in response to our request for funds for repairs to Quaking Aspen Road which was damaged by County vehicles travelling up to the Microwave communication site. He said the County might supply us with asphalt grindings or some other kind of material and we would place the material.

He said he had an email sent out that explained to residents that areas have to dry out, we're working as fast as we can, and have patience. He said most have been understanding and complimentary of our efforts. He said we cannot grade and properly restore wearing surfaces and fill potholes until the storms subside. He said Jim has started flushing out culverts.

Greg Dennis had photos of water ponding on Range Land Road. He said the drainage needs to be addressed before any more work is done on the road. Larry said they would have to raise the road by two feet. After some discussion, Greg agreed to look at possible drainage solutions for Range Land Road.

Jim Currivan asked if it is correct that the GID will install a culvert purchased by a resident if the culvert will prevent damage to a GID roadway? Larry said we have done that in the past for existing, uphill driveways.

- b. Sky Canyon Road:** Larry Johnson said Sky Canyon was not accepted for maintenance by the GID. He said he presumes the subdivision was set up like most with roadway and utility easements and most of the roadways are along property lines, but some are not due to the terrain or for other reasons. Russ Rodoni, 955

Sky Canyon, said he's lived out here for 14 years and he's the only one who does maintenance and a lot of people are using the road who should not be. He said his issue is people driving too fast. He wanted to know if he is liable for grading the road, can it be closed off, some people want him to grade the entire road, and can the position of the road be changed? Mr. Rodoni said the road did not originally go through, but permission was obtained from Kay Konesky, and now it goes through. In answer to Larry's question, Cathy Glatthar said there is a recorded easement with Konesky that ties Sky Canyon with Bacon Rind. Louie Test answered Mr. Rodoni that he would only be liable if he haphazardly graded the road by putting in gullies across the road to slow people down, or created a safety hazard. Louie said the easement needs to be reviewed, but you probably can't gate it off, because it's a public access easement. Mr. Rodoni gave his contact information to Cathy, and she was asked to supply him with whatever information she has regarding Sky Canyon. Tim Lang, 575 Curnow Canyon Road, said he's just next door to Mr. Rodoni. Mr. Lang said the only time he drives Sky Canyon is when Axe Handle is iced up. He thanked Mr. Rodoni for the work he does on Sky Canyon because his wife prefers driving Sky Canyon.

- c. **Operations Manager's Report:** Jim Hicks said Larry covered most everything and we are very weather-dependent. Greg Dennis said he agreed and asked that Jim monitor Range Land and when it's dry enough, it will need to be graded because the ruts are very deep. Jim referred back to comments Greg made earlier and said Range Land is not really down from where it was originally built; there's an Arizona spillway there and it's at road grade. He said when the roads were originally cut in, there was no attention to drainage or anything else; they cut them in one to two feet below grade. Larry Johnson added that the requirements for division of large parcels was 4-wheel-drive access and that's what we ended up with.

6. **Old Business:**

- a. **Policy for Accepting Roads Improved by Others:** Larry Johnson said he hasn't done anything on this yet.
- b. **Policy for Use of Credit Cards:** Maureen Sidley said she called and spoke with Beth Kohn (the auditor) and Beth said there is no statute on this, so it's up to the Board to set the policy. Marty Breitmeyer explained there are times when there's not enough time to establish a line of credit for equipment auctions, so a credit card is needed. Maureen will apply for a credit card with a \$15,000 limit. Cathy Glatthar said she will bring back the "boiler plate" policy for review and possible adoption at the next meeting.
- c. **Procedure for Removal of Animals Struck by Vehicles:** Larry Johnson said he met with the Department of Agriculture, and they accept responsibility for the removal of animals. He said they are going to provide us with contact information so we can notify them of any dead animals. He explained they may need assistance with loading such animals onto a flat bed trailer until they get the appropriate equipment, and he agreed to have the PVGID assist when necessary. Larry said he would draft a policy once he gets the information from the Department of Agriculture.

7. **New Business:** None

8. Judicial/Government Affairs:

Louie Test asked Cathy Glatthar if she received the tort claims report. Cathy said she received it and we are in compliance with the statute.

Larry Johnson said Louie should be aware that at the Twin Springs crossing, the flood uncovered two phone cables and there's possibly a third cable in the area. He said Greg Dennis contacted AT&T and attempted to coordinate with them before we repaired the crossing and AT&T did not show up. He explained we used nearby sand to cover the cables and put warning tape on top of that, before rock was used to restore the road bed and get the road back in service. He added that we got USA clearance before we worked on the deep washouts.

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

- Maureen Sidley will need to notify the Department of Taxation of the tax rate decision made tonight no later than February 20th. Maureen said she would send an email.
- Next month the tentative budget will be ready to be signed because it is due on April 15th.
- Next month's meeting is March 16th.
- Designation of Auditor/Auditing Firm will be on next month's agenda.

10. Correspondence:

Larry Johnson reported sending a response to Mr. Poundstone regarding Mr. Poundstone's assertion that the GID did not comply with the agreement regarding the culvert installed under Ironwood Road which resulted in damage to his driveway. Larry explained that the GID had actually exceeded what was stipulated in the agreement, but to settle the matter, he agreed to install an additional 10-foot section of culvert and unplug the two 12-inch culverts under his driveway. Larry said he considers the issue closed.

11. Public Comment:

Russ Rodoni wanted to know if the pot holes on Bacon Rind could be patched? Larry asked Mr. Rodoni to submit a road maintenance request via email.

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

12. Board Member and Staff Items:

Greg Dennis said he wanted to be sure Range Land is on next month's agenda.

13. Adjournment: Jim Currivan made a motion to adjourn the meeting. Marty Breitmeyer seconded the motion, and hearing no opposition, the meeting adjourned at 7:55 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 01-13-2017 to 02-09-2017

ATTACHMENT: 02/16/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Clean most roads (light grading)
Repair road damage (multiple roads)

OTHER ROAD WORK:

Shoulders (Whiskey Springs & Ironwood)
Culvert condition survey
Install Culvert Wilcox Ranch at Goodher
Fill washouts Wilcox Ranch (Quaking Aspen to Goodher)
Repair culvert & fill washout Little Ironwood
Clean culvert inlets & outlets (storm damage)
Repair creek crossing Twin Springs (Storm damage)
Fill washout (Right Hand Canyon)
Fill washouts (Twin Springs)

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, March 16, 2017

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, March 16, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Marty Breitmeyer (arrived at 5:50 p.m.), Mitch Gerlinger, Greg Dennis, Jim Currivan, 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 (left at 7:05 p.m.).
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 – February 16, 2017:** Greg Dennis made a motion to approve the minutes as written, and Jim Currivan seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Cathy Glatthar reviewed the Estimated Operating Funds report. She stated the actual revenues have exceeded estimated by \$19,600, and the estimated funds for capital improvements has come back up a little bit to \$311,547. Larry Johnson added there is still a lot of flood damage repair to be done and we won't know what the capital improvement funds will be until about 60 days from now and after we get through the FEMA process and see what costs are recouped.
 - b. **Payment of Bills:** Maureen Sidley stated the amount of the Dynamic Diesel check is incorrect; instead of \$129.61, it should be \$729.61. She stated there are quite a few more bills this month due to weather-related repairs. She said she had not received the bill from Q & D. Larry Johnson said it was emailed to him and he thought they also sent it to the GID's email. Cathy Glatthar said she did not receive it. Larry had a copy with him and asked that the Q & D invoice for flood damage repairs in the amount of [\$5,939.22] be approved for payment. He added the invoice from E & C Excavation for the repairs done using a track-mounted excavator also be added and approved in the amount of \$6,790.00. Greg Dennis asked what the Powerplan payment in the amount of \$7,818.09 was for? Jim Hicks replied for repairs to the 770 grader. Larry said Maureen needs to have Jim Hicks verify invoices before she writes the checks. Larry explained there's a bill from Martin Marietta for materials for Peak Road stabilization, and the fuel bill this month is \$1,900. Jim H. said the Purcell Tires bill is for front tires for the 770 grader. Maureen said there were payments to Courtney Hutton for welding done on the rollers. Greg Dennis made a motion to pay the bills with the correction to the Dynamic Diesel check and the addition of the Q & D and the E & C Excavation bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

Marty Breitmeyer abstained from voting because he is employed by Q & D and there is a payment to Q & D.

- c. **Designation of Auditor/Auditing Firm:** Maureen Sidley reported she spoke with Beth Kohn of Kohn and Company and they will not be increasing the cost for the audit. She added that the State sent word that last year's audit met with their approval. Larry Johnson commented that he thought we should stay with Kohn and Company; we've been with them a long time, we've received clean audits, and they are not increasing the cost when most everyone else is. Mitch Gerlinger made a motion to retain Kohn and Company and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.
- d. **Finalize and Sign Tentative Budget for Fiscal Year 2017-2018:** Maureen Sidley handed out the tentative budget and reviewed several items. She said the tentative budget is due on April 15th, which is prior to our next meeting, so it must be signed tonight. Cathy Glatthar had a handout with the revenue projections. Maureen read from Cathy's sheet: Ad Valorem is estimated to be 283,061, CTX 396,672, LGTA/Fair Share 30,000, and interest of 100 for a total of 709,833. Mitch Gerlinger asked about the revenue we are supposed to get from the [Truckee Meadows Fire Protection District]? Cathy explained that is part of the CTX figure. She followed up from last month and said she confirmed that the Department of Taxation did not properly apply the alternate formula when calculating our CTX base. She said they have since corrected that mistake and instead of 45,000 being added, 48,864 was added to our base. Cathy then commented that the total revenue projection amount of 709,833 is approximately 100,000 more than projected for last year's budget. Greg Dennis asked what the amount of retained earnings would be? Maureen explained we try to keep an ending fund balance of 77,000 which is approximately two months of overhead. Cathy mentioned that the money projected doesn't start coming in until September, so these funds will be used in the summer of 2018 not 2017. Marty Breitmeyer made a motion to approve the tentative budget. Mitch Gerlinger seconded the motion, and hearing no opposition the motion passed.

5. Road Maintenance Reports:

- a. **Road Reports - Including Report on Flooding:** Larry Johnson said with a little break in the weather, they have been able to get all roads serviceable. He said a lot of the system requires regrading and restoration of drainage. He said with the warmer weather the snow is melting and we have water running down Whiskey Springs Road and crossing it in three locations. He said there is water running in drainages where they haven't seen water in years. He said the water running across Right Hand Canyon is due to a plugged culvert and it will either be unplugged or replaced. He said for Whiskey Springs a culvert is being planned for the intersection with Amy Road. Larry reported the second grader operator has been called in when available, but he has been called back to his full-time job with a construction company. Larry said we have a couple of months worth of work still to be done. He said the pot holes and edge patching of asphalt surfacing is being done by temporary workers.
- b. **FEMA and State Disaster Funding:** Larry Johnson said Cathy and he have been working on putting together applications and notices of intent that will make us eligible to apply for funding. He said he attended a FEMA briefing in Carson City.

He said we compiled estimates for repairs and mitigation measures totaling \$297,000. He said Marty was helpful in scheduling trucking and materials.

Larry then acknowledged Mr. Ed Bliss in the audience. Mr. Bliss, E & C Excavation, asked if he was going to get paid? Larry explained the bill was approved and a check will be in the mail sometime tomorrow.

Larry returned to the agenda item and said the process and the paperwork is mind boggling. He said there is a four-hour training session next week that he and Cathy will attend. Cathy said we'll need a motion and explained that FEMA will pay 75% of what is approved, the State will pay 50% of the remaining 25%, and the remaining 12.5% (local match) will need to be paid by the GID. Greg Dennis said Washoe County should pay for flood damage and pick up the 12.5%. Greg said he would discuss it with our representative [Commissioner Herman] and see what she can do.

Larry then read the preliminary scope of work that was submitted to the State:

Phase I: Roadways listed as completely washed out were refilled with native material if suitable, or with imported rock fill if required for stabilization. Rock rip rap was imported for erosion protection in areas subjected to excessive flow velocities. Most of this work has been completed to date by a combination of PVGID employees and equipment supplemented by outside contractors and material sources.

Phase II: Roadways listed as having deep-cut gullies (often 3 to 5 feet deep) were filled in with native materials, if suitable, supplemented by imported gravels and rock materials where necessary. This work has been completed at this time by PVGID employees and equipment supplemented by outside contractors and material sources.

Phase III: Practically all roadways within our 95± mile system were damaged and will require multiple regrading efforts. Roadside V-ditches were obliterated by erosion or sedimentation requiring reconstruction. This work has begun and will be performed by PVGID employees using PVGID equipment.

Phase IV: Asphalt surfaced roadways are potholed with significant erosion at edges of surfacing. Pothole patching will be performed by PVGID crews with materials purchased from outside suppliers. Repair of eroded edges will be done by a combination of PVGID crews and an outside contractor when the weather is warm enough for this type of work.

Phase V: Culverts (100±) throughout the system were completely overwhelmed resulting in clogging and/or erosion. Some have been repaired to date. Work will continue in the future. Work is being accomplished by PVGID crews.

Phase VI: For details on mitigation measures, see Exhibit B. (Quaking Aspen, Big Dog Road, and Broken Spur)

Greg suggested importing materials for repairs and mitigation. Larry said he did have some materials brought in and stockpiled in the yard. Mitch Gerlinger made a motion to provide the funding for the 12.5% local share. Marty Breitmeyer seconded the motion and hearing no opposition, the motion passed.

Larry said he is waiting for a FEMA representative to contact him and tour the damage sites. He read some of the required information from a checklist. Marty said the equipment rates he gave Larry were the FEMA rates from FEMA's website.

- c. Curnow Canyon Road:** Larry Johnson said we received an email from Curnow Canyon residents and he read the email and addressed each item as follows:

A few questions that we have as we enter into the Spring season, so we can understand what to expect from the GID in the maintenance of our roads.

1. When is the top portion of Axe Handle scheduled to be re-surfaced?

Larry said he assumed that what was meant by the “top portion of Axe Handle,” are the areas above last year’s micro-surfacing up to the beginning of Curnow Canyon.

Right now there are several potholes that are 4-6” deep in this area.

Larry said he would like these people to drive Whiskey Springs, because upper Axe Handle is [nowhere close to how bad Whiskey Springs is]. He then explained the priorities will be to patch the potholes in the travel lanes and then come back and repair the broken edges. He said it appears that with what we think we will have for budget, we will put a Cape Seal down. He said the contract will be let in late May, and the work will probably be done in June or July. He said patching will be completed on Whiskey Springs and then Axe Handle will get patched.

Connie Paullo, 855 Curnow Canyon Road, said at 4700 Axe Handle Road there are three culverts and the water went into those culverts and emptied into a cistern on the other side. She said the resident paved his driveway and now there is water running across the road.

Jim said the water is not currently running across there, but he will take a look at it and determine what can be done.

Ms. Paullo added that she brought this up because she didn’t want the [surfacing] done and then have this drainage problem ruin the [surfacing]. She said she wanted the GID to be aware of the problem and possibly fix it before they [surface].

Larry said he’s not even sure if they will go that far with the surfacing. He said they will look at it and thanked her for bringing it to their attention.

Jim Currivan asked to be included when Jim Hicks looks at upper Axe Handle.

2. How often is CCR scheduled to be graded this year???

Larry responded that we grade as necessary and when we can get to it along with our other 95 miles of roads. He said when the road gets rough, to please email us and request it be graded and we’ll get you on the schedule. He said we rely on our residents to assist us by reporting problems.

Jana Shuler, 400 Curnow Canyon, said her understanding was that Curnow Canyon was on the schedule to be graded three times per year, but you would rather us contact you and tell you we need it graded?

Larry said we want to grade roads by priority when needed. He said the bad thing about Curnow Canyon is in decomposed granite sands that washboard within a week of grading, particularly the curve at Sky Canyon Road. He said we can’t grade it every week. He mentioned that our policy allows residents to get together and pay for improvements. He said he got a call from a contractor he knows, who said he got a call from someone on Curnow Canyon asking what the price of six miles of

grindings would be and they were shocked to learn the cost. Larry said paving costs \$250,000 per mile.

3. *Who is responsible for maintaining the culverts that have been installed in the past??*

Connie Paullo asked who is responsible for maintaining the culverts?

Mitch Gerlinger replied if they are under the road, the GID is responsible, and if they are under a driveway, the property owner is responsible.

Larry added that uphill driveways are a problem.

4. *We need more aggregate.*

Larry said they brought in aggregate base in the past and yes, annually in late October or early November they will put down a couple of loads of aggregate in that area at the top of Axe Handle. He asked that this be put on the calendar for October along with sanding of Wilcox Ranch Road from Crazy Horse to Quaking Aspen, Quaking Aspen approximately two miles from the intersection with Wilcox Ranch, Wilcox Ranch hill between Goodher and Mid Roads, and the Yellow Tail hill beginning at the intersection with Chantry Flats.

Tricia Johnson, 5900 Quaking Aspen, said we've been out here for 25 years and people come out here and don't know what they are getting into with the roads. She said Larry is her husband and she knows a bit about the soils, and Quaking Aspen has the clay soils and it gets very slick. She said everybody has problems.

Larry thanked the audience members for conducting themselves in a polite manner and he said he appreciates that.

d. Range Land Road: Greg Dennis said he understands why everyone wants to vet these issues. He said he's driven around and things are still a mess; it will take time and be careful how you drive. He let Jim Hicks know that there is a large pot hole that needs to be filled with aggregate; it can't be patched with asphalt because it's still full of water.

e. Operations Manager's Report: Jim Hicks said the roads were "cleaned" after the storms, now they will grade them. He said it will take two to three cycles to fill the potholes. He said the asphalt crew has only been working for a few days and has already put down 5.39 tons of patching material. He said they started on Whiskey Springs at Right Hand Canyon and they are nearly at Wild Horse. He reported the little dump truck was in town for repairs and it's working good; it will need new front tires, but he wants to wait until they can get asphalt patching done. Greg Dennis asked if they wanted to consider hiring an outside crew? Larry said it's something they might consider. Jim Currivan commented that it would be covered by the authorization given to Larry back in January.

6. Old Business: Larry Johnson said these two items would be postponed until next month.

a. Policy for Accepting Roads Improved by Others

b. Policy for Use of Credit Cards

7. **New Business:** None
8. **Judicial/Government Affairs:** Louie Test said he had nothing to report.
9. **Calendar Review:** Cathy Glatthar reviewed the upcoming items:
- By March 30th, Maureen Sidley will need to notify the Department of Taxation of the auditing firm designated at tonight's meeting.
 - Maureen will need to file the tentative budget with the Department of Taxation by April 17th.
 - The final budget will be discussed at next month's meeting.
 - Next month's meeting is April 20th. Larry said he will not be able to attend on the 20th and that Marty Breitmeyer will need to conduct the meeting.
10. **Correspondence:** None
11. **Public Comment:**
- Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
12. **Board Member and Staff Items:**
- Larry asked that Greg Dennis report back to the Board next month of any conversations he has with Washoe County regarding flood repair funding.
 - Marty Breitmeyer said there are some auctions coming up and he will see if there are any of items we are looking for.
 - Marty said he's started working on the list of equipment and vehicle assessments.
 - Cathy Glatthar said the information was sent to the gentleman regarding Sky Canyon. She mentioned that the Lang's have a Curnow Canyon address, but their property is Parcel #2 in the Sky Canyon subdivision.
 - Cathy reported receiving an Agency Review for Verizon to put up a monopole on the property above the Wayside yard. She said Larry submitted a condition of approval as follows:
Any damage to PVGID roadways from construction traffic shall be repaired by regrading after completion of the project.
 - Cathy reported an invoice for \$5,000 was sent to Washoe County for the repair of upper Quaking Aspen which is in process for payment. Larry added that the money will be used to purchase aggregate base or grindings and transport.
13. **Adjournment:** Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 7:30 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 02-13-2017 to 03-09-2017

ATTACHMENT: 03/16/17 Meeting Agenda Item 5. e.

ROADS GRADED:

Wilcox Ranch
Broken Spur
Amy (Whiskey Springs to James Ranch)
Range Land
Lost Spring
Grass Valley (W)
Wilcox Ranch

OTHER ROAD WORK:

Initial road washing & pothole repair (multiple roads)
Repair washout on Grass Valley (W)
Add Material on Peak (E-W)

OTHER:

None

EQUIPMENT:

770 Grader - Alternator
Chevy Dump Truck - Fuel heater, glo plug controller, front end work

SPECIAL MEETING

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

Thursday, April 27, 2017

MINUTES

Larry Johnson called the special meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:30 p.m. Thursday, April 27, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Greg Dennis, and Larry Johnson. Absent were Marty Breitmeyer and Jim Currivan. Also present were Jim Hicks, Operations Manager; Maureen Sidley, Assistant to the Secretary; and Cathy Glatthar, Assistant to the Board.
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 – March 16, 2017:** Mitch Gerlinger made a motion to approve the minutes as written, and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley stated the ad valorem figure includes the \$5,000 received from Washoe County for upper Quaking Aspen. Cathy Glatthar said she did not have time to generate the Estimated Operating Funds report.
 - b. **Payment of Bills:** Maureen Sidley explained the E & C and the Q & D items at the top of the transaction report were approved last month and the checks were written the next day. Cathy Glatthar mentioned that the amount paid to Q & D was incorrect; the total should have been \$5,939.22, so a balance of \$774.68 is due to Q & D. After some review, it was determined that this month's payment to Q & D does not duplicate any amounts paid last month. Mitch asked what was repaired on the '88 Chevy? Jim Hicks said the starter switch and glow plugs controller. Jim added that it's great for doing asphalt patching, so we should keep it. Maureen asked Jim about the Praxair cylinder bills. Jim reviewed the bills and said they were accurate. Mitch Gerlinger made a motion to pay the bills with the addition of the reimbursement to Larry for the DMI device and the \$774.68 to Q & D. Greg Dennis seconded the motion, and hearing no opposition, the motion passed.
 - c. **Establishing Savings for Future Asset Purchases:** Greg Dennis said we have a budget for projects, but nothing for equipment. He asked if we have retained earnings? Cathy Glatthar suggested looking at tangible savings and not budgeted reserves. She said the Board can decide to set aside an amount of money each month and put it in a dedicated fund, which would be only for equipment and vehicles or just have those dollars go into the savings account. Greg said he would like to defer this to another time.

- d. **Work on Final Budget for Fiscal Year 2017-2018:** Maureen Sidley said all categories look good and she will increase the temporary workers category to \$50,000. She said she will have the updated revenue figures on the worksheet for next month's budget hearing.

5. **Road Maintenance Reports:**

- a. **Road Reports - Including Report on Flooding:** Larry Johnson said they are working on many projects including flushing of culverts, road grading, and making all roads serviceable. He said there are still some problem areas such as Quaking Aspen, but it is on the list of projects that we are seeking funding for from FEMA.
- b. **FEMA and State Disaster Funding:** Larry Johnson stated that he and Cathy [Glatthar] attended a FEMA training session. He said FEMA has a team in town working on the grants. He said he and Cathy attended the kickoff meeting at his office, and there were five FEMA team members present. He said after that meeting, they had a series of field inspections with the FEMA team. He said that for the most part our claims would be sustainable, but this team does not have the final say. He explained there are two categories: repairs needed to restore to pre-flood condition, and mitigation to prevent future flood damage to the same facility. He said he wrote up a preliminary list of projects prior to the field inspections. He said he learned afterwards that we needed to separate the repairs from the mitigation. He explained we are submitting five projects: 1. Impassable Roads, 2. Eroded Roads, 3. Roadside Drainage, 4. Damage to Asphalt Surfacing (had to cut back dramatically on this project), and 5. Culverts. Jim Hicks stated he was not aware of any culverts that were still plugged. He added that because we had high flow, the culverts did not plug; they stayed open. Larry said FEMA wants the reports filed by May 1st.

Greg Dennis requested that we ask for mitigation work on Range Land Road. He said the area he's concerned with is from Peak Road to Grey Van. After some discussion, Larry said he would submit mitigation for Range Land Road.

Larry explained the State mitigation letter of intent is due tomorrow and said Cathy is working on finalizing that application.

Cathy Glatthar said the Board needed to vote again on the 12.5% local match, because Marty Breitmeyer voted on the previous motion and he works for Q & D Construction, so there is a conflict of interest. Mitch Gerlinger made a motion to provide the funding for the 12.5% local share. Greg Dennis seconded the motion and hearing no opposition, the motion passed.

Larry stated that we have put on a full-time asphalt patching crew of temporary workers. He asked Jim Hicks to give a summary of the work done. Jim Hicks reported they have put down approximately 85 tons; Axe Handle is done, Ironwood and Whiskey Springs pot holes have been filled, and Right Hand Canyon pot holes should be completed today. He said next they will go back and finish the edge work on Whiskey Springs and Ironwood, and they still have the patching work on Amy. Larry said the edge patching is mandatory to prepare for this summer's surfacing projects.

c. Strategic Plan: Larry Johnson said he would like to rename this to 2017 Capital Improvement Program. He said chip seal and Cape Seal (chip seal with a slurry seal) are the preferred surfacing methods. He said we should have sufficient dollars to surface the remaining paved sections of Axe Handle (a less than 1/2 mile section and a one mile section) and Whiskey Springs from Amy to Right Hand Canyon. He stated a separate contract would be let for micro-surfacing; the product that goes over the existing Cape Seal. He said there is a 1.3-mile section of Otta Seal on Ironwood Road that would be micro-surfaced, and three or four segments on Right Hand Canyon. He mentioned that for future chip seal projects, they will go through any intersections and continue the chip seal for approximately 100 feet. He cited the example of Ironwood and Amy, and explained that Amy washboards terribly where the surfacing ends.

Greg Dennis commented that when Range Land Road was surfaced, the base was not tight enough, and he asked what was going to be done to ensure the sub-base is tight enough before the surfacing is done? Larry said all the proposed surfacing this year will be on existing paved surfaces. Larry said in hindsight he would never have surfaced Range Land.

Larry stated the cost of oil has gone up and he is getting estimates for both Cape Seal (\$50,000 per mile in the past) and micro-surfacing (\$60,000 per mile in the past), so he'll have some idea of what to expect. He said he will have bid documents drawn up, and he wants the bids opened by the end of May. He said we may have to have a special meeting to open bids and award the contract. He said he wants to allow contractors June, July, and August to fit our projects into their schedules. He said we will need 2 or 3 weeks' notice so we can prepare the edges. He said he would have bid documents ready for review at the next meeting and asked Greg to perform a technical review. Mitch recommended sending the documents to the Board ahead of time, so they can be finalized at the May 18th meeting.

Larry listed the roads and approximate miles that have been or that he proposes will be ultimately surfaced as follows:

Whiskey Springs - 5 miles; Right Hand Canyon - 2 miles; Ironwood - 5 miles;
Amy - 0.3 miles; Wilcox Ranch - 2.5 miles; and Axe Handle - 3 miles

He said for a total of 16 miles. He said with our present budget, we can surface 4 miles per year and in a 4 year cycle, we can do all 16 miles. Larry added that as we surface roads, it reduces the number of miles of dirt roads that have to be graded.

Larry stated that the FEMA funding request is in the \$200,000 range and would be glad to get half of that. He discussed some of the projects that would be done with the FEMA money. He stated that we submitted an invoice for \$5,000 to Washoe County for aggregate base and trucking for the upper section of Quaking Aspen Road. Maureen Sidley said we did receive the \$5,000. Larry said he proposes to do some of this work on Fridays and the weekends with temporary workers.

Greg said we need to get the material from the shoulders back onto the roads in the wintertime when it's a little wet. Jim said they do that all the time, but it's in the wintertime that you build the road back up because there's enough moisture to keep the dirt on the road, whereas it just blows away in the summertime.

Larry talked about the pre-winter project of sanding roads and said that needs to be done in October.

Greg reported the aggregate base that was put in the excessive pot hole on Range Land worked very well.

Larry stated that to qualify for FEMA funding, we have to do economic analyses to justify that we did this in the most cost-effective manner, and include women- and minority-owned businesses for our future, non-emergency work. He said we need to advertise for trucking and materials in northern California, Utah, and Las Vegas, in addition to advertising in the northern Nevada area. Maureen Sidley said she could handle it and would get proofs of publication. Larry said he would write up the notices and get them to Maureen.

Greg Dennis made a motion to allocate \$50,000 for temporary workers for the 2017-2018 budget. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

Greg Dennis made a motion to authorize an additional \$20,000 for temporary workers for the current year and Mitch Gerlinger seconded the motion. Hearing no opposition, the motion passed.

Don Otto, in the audience, said he wanted to offer his services as a temporary or part time worker for \$35,000 to \$40,000 a year. Larry said typically we don't spend that much on temporary workers; this year has been different with the flood. Maureen mentioned that after a certain period of time, you have to pay benefits. Jim said it's six months and then you have to start paying PERS.

Larry reported last fall he received approval to purchase a measuring device, a DMI, and he has ordered it and it should be delivered next week. He asked Maureen to reimburse him the \$455 cost.

d. Operations Manager's Report: Jim Hicks said the roads are doing good because they have stayed wet. Mitch Gerlinger said he traveled about 50 miles of the roads today and they are looking good. Cathy Glatthar asked if there was still water running across Wild Horse, and if so, what was going to be done? After some discussion, Jim said there's a telephone line there and it's all mud right now; they have to wait for it to dry up, and then they will excavate the outlet side of the culvert. Larry said an unusual spot was upper Whiskey Springs where water was running across. He added that there's nothing that can be done, because the road is too low to put a culvert in, besides there is nowhere for the water to go. Larry asked if the scarifiers on the blade are operational? Jim said they were.

6. Old Business:

a. Policy for Accepting Roads Improved by Others: Larry Johnson said he would defer this item, but mentioned that Capurro and Murphy sold those lots and he doesn't know who the new developer is. He said the District should not accept those surfaced roads until all the building is completed and the developer resurfaces them.

b. Policy for Use of Credit Cards: Maureen Sidley reported that Wells Fargo wants somebody to personally indemnify, which means that if the GID does not pay, then they will go to that individual for payment. Maureen said she would find out if this can be waived.

7. New Business: None

8. **Judicial/Government Affairs:** Louie Test was not present.
9. **Calendar Review:** Cathy Glatthar reviewed the upcoming items:
- Maureen said she would have the notice of public hearing for the budget published on May 5th.
 - Maureen will need to file the quarterly economic survey by May 15th.
 - All trustees are invited to submit comments to the President and the President conducts the Operations Manager's performance appraisal. Cathy asked Larry to send her the blank appraisal form he uses so she can send it to the Trustees.
 - Operations Manager conducts the employee's performance appraisal.
10. **Correspondence:**
- A letter was received from Mr. Bertagnolli in response to a letter he requested about grading his "road." Cathy Glatthar explained that Mr. Bertagnolli, 5100 Grey Van Road, contacted Jim Hicks about his road not being graded in over four years. Cathy said she looked up his property and it is on the north side of Range Land Road and his property is a "flag" property. She explained Grey Van Road does not go through north of Range Land; that it is Mr. Bertagnolli's private driveway. Larry read the rest of the letter and Mr. Bertagnolli was requesting to meet with someone about preventing the water from Range Land Road from going down his driveway. Larry asked Greg Dennis to contact Mr. Bertagnolli.
11. **Public Comment:**
- Don Otto thanked the GID for all the extra work being done on FEMA. He said the patching work being done is great and he said he would like to see wider surfacing. He said Range Land would benefit from a paddle-wheel scraper to move material quickly. He wanted to know why the steel-drum roller wasn't used more often? He said you should turn over the material on the road when it's wet and then roll it, and it will last longer. He said Dennis Buck might be able to do some of the trucking.
- Larry Johnson asked if there were any further public comments? Hearing no requests, he moved to the next agenda item.
12. **Board Member and Staff Items:** None
13. **Adjournment:** Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 7:50 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 03-13-2017 to 04-13-2017

ATTACHMENT: 04/27/17 Meeting Agenda Item 5. d.

ROADS GRADED:

Prairie
Big Dog
Wild Horse
Amy
Wilcox Ranch
Wild Horse
Bacon Rind (N)
Bacon Rind (S)
Sage Flat
Little Ironwood
Hockberry
Pony Springs
Sharrock
Right Hand Canyon
Wrangler
Grass Valley (W)

OTHER ROAD WORK:

Patch washed out areas on Curnow Canyon
Excavate ends and Flush culvert 2200 Right Hand Canyon
Patch Range Land Entrance
Patch Grass Valley W Entrance
Patch large washed out area on Range Land
Redirect Water Whiskey Springs
Repair concrete culvert joint on Wilcox Ranch
Fill washout 2' x 3' x 300' Sage Flat Road
Patch Quaking Aspen at the Willows

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, May 18, 2017

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, May 18, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Greg Dennis, Mitch Gerlinger, Jim Currivan, and Larry Johnson. Marty Breitmeyer 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:**

Wayne Hogue said he owns property on Stirrup Drive (but does not live there) which is located just above the PVGID yard on Wayside Road. He said the main reason he's here is he understands Stirrup is not maintained by the GID, but the flooding this winter washed out the road. He wanted to know if the GID would grade the road and make it drivable?

Larry Johnson explained it's been Board policy, since inception, not to work on any road that was not accepted for maintenance. He said we have been contacted by a great number of people who have had their private driveways, that's essentially what they are, damaged by the flood flows. He said our legal counsel has advised us that we do not and cannot work on roads beyond what has been accepted for maintenance.

Desme St. Clair, Stirrup Drive, asked why do we pay into something we do not get benefit from?

Larry explained that they do get benefit when they drive on GID-maintained roads: Wayside, Grass Valley, and Whiskey Springs. He further stated the County does not pay the GID to maintain roads. He explained the GID is funded through property taxes assessed on each parcel in the District.

Ms. St. Clair said she's not asking for grading to be done every day, but for an emergency like this.

Larry said we maintain 95 miles of roads, and there are lots of people in the same situation.

Mitch Gerlinger explained that legally there is no difference between their road and his driveway. He said we can't make exceptions.

Mr. Hogue said he accepts what they are saying, but is there any way for them to get the services?

Larry said he has suggested to others that they contact one of the many equipment operators in the Valley that can be rented/retained to do that work.

Ms. St. Clair wanted to know if the GID's equipment could be used?

Larry said that's an absolute no.

Ms. St. Clair made further comments about the equipment in the yard and the GID crew and when they work.

Larry concluded saying he sympathized with them, but there are miles of this throughout the Valley.

Bill Johnson asked if all properties are assessed the same?

Larry responded the rate is the same, but it is applied to assessed values that are determined by the Assessor's Office.

Mr. Johnson asked about road standards?

Larry explained this was a division of large land parcels by McCulloch Oil, and state law said roads were to be made available by 4-wheel drive, seasonally. He reviewed some of the history of Valley roads.

Mr. Johnson commented about the paving of Winnemucca Ranch Road.

Larry explained Winnemucca Ranch Road is owned by Washoe County and they paved that road. He said in contrast the PVGID does not own rights-of-way; the roads are on access and public utility easements.

Mr. Johnson asked about the Amy Road subdivision?

Larry explained there was a Specific Plan approved by the County in the early 1990s. He gave some information about the roads within the specific plan, and some history about Broken Spur Road. He said the developers paid fees to Washoe County for various development costs and they requested to be reimbursed; the matter went to court, and the developers lost. He said this Board may in the near future be requesting some of those funds from the County so that improvements can be made to Broken Spur.

Mr. Johnson then mentioned using asphalt grindings.

Larry said what we are doing, Cape Seal, is the most cost-effective for us at 50 cents per square foot. He explained this Board is the first ever to put down any asphalt surfacing.

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

3. **Approval of Minutes – April 27, 2017:** Mitch Gerlinger made a motion to approve the minutes as written, and Jim Currivan seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley stated Wells Fargo has given us the option of getting a debit card with a \$3,000 limit without requiring a guarantor. She said this might work for Marty Breitmeyer when he's bidding for equipment. She said Jim Currivan is now a signatory on the bank account and can co-sign checks. Cathy Glatthar reviewed the Estimated Operating Funds report, stating the funds for capital improvements has come down quite a bit from \$311,000 to \$268,094. She said actual revenue is nearly \$9,400 more than estimated. Greg Dennis wanted to know if the flood repairs cost the difference between the \$311,000 and the \$268,000?

Larry said not exactly, and he has asked Cathy to put together a summary of costs-to-date for flood repairs and how much of that we may be reimbursed by FEMA and the State. Larry said we will probably have the patching crew finish up Ironwood and Amy and they'll be done. He said to get our FEMA reimbursement for the culvert work, we will need to spend time to get culverts flushed and open completely.

- b. **Payment of Bills:** Maureen Sidley stated the patch material bill was high again this month and there's a bill from Western Nevada Supply for culverts. Larry Johnson added the bills for Ray Nicolai were for trucking of aggregate base for Quaking Aspen, which should be reimbursed by FEMA, that much of Cathy's work was for FEMA, which is reimbursable, and the Granite Construction bills for patching material will not be covered by FEMA. Cathy added that the asphalt patching that FEMA would allow did not meet the project minimum of \$3,100. Greg Dennis made a motion to pay the bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.
- c. **Public Hearing - Final Budget for Fiscal Year 2017-2018:** Maureen Sidley said based on the vote taken at last month's meeting, she increased the payroll and payroll taxes figures for seasonal workers. Larry asked if there were any public comments on the budget? Hearing none, Greg Dennis made a motion to approve the final budget for fiscal year 2017-2018. Jim Currivan seconded the motion, and hearing no opposition, the motion passed. Maureen added that we received a letter from the State that our tentative budget was in compliance.

5. Road Maintenance Reports:

- a. **Road Reports - Including Report on Flood Repairs:** Larry Johnson said the crew has been busy working on normal maintenance and special projects: 1. Piute Creek Road culvert replacement; 2. Installing sub-surface drains under Quaking Aspen at the willows (above O'Hara), and stabilizing with rock fill and then capping with aggregate base; and 3. Repairing damage to upper Quaking Aspen, where they are using the funds (plus additional money) received from Washoe County.

He said upper Twin Springs Road has water flowing across the road in a shallow channel. He said there is a concrete wall on the downhill side, so we can't get a culvert in there. He said his reply will be that they will just have to drive through that little channel until it dries up. He said he was at the CAB [Citizen's Advisory Board] meeting last night, and he received a request for maintenance for Amy Road south of Pony Springs. In answer to Larry's question, Jim Hicks said they have not graded Curnow Canyon yet; they did Wild Horse first because it had a serious issue. Larry explained we received an email that said Curnow Canyon had not been graded since December. He said actually Curnow Canyon was graded after the January storm and then again after the February storm. Larry asked Jim to get Curnow Canyon graded next week. Jim said they would. Larry said we've been very responsive.

- b. **FEMA and State Disaster Funding:** Larry Johnson stated we have submitted all the FEMA grant paperwork and FEMA has submitted two of our four projects into their system. He said we received the application from the State for the 12.5% disaster funding program. He said that paperwork is at least as extensive, if not more, than the Fed's.

- c. **2017 Cape Seal: Whiskey Springs Road and Axe Handle Road:** Larry Johnson reported he put together the construction documents for placement of Cape Seal on 1.9 miles of Whiskey Springs Road from Amy to Right Hand Canyon, and on two sections of Axe Handle Road totaling 1.4 miles. He said Cathy will make a few more revisions to the documents and then distribute them to the Board. He asked the Board to get back to him no later than next Wednesday. He reviewed the contents of the construction documents. In answer to Greg Dennis' question, Larry said he did not want to spend \$10,000 on professional services when preparing the bid documents is something he can do. He said the bid deadline date is June 9th. He said the construction period is from June 26th to August 31st, to allow contractors to fit us into their schedule. In answer to Larry's question, Cathy Glatthar said to be sure we're in compliance for advertising, the notice needs to be in the newspaper seven working days prior to the bid deadline. Cathy said she would send last year's notice to Larry so he can make any changes and get it to Maureen for publication. Larry responded to Jim Currivan's question, that while upper Axe Handle is being surfaced, the detour will be Sky Canyon; for other road sections, the contractor may only do one lane at a time, leaving one lane open at all times. He said notices will be on the website and emails will be sent out. He said we will [review] bids and award the contract at the June 15th meeting. Greg Dennis asked how much would be left for capital improvements after the Cape Seal project is done? Larry said probably \$35,000 to \$45,000. Greg said he would like to move dirt on Range Land this winter. Cathy reported that Larry did submit to FEMA for mitigation on Range Land.

Don Otto, in the audience, thanked the Board for doing the repairs on Quaking Aspen at the willows. He acknowledged that was a difficult project.

- d. **Operations Manager's Report:** Jim Hicks reported the patching crew has put down about 110 tons of asphalt patch.

6. **Old Business:**

- a. **Policy for Accepting Roads Improved by Others:** Larry Johnson said he would skip this item.

7. **New Business:** None

8. **Judicial/Government Affairs:** Louie Test was not present.

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

- Cathy reported last month she was a month early regarding the performance appraisals. She said the Board members each have a blank appraisal form and they are invited to submit comments to the President and the President conducts the Operations Manager's performance appraisal.
- Next month's meeting is June 15th and we start at 4:30 p.m. and go into a closed session for the Operations Manager's performance appraisal. At 5:30 p.m. the open session will start.
- Operations Manager conducts the employee's performance appraisal.
- The bill for the Air Quality Permits for the aggregate pits has not come in yet and it is due on May 31st. Maureen will contact Washoe County and get the bill paid by the deadline date.

- Maureen will file the Final Budget with the Washoe County Clerk and the State Department of Taxation on or before June 1st.
- The notices to the employees regarding the closed session have been signed by Larry Johnson tonight. Jim Hicks has the letters and will sign his and have Dan sign his and give one set of copies to Maureen.
- Employee compensation will be on next month's agenda. Maureen will have the CPI [Consumer Price Index] number and current compensation figures with her next month.
- Maureen Sidley said she needs Larry to sign the letter of engagement for Kohn and Company, who was approved to conduct this year's audit at the March meeting.

10. Correspondence:

Cathy Glatthar asked Greg Dennis if he had gotten in touch with Mr. Bertagnolli? Greg said he didn't have Mr. Bertagnolli's phone number. Cathy said it was in the letter and gave it to Greg.

11. Public Comment:

Bill Johnson asked if the County would accept any of the main roads in the Valley?

Larry Johnson said before the County would consider taking over any of our roads, the roads would have to be brought up to County standards; our roads are not even close and they are on easements, not rights-of-way.

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

12. Board Member and Staff Items: None

13. Adjournment: Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 6:58 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 04-17-2017 to 05-12-2017

ATTACHMENT: 05/18/17 Meeting Agenda Item 5. d.

ROADS GRADED:

Amy (Ironwood - Wilcox Ranch)
Wilcox Ranch (Amy - Crazy Horse)
Prairie
Jackrabbit
Quaking Aspen
Crazy Horse
Hay Canyon
Wilcox Ranch
Amy (Ironwood - Wilcox Ranch)
Piute Creek

OTHER ROAD WORK:

Excavate culvert end (Quaking Aspen @ O'Hara)
Excavate culvert ends & Extend 8' Amy @ Wilcox Ranch
Flush culvert (Amy @ Wilcox Ranch)
Flush culvert (Ironwood @)
Flush culvert (Quaking Aspen @ O'Hara)
Install culvert (Piute Creek)
Stabilize Quaking Aspen @ Willows
Widen Quaking Aspen @ Willows

OTHER:

None

EQUIPMENT:

None

SPECIAL MEETING

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

Thursday, June 15, 2017

MINUTES

Larry Johnson called the special meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 4:30 p.m. Thursday, June 15, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Present were Mitch Gerlinger, Greg Dennis, and Larry Johnson. Marty Breitmeyer and Jim Currivan 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 (by phone).
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:** Mitch Gerlinger 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. Greg Dennis 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 5:31 p.m.

1. **Roll Call:** Present were Mitch Gerlinger, Greg Dennis, and Larry Johnson. Marty Breitmeyer and Jim Currivan 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 (by phone until 5:36 p.m.).
2. **Public Comment:**
Larry asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – May 18, 2017:** Mitch Gerlinger made a motion to approve the minutes as written, and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.

At this time Larry Johnson moved item 8. Judicial/Government Affairs up on the agenda (see below).

4. Financial Reports and Payment of Bills:

- a. **Financial Reports:** Maureen Sidley reported receiving a letter from the State [Department of Taxation] that the budget was approved.

Cathy Glatthar reviewed the Estimated Funds for Capital Improvements report and said [the funds for capital improvements] are down a little from last month; it was \$268,000+, now it's \$255,720. She reported overall, actual revenue exceeds estimated by \$9,400. Larry said he asked Cathy to put together an approximate

summary of how much labor, equipment, and materials have been expended to date that we have a good chance of being reimbursed by FEMA. He said we might get the reimbursement in time to do some additional capital improvements this year. Cathy said she wasn't able to update the earlier report, but estimated the amount spent to date at \$85,000.

- b. Payment of Bills:** Maureen Sidley reported she received the annual property and liability insurance premium bill in the amount of \$7,646.79, which is an increase of only \$229 for increased payroll. She said there were several payments for road work. Larry explained Granite was for patch material, Q & D was for trucking, Martin Marietta was for material for Quaking Aspen, and Anchor Concrete was rental of a mini-excavator and operator for Quaking Aspen repairs. Larry mentioned to Cathy Glatthar that we need to separate out the repairs at the willows and the aggregate base put down on Quaking Aspen from Microwave Road and down which we received funds from Washoe County; those are not FEMA costs. Larry asked Cathy to put together the costs for the Quaking Aspen repairs that Washoe County reimbursed us for and he will write a message to go to Dave Solaro. Maureen said she received two of the proofs of publication for the Solicitation of Bids notices; she has not received the Las Vegas or Reno Gazette Journal proofs of publication and will contact them. Cathy said the Washoe County District Health Department bill for \$335 should be for the aggregate pits permit. Cathy said we have not received the permit, so she called the Health Department and they said they had not received payment. She said she explained that a check in the amount of \$335 was sent in, and the person she spoke with said it should have been \$244. Cathy said she is waiting to hear back on the status of the permit and the correct amount due. Greg Dennis made a motion to pay the bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

At this time Larry Johnson moved items 7. a. New Business - Action on Closed Session (if any) and 7. b. New Business - Employee Compensation up on the agenda (see below).

5. Road Maintenance Reports:

- a. Road Reports - Including Report on Flood Repairs:** Larry Johnson stated we have kept up with maintenance requests fairly well, but this latest storm set us back a bit, mostly on the clay roads. He said he received a request from an individual who wanted to work for us part time on the weekends to grade a particular road on a monthly basis. Larry said his recommendation would be no, because it sets a bad precedent in a number of ways. Mitch Gerlinger and Greg Dennis agreed.

Larry asked Greg if he would be available at 7:00 on Monday mornings for the Road Committee meetings? Greg said he has a lot going on, but put him down and he'll try to make it. Larry explained the Road Committee takes road maintenance requests and any identified issues or problems that need immediate attention and makes the decision on what the priorities are for that week. He added that the flood has revealed some deficiencies in the original construction of some of the roads. He said an example is Yellow Tail Road on the sharp curve. He said they need to fix the drainage there. He said the same problem exists in several spots on Grass Valley west. Mitch added that in the summertime that area of Yellow Tail has sharp rocks that are exposed and it would be good to get some DG on that area. Larry agreed.

b. FEMA and State Disaster Funding: Larry Johnson stated we have submitted all of our paperwork to FEMA and they have prepared the four reports. He said Cathy reviewed those reports against what we submitted and once we were in agreement, he signed an affidavit that all was true and correct. He said there are two levels of review, then they go to the State and the State does their audit; the money from FEMA goes to the State and the State will disburse the money to us. Larry said we have submitted our letter of intent to the State for the 12.5% reimbursement (1/2 of the 25% FEMA doesn't cover). Larry thanked Cathy for the fantastic job she has done.

c. 2017 Cape Seal Project - Review Only Bid Received (SNC \$221,000) and Award Contract: Larry Johnson stated there was only one bid from Sierra Nevada Construction (SNC) in the amount of \$221,000. Mitch Gerlinger asked how that unit cost compared with previous years? Larry said the cost of oil has gone up and the unit cost has gone up by about two cents per square foot. Mitch Gerlinger made a motion to accept SNC's bid in the amount of \$221,000 and to authorize Larry Johnson to sign the contract on behalf of the GID. Greg Dennis seconded the motion and hearing no opposition, the motion passed.

Larry said the contractor will give us at least two week's notice so we can do shoulder work and prep for the cape seal.

Greg Dennis asked if any patching or repairs would be done on Range Land? Larry said no. There was some discussion about what should be done on Range Land Road with a decision that Larry, Greg, and Jim Hicks would get together and discuss what can be done with Range Land. Larry said we do need another round of patching this Fall, including Range Land.

d. Operations Manager's Report: Jim Hicks reported with the last storm, we have some rutting and it typically takes a couple of gradings to get the ruts out. He explained that if you grade out the ruts all at once, you get a lot of loose material. Greg Dennis suggested filling the tire ruts with Type II base and eventually with traffic driving over the base, it will stabilize. Jim said it's a matter of time and money; that's what everything boils down to. Larry Johnson said after seeing the effects of the three inches of Type II base put on upper Quaking Aspen with Washoe County's money, which covered about 1,250 lineal feet, he said he wants to approach his neighbors and see if they can raise enough funds to have that done on sections of Quaking Aspen in front of their houses. He said the GID does have a policy that allows property owners to pay for improvements.

He said if we get the money from FEMA, he wants to work on some of these projects such as putting three inches of aggregate base on upper Wilcox Ranch hill.

6. Old Business: None

7. New Business:

a. Action on Closed Session (if any): None

b. Employee Compensation: Larry Johnson said this is the time of year when we consider raises. Maureen Sidley said she provided the Board with a five year history and mentioned benefits run about 35% - PERS is 28%. Larry asked for an explanation of the Consumer Price Index (CPI) handout. Cathy Glatthar explained the annual CPI for 2016 was 2.4% and for 2017 it's been trending up and in May it's at 2.45%. Larry said he recommends each year that the minimum raise we give our

employees would match the CPI; so 2.45% would be his starting point. Mitch Gerlinger said in light of their exceedingly good activities through the flood season and outstanding levels of work, he wanted to give a significant raise this year and give 6% to Jim and 5% to Dan. Greg Dennis recommended 5.5% for Jim and 4.5% for Dan. Larry said the most he'd go is 5% for Jim and 4% for Dan. Greg Dennis made a motion to give Jim a 5.5% raise and Dan a 4.5% raise. Mitch Gerlinger seconded the motion. The vote was taken with Greg Dennis and Mitch Gerlinger in favor of the motion and Larry Johnson opposed. Cathy reported the raises become effective July 1st.

8. Judicial/Government Affairs:

Louie Test said he had nothing to report.

Larry said he did expect to see two individuals who threatened litigation over our failure to clear weeds from in front of their house, but they are not here. He said maybe they were satisfied with his response that the District does not remove weeds along our roadways, because they are easements and owned by adjacent property owners and the property owners are responsible for weed control. Louie Test said the only time we have done weed control was when it was a traffic hazard; such as on Whiskey Springs when the weeds were so tall, that deer could not be seen until they ran out onto the road. He said Larry's response was correct.

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

- Maureen will need to have the Annual Fiscal Reports published on or before July 1st (Actual for prior FY, Estimated for current FY ending 6/30, and Budget for new FY).
- Cathy said once she gets the AQMD aggregate pits permit, she will send a copy to the Director of the Planning and Development Division as proof that the Wayside SUP is active.

10. Correspondence: None

11. Public Comment:

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

12. Board Member and Staff Items:

- Larry Johnson asked Greg Dennis to look at the corner of Amy and Wilcox Ranch Roads where a new driveway is being cut in within 50 feet of that intersection. He said he believes it is going to be a commercial driveway for the propane business. Cathy said she believes there is a Washoe County code that says the GID has some discretion over driveways. She said she would look that up.

13. Adjournment: Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion. Hearing no opposition, the meeting adjourned at 6:33 p.m.

PVGID OPERATIONS REPORT

Reporting Period: 05-15-2017 to 06-08-2017

ATTACHMENT: 06/15/17 Meeting Agenda Item 5. d.

ROADS GRADED:

Twin Springs
Wild Horse
Curnow Canyon
Bacon Rind (S)
Bacon Rind (N)
Amy (S)
Amy (Ironwood-Wilcox Ranch)
Wilcox Ranch
Range Land
Two Forty
Peak (E-W)
Grey Van
Rebel Cause
Roadrunner
Amy
Broken Spur (N)
Bootstrap
Twin Springs (Wilcox-Crossover)
Amy (Ironwood-Wilcox Ranch)
Wilcox Ranch

OTHER ROAD WORK:

Install drainage Quaking Aspen @ Willows
Add rock & road base Quaking Aspen @ Willows
Add rock drainage Quaking Aspen above willows
Install culvert (Whiskey Springs @ Amy)
Add material ditch (Piute Creek)

OTHER:

None

EQUIPMENT:

None

SPECIAL MEETING

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

Thursday, June 29, 2017

MINUTES

Larry Johnson called the special meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 5:32 p.m. Thursday, June 29, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Jim Currivan, Greg Dennis, and Larry Johnson. Marty Breitmeyer was absent. Also present were Jim Hicks, Operations Manager; and Cathy Glatthar, Assistant to the Board.
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 – May 18, 2017:** Cathy Glatthar apologized and said this item was listed in error; there are no minutes to be approved at this meeting.
4. **2017 Cape Seal Project - Contract Change Order:**

Larry Johnson said when we have projects scheduled, we send out notices and post it on the website. He said he wondered if the public sees our notices or not. Cathy Glatthar said she felt we reached a good number of people. Greg Dennis mentioned it is good to let emergency responders know of road closures. Larry said that was a good comment. Cathy said she would get notices to Truckee Meadows Fire and REMSA.

Larry reported that last Monday they commenced the first phase of the Cape Seal, which consists of a half-inch-minus chip seal. He said the two roads being worked on are Whiskey Springs from Amy to Right Hand Canyon and two segments of Axe Handle that have not been rehabilitated and still had the old pavement from the 1960s. He said we put out a contract for bid, and the bid was awarded at the last Board meeting.

Larry reminded the Board of the discussion that he wanted to, later in the year if they had sufficient funds, to also put a micro-slurry over the two remaining areas of Otta Seal that had not been resurfaced. He said those areas are the 1.3 mile segment of Ironwood and the little less than a half mile on Axe Handle from the sharp curve starting down the straight of way hill.

Larry explained half of this confusion was his fault because, for the first time in six years, he did not use a measuring wheel and walk these miles and measure them exactly. He said he ran them off on an odometer, so the quantities were approximate. He said each foreman has a distance measuring instrument which is mounted on the vehicle and plugs into the vehicle's diagnostics. He said every year they verify his numbers and determine if there are any discrepancies. He said they got together on Monday and re-measured the distances, and determined the distances were significantly less than what Larry had in the construction documents. He said that left us with an opportunity to have the two sections of Otta Seal done under this contract.

He said that was the basis of the change order he had Cathy type up, but that is not what's in front of the Board now. He explained the additional work beyond the contract is in the lower table of the draft change order. He said it includes Ironwood Road: Otta Seal portion, Axe Handle section 1: the Otta Seal section. He said Axe Handle section 2: 300 lineal feet and Whiskey Springs: 400 lineal feet are segments that he wants a double layer of micro-slurry over the new chip seal.

He said that was submitted to the contractor for review and in the meantime, the foreman re-measured the chip seal segments and determined the distances were wrong; they were far more than what was measured on Monday. He said they got together again last night and re-measured and confirmed the foreman's distances, which again, were more than the Monday distances. Larry said at that point they were not going to be able to do any of the work listed in the lower section of the change order.

Jim Currivan asked why the numbers were so far off? Larry replied the instrument that was just installed on a pick up, was improperly installed and was reading only about 90% of the actual distance.

Larry said he's gone back and forth with the contractor and they have made some modifications and they have arrived at a compromise. He said the upper table (the original Cape Seal) reflects the correct distances. He said they have agreed to use a Type III RTC modified micro-slurry instead of the Type III specified originally. He explained the difference is the modified micro-slurry is slightly finer. Larry said he explained to the contractor that we had not done the paperwork for a public works project with prevailing wage and it would be awkward to do so after the fact. He said the actual cost would have been \$258,800, but the contractor agreed to discount it to \$249,999.

Larry clarified that none of the micro-slurry has been done, only the chip seal listed in the upper section of the change order. He explained if the change order is accepted, we have the advantages of not paying for a separate mobilization or for separate traffic control, and the contractor is discounting his price by nearly \$9,000. Larry said his recommendation is to accept this deal.

Mitch Gerlinger asked if we would run into any problems with auditing? Larry said no, because we are within the law. Mitch said he was more worried about how it appears. Cathy said if we took out another contract of the same type within the year, then we would have a problem.

Jim Currivan asked for clarification on Axe Handle. He said somewhere it said going up to Space Test and wanted to know if that was a misprint? Larry said yes that was a misprint. Jim C. then asked where does Axe Handle end? Larry said at Curnow Canyon. Jim Hicks said Axe Handle actually turns there and goes up to the research facility. Larry said that section is now a private driveway and is not maintained by the District.

Larry explained they will not put asphalt surfacing on roads that were not paved unless they serve a lot of people. He said for example, next year his recommendation to the Board will be to surface the short section of Amy and Wilcox Ranch Road because it serves 100 homes. He said we put our funds where they benefit the most people.

Greg Dennis made a motion to approve Change Order No. 1 for a total contract amount of \$249,999 with Sierra Nevada Construction and that includes the additional micro-slurry quantities as specified. Jim Currivan seconded the motion, and hearing no opposition, the motion passed.

5. Public Comment:

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

6. Board Member and Staff Items:

Greg Dennis wanted to know if we would be doing some more patching of the old asphalt before winter? Larry said yes some of Right Hand Canyon and upper Whiskey Springs. Jim Hicks mentioned that Larry had some of Right Hand Canyon done in this project.

Greg said it's a huge improvement for the whole District and reaching a goal set by the Board long ago. He wanted reassurance that the emulsion being used works. Larry said it is normally put on top of an existing pavement that is nowhere near as badly deteriorated, let alone put directly on dirt. Larry explained to Greg this was the grand experiment and he would have never recommended this to a city or county or any client he has ever had; the main thing is, it is working. He said it worked everywhere except Range Land, which is mediocre, but better than what they had. Larry said Greg's concern was valid and they can only do so many miles before they have to cycle back and apply another layer so it doesn't deteriorate. He said the next layer is only slurry, so it's cheaper and we can go further. He said people used to drive in five miles of mud on Ironwood and three miles of mud on Whiskey Springs; they should be happy.

7. Adjournment: Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 6:10 p.m.

REGULAR MEETING

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

Thursday, July 20, 2017

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, July 20, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Jim Currivan, and Larry Johnson. Greg Dennis and Marty Breitmeyer 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:**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – June 15, 2017 Closed Session, Open Session, and June 29, 2017:** Mitch Gerlinger made a motion to approve all three sets of minutes as written, and Jim Currivan seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley stated in three weeks the paperwork goes to the Auditor for the annual audit. Maureen said she needs to file the Indebtedness report and she usually includes one piece of equipment, such as a grader and wanted to know how much a new grader would cost. Jim Hicks said close to \$300,000. Maureen said she would list that amount just in case.

Cathy Glatthar reviewed the Estimated Operating Funds report, stating the funds for capital improvements is essentially at zero. Louie Test asked if this represented the \$12,000 being held back from Sierra Nevada Construction. Cathy said no, but we have reserves and we are expecting nearly \$30,000 in revenue next month. Larry said we will be fine. Cathy said in September we will get the large, first installment ad valorem payment. Larry said we signed off on two of the four FEMA projects a few weeks ago and they were projecting about six weeks before we would be seeing the money.
 - b. **Payment of Bills:** Maureen Sidley stated the bills include the payment to Sierra Nevada Construction for the road work in the amount of \$237,444.52. Larry Johnson clarified that we held a 5% retention until next meeting to verify workmanship and performance of the work performed. He asked if anyone sees any deficiencies, to please call them to his attention; otherwise, the 5% will be released at the next meeting. Maureen explained the Silver State International bill was for a valve kit. She said the Workers' Compensation amount is less than normal; the fourth quarter is based on an audit and it resulted in a lower amount of \$802.50 (normally \$1,250 per quarter). She said the first three quarters will be the same and the fourth quarter will be based on the audit. She said she will have them increase the amount for the

first three quarters because the temporary labor budget was increased; that way the audit amount for the fourth quarter won't be surprisingly high. Cathy Glatthar said that was a good idea, since the fourth quarter payment is due during July, one of our lean income months. Larry said we will have a second round of asphalt patching, but we'll discuss with Jim [Hicks] at the time whether we have an outside crew come in or have our people do it. Larry asked Maureen how much we spent for temporary labor for the fiscal year? Maureen said she did not have that figure, but she believed it was below the \$25,000 budgeted. In answer to a question, Cathy explained the bill from the Washoe County Treasurer is a special assessment for the Water Rights Administration Fee (\$8.79). Maureen mentioned another annual fee which is paid to the Department of Business and Industry in the amount of \$13.50; \$6.75 per full-time employee. Larry asked what our actual monthly expenses are. Cathy said \$25,000, which includes payroll, but does not include any road maintenance expenses such as patch material, chip seal, etc. Jim Currivan made a motion to pay the bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

5. Road Maintenance Reports:

- a. Road Reports - Including Status of 2017 Cape Seal Project:** Larry Johnson said Sierra Nevada Construction applied the second layer on the Cape Seals on Whiskey Springs and Axe Handle. He said we also had a micro-slurry put on the original Otta Seal segment of Ironwood. He said he had hoped that we could have done some full-width patching on Right Hand Canyon Road like we did last year, but the money was just not there. He said it will get done next year.

Larry said, although we haven't received a request for maintenance, one of the comments on social media was regarding Sharrock. He explained where the flood flows came down parallel to the road, we need to re-ditch and possibly widen the ditch. He told Jim Hicks that they would get together and come up with a plan. He said there are still a number of flood-related repairs around the Valley that they need to work on.

He said it's the dry time of the year when the rocks come to the surface. He explained traffic causes the fines to go away and rocks are exposed; it happens every year in all of these alluvial fan, rocky areas. He mentioned Yellow Tail as an example and Quaking Aspen as another example. Larry said the other soil type that gives us trouble this time of year are the Curnow Canyon, Bacon Rind DG soils that washboard within days of being graded. He said Jim is grading as fast as he can.

- b. Report on Flood Repairs and FEMA and State Disaster Funding:** Larry Johnson stated we still have a number of things to do in the future; most of the mitigation work is yet to be done. He said some things can be worked on because they won't cost a lot of money. In particular he mentioned the culvert for Broken Spur could be installed. He mentioned to Jim Hicks that the alignment Jim proposed is the proper way to do it. Larry asked Cathy to provide him with a list of all the future projects so they can start checking them off. Larry said two more of the FEMA projects are being finalized between Cathy and FEMA. Cathy reported having to re-do Project 3 (drainage) worksheets in the same format as Project 2 (roadway erosion). She said they hope to have these two projects finalized soon.

- c. **Operations Manager's Report:** Jim Hicks reported they have had to replace three grader tires within two weeks. He said they swapped the tires on the 670 grader with the tires on the 770 grader, so that the newer tires with the most tread are on the 770 grader.

Don Otto, in the audience, suggested they buy a high-quality tire, such as Michelin or Rock Tread; they might last longer. Jim said he believes the ones they get now are AMCO, and they are not recapped, they are new. Jim explained when the tires wear down they get "rock cut." He said they get about a year out of these tires. In answer to a question, Jim stated higher quality tires probably cost twice as much. Jim said we generally don't have that much trouble with tires as long as the tread is good; these were worn down. In answer to a question, Jim said we use Purcell Tire.

6. **Old Business:** None

7. **New Business:** None

8. **Judicial/Government Affairs:**

Louie Test reported receiving a letter from Mr. Newell wanting weed abatement. Louie read the letter into the record (see attached). Larry Johnson interjected that this followed an email from Mrs. Newell about weed control which Larry followed up with a reply email (see attached) that the GID does not own the roadways and is not responsible for weed control; it's the responsibility of the property owner. Louie then read his reply letter into the record (see attached). Louie's letter reiterated Larry's reply that the PVGID is not responsible for weed control. There was some discussion regarding the one time when the GID did have the local farmer, Mr. Pratt, mow down the weeds along Whiskey Springs Road because they were creating a traffic hazard; they were so high, drivers could not see deer until they were in the roadway.

Don Otto, in the audience, asked how wide our easement is. Larry said 33 feet on each side of the centerline, for a total of 66 feet. Mr. Otto then raised concern over the GID grading the roads and possibly starting a fire. He wanted to know if the GID would be held liable for starting a fire while grading the roads. Louie Test explained that it would have to be proven that we were negligent. Larry said the water truck goes through first, so the likelihood is low. Larry added that he is not aware of the GID ever starting a fire in the past 40 years.

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

- Maureen Sidley needs to file the Indebtedness report on or before August 1st.
- Maureen needs to submit the proof of publication for the Fiscal reports by August 14th.
- Maureen must file the Quarterly Economic Survey by August 14th.

10. **Correspondence:**

Maureen reported the cooling neck wraps came from the POOL/PACT and she gave them to Dan.

11. **Public Comment:**

Louie Test asked how our wells held up during all of these fires? Jim Hicks said it was fine and the [Ironwood well] was used a lot by the firefighters. Larry reported there was some glitch that Jim took care of.

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

12. Board Member and Staff Items:

- Cathy Glatthar had copies of the job descriptions for the Board Members Handbook.
- Larry Johnson reported he attended the Citizens Advisory Board meeting last night. He said there is a social media site called “NextDoor Palomino” on which a handful of residents were highly critical of the GID. He said on one hand he’s tempted to go to the site and post clarification statements; on the other hand, maybe he should let it go. He said there are the same old criticisms of our surfacing program and why aren’t we paving the roads. He said there were misleading statements as to the cost to pave. He said we could post something on our website. He wasn’t sure what the Board wanted to do and suggested we have a “Public Relations” item on next month’s agenda. Larry asked Cathy to send the comments from NextDoor to the Board.

13. Adjournment: Jim Currivan made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 6:40 p.m.



PVGID Administrator <palvalgid@gmail.com>

Fwd: high weeds on road shoulders-Sharroek Road/Broken Spur

Palomino Valley GID <palvalgid@gmail.com>
To: Lolita Newell

Mon, Jun 12, 2017 at 4:48 PM

Lee,

Here is Larry Johnson's response:

"The district has never and does not intend to perform weed control. Land owners are responsible for weed control on their own property."

~ Cathy

Cathy Glatthar
Assistant to the Board

----- Forwarded message -----

From: **Lolita Newell**
Date: Mon, Jun 12, 2017 at 12:21 PM
Subject: high weeds on road shoulders-Sharroek Road/Broken Spur

Hi Cathy:

]

]The weeds on the shoulders Sharroek Road and Broken Spur in front of our house are very high fire danger.

I am requesting the GID to remove the weeds on our road shoulders.

Please advise when the GID can remove the weeds.

Thanks

Lee

PS: Appreciated the info. regarding the work on Pyramid Highway starting today.

George Newell
1200 Sharrock Road
Reno, Nevada 89510
Phone: 775/475-0139

Rec'd 6-21-17

June 17, 2017

Louie Test
Attorney at Law
429 West Plumb Lane
Reno, Nevada 89509

Dear Louie:

Please inform us of the statute requiring the GID to maintain all conditions of the Road Right Aways by the GID, including weed control.

We are very concerned about this because of the serious fire hazard existing this year due to the high proliferation of shoulder weeds.

Thank you for your attention to this matter.

Sincerely,



George Newell

HOFFMAN & TEST
ATTORNEYS AND COUNSELORS AT LAW
SOUTHWEST PROFESSIONAL CENTRE
429 WEST PLUMB LANE
RENO, NEVADA 89509

John W. Hoffman
Louis S. Test

Mailing Address:
P.O. Box 187
Reno, Nevada 89504-0187
Telephone (775) 322-4081
Fax (775) 322-3841

July 19, 2017

George Newell
1200 Sharrock Road
Reno, NV 89510

Re: *Weed Removal*

Dear George:

After I received your letter dated June 17, 2017, I contacted the Secretary for the Board. She forwarded me Larry Johnson's response to Lee regarding her request for weed control. Pursuant to the resolution passed by the County Commissioner in 1973 (enclosed herewith), the GID will only provide for the operation, repair and maintenance of the roads within the District. The District cannot provide weed control on private property as Larry pointed out in his response to Lee on June 12, 2017.

I appreciate your concern. I would suggest that you contact the Truckee Meadows Fire Department as they may be able to give you some assistance with the weed abate of your property. In addition, you may want to contact the Washoe County Extension Office at (775) 784-4848 as I know they have wildfire prevention program.

Sincerely,

HOFFMAN & TEST



Louis S. Test

LST:ajk
cc: PVGID

RESOLUTION APPROVING AMENDMENT
TO THE SERVICE PLAN OF

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

RESOLVED, by the Board of County Commissioners of Washoe County, Nevada, as follows:

WHEREAS, a Petition to Amend the Service Plan for Palomino Valley has been filed with the Board of County Commissioners of Washoe County; and

WHEREAS, all notices of hearing on said Petition have been duly and regularly given in accordance with law; and

WHEREAS, a public hearing on said Petition was held on October 15, 1975, where evidence and testimony were presented; and

WHEREAS, it appearing to the satisfaction of the Board of Commissioners of Washoe County as follows:

1. That there is sufficient existing and projected need for the services set forth in the requested amendment to the Service Plan as described in the Petition.

2. That existing services within said area are not adequate for projected needs.

3. That adequate service will not be available to said area through municipal annexation within a reasonable time.

4. That the special district is capable of providing economic and sufficient service in accordance with the proposed amended service plan within said area.

5. That the area included in the district under the proposed amended service plan will have the financial ability to discharge the obligations under the proposed amended service plan on a reasonable basis.

6. That the service standards of the proposed amended service plan are not incompatible with the service standards of

75-1976

Washoe County or other adjacent municipalities or special districts.

7. That granting the Petition is in the best interests of the health, safety and general welfare of the people of Washoe County.

NOW, THEREFORE, be it RESOLVED that the Petition to Amend the Service Plan for Palomino Valley General Improvement District be, and the same hereby is, approved and said Service Plan, as approved by this Board on June 5, 1973, is hereby amended in the following respects:

1. All that property described in Exhibit B of the Petition may be included within the Palomino Valley General Improvement District, and the service district.

2. That no improvements or facilities will be constructed by Palomino Valley General Improvement District and Palomino Valley General Improvement District will not furnish sewer or recreation services, but will only provide for operation, repair and maintenance of roads within the District which will be constructed by McCulloch Properties, Inc. The funds for said road services will be derived from ad valorem taxes.

3. That the lots within Palomino Valley General Improvement District will be reduced from 5,000 to approximately 650 with a minimum size of 40 acres, and with a corresponding projected population of approximately 2,600.

DATED: October 15, 1973.

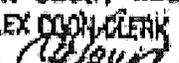
BOARD OF COMMISSIONERS OF
WASHOE COUNTY, NEVADA

By


Chairman

ATTESTED:
ALEX COON, Washoe County Clerk

ALEX COON, CLERK

By  CHIEF DEPUTY



PVGID OPERATIONS REPORT
Report Period 06-12-2017 to 07-13-2017

ATTACHMENT: 07/20/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Amy (Ironwood-Wilcox)
Wilcox Ranch
Crazy Horse
Yellow Tail
Chantry Flats
Quaking Aspen
Roadrunner
Wilcox Ranch
Range Land
Amy

OTHER ROAD WORK:

Shoulders (Whiskey Springs)
Add material to upper Axe Handle
Remove downed trees & debris (Wilcox Ranch)
Patch Asphalt (Ironwood)

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, August 17, 2017

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, August 17, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Jim Currivan, and Larry Johnson. Greg Dennis and Marty Breitmeyer 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:**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – July 20, 2017:** Mitch Gerlinger made a motion to approve the minutes as written, and Jim Currivan seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley stated we did not receive much in the way of revenue this month, but Cathy [Glatthar] said it is in line with what was expected. Maureen reported for seasonal workers, \$25,000 was budgeted for the last fiscal year [July 1, 2016 to June 30, 2017] and actual expenditures totaled \$39,229.33. Cathy Glatthar stated that figure represents three separate projects where seasonal workers were employed: 1) to prepare shoulders for summer of 2016 road improvement project (approx. \$8,200), 2) flood damage repairs (\$10,300), and 3) asphalt patching (approx. \$20,600). In answer to a question, Maureen clarified the current year's budget for seasonal workers was increased to \$50,000.

Larry Johnson asked Cathy why the estimated operating funds available for capital improvements was minus \$300 last month and this month it is minus \$15,000? Cathy replied it was due to paying the retainage to Sierra Nevada Construction and other expenses that came in higher than expected.
 - b. **Payment of Bills:** Maureen Sidley stated the bills include the final payment to Sierra Nevada Construction for the road work in the amount of \$12,497.08. She stated there was only one major repair this month: the International water truck in the amount of \$6,188.73. Mitch Gerlinger asked if the legal notice payments were FEMA-related notices? Maureen confirmed that Deseret News was for Salt Lake City and was for FEMA. She said the Reno Gazette-Journal was partially for FEMA, but there was also the "Request for Bids" for the road improvement project and publication of the annual reports. Mitch Gerlinger made a motion to pay the bills. Jim Currivan seconded the motion, and hearing no opposition, the motion passed.

5. Road Maintenance Reports:

- a. **Road Reports:** Larry Johnson asked Jim Currivan about the performance of the Cape Seal and slurry seals on Axe Handle Road. Jim responded that they are pretty good and he said it was holding up good in the turns. Mitch Gerlinger reported Whiskey Springs is holding up well, even the edges. Remarks were made about people driving too fast and the surfacing is not designed to handle high speeds. Larry said he has been amazed at the performance of the surfacing on the sharp curve on Ironwood. He added that he had double layers of surfacing put on the curves and in the dip on Whiskey Springs.

Larry stated at the Road Committee meeting on Monday, he compiled a list of projects that need to be completed before winter. He read them into the record (see attached). In response to a question about putting rock in ditches to slow water flow, Larry explained it makes maintaining the ditch impossible. He drew diagrams on the white board to show how some of the improvements would be made to fix various problem areas. Larry said we need to put out the word that we need a couple of young, strong people to do the asphalt patching. He mentioned the FEMA contact said he could put us in touch with a Veteran's training center that would have workers available.

Mitch said he had two road maintenance requests from the school bus driver for the washboard on Wilcox Ranch hill between Goodher and Mid and Wild Horse through the curve and up to Crossover. Larry said he'd get it on the list. He said Dan has been on vacation for the past two weeks, so we are behind on grading. He added it's summer, it's hot and dry, and he pointed out we have a lot more traffic on these roads.

- b. **Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding:** Larry Johnson said he did not hear back from FEMA as to whether or not we need to get a DUNS number. Larry asked Maureen Sidley to go ahead and apply for the number; that way we will have one if we need one. Cathy Glatthar said she received a call from a FEMA representative who stated she had all four of our project worksheets. Cathy said the representative had a question regarding DG used on one of the projects.

Jim Currivan asked what the dollar figure was on these four projects. Cathy said the figures have changed over time, but the high figure is \$200,000 and FEMA will reimburse up to 75%, and the State will reimburse 12.5%.

- c. **Operations Manager's Report:** Jim Hicks said with Dan on vacation, he's had an opportunity to do much needed work on the equipment. He reported the water truck will be back on Monday and they can start fixing roads. Mitch Gerlinger asked if the windshield had been replaced on the Chevy pickup? Jim replied two windshields need to be replaced; they have been ordered and he's waiting on the installer.

6. Old Business:

- a. **Clarification of Procedure for Removal of Animals Struck by Vehicles:** Larry Johnson said he believed this matter has been clarified very well as far as feral horses are concerned. He said he did get an irate call last week about an antelope that was struck by a vehicle on Ironwood and thought the GID should have taken care of it. He cited an example that happened about five years ago, when an

antelope was struck on Whiskey Springs and was injured, but not killed. He said the farmer who lives nearby contacted the game warden and asked if it was legal to dispatch the animal. The game warden said no, and said the farmer would be cited if he did; which is extremely inhumane. Larry said he has a call into the chief of enforcement, Tyler Turnipseed, with the Department of Wildlife for clarification on that and then we will set a policy. He said earlier this year he met with the Department of Wildlife and we have a policy for feral horses - we are to contact DOW and they will either come pick up the animal or they will arrange for its removal. Larry said he will wait until he hears back from DOW, and get their written policy on these other situations.

7. New Business:

a. Public Relations: Larry Johnson reiterated that he attended the CAB meeting last month because there was some misinformation on social media. He said things have calmed down considerably since then. He said he always invites people to come to our meetings to address their issues with us. He said he didn't think anything needs to be done on this item. He said some criticism was the surfacing on Whiskey Springs is rough. He said when you put a half inch of surfacing over an already rough pavement, what do you expect. He said as more layers are put on it will smooth out; they just need to be patient.

8. Judicial/Government Affairs:

Louie Test said he had nothing to report.

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

- The next meeting is September 21st.
- The gasoline tank needs to be empty by the end of August. Cathy will send an email to Washoe County Air Quality Management Division requesting a closure of the gasoline fueling facility permit.

10. Correspondence:

Cathy Glatthar reported being contacted by an individual about the procedure for exclusion from the District. She said she sent him the information he needs to initiate his request.

11. Public Comment:

Don Otto had a photo showing a vehicle in a ditch and commented that the ditch needs to be laid back on the narrow roads. He said there are a lot of roads out here with a pile of dirt in the ditch.

Larry Johnson said the Board has been requesting that a windrow not be created; that material needs to be back on the road grade. He referred to one of the diagrams on the white board and said where this is doable, it needs to be done.

Don Otto said he thought that was a lawsuit that could be brought against us.

Don Otto said he was not crazy about the 5 ½% raise.

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

12. Board Member and Staff Items:

- Cathy Glatthar said she received a phone call from Kim Robinson, the Executive Director of the Truckee Meadows Regional Planning Agency (TMRPA). She said the TMRPA is conducting a survey about the Regional Plan Update and Ms. Robinson was requesting our help in getting the survey out to our constituents.

13. Adjournment: Jim Currivan made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 6:45 p.m.

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

LIST OF PROJECTS

As of August 17, 2017

- SHARROCK - Between Amy and Wild Horse - Grading and Ditch Repair
- YELLOW TAIL - Corner - Excavate collection basin, raise road, install culvert
- GRASS VALLEY (WEST) - Corner(s) - Excavate collection basin, raise road, install culvert at each location (tentative plan)
- UPPER QUAKING ASPEN - Aggregate Base on Hill
- CURNOW CANYON - Aggregate Base at End of Surfacing
- WHISKEY SPRINGS (FEMA Mitigation) - Rip Rap Outlet Side of Box Culvert
- WILCOX RANCH BRIDGE - Rip Rap Northeast Side
- BIG DOG (On FEMA Repair and Mitigation List) - WINTER - Excavate shoulders, raise road, install culverts (tentative plan)
- RANGE LAND (On FEMA Mitigation List) - WINTER - Take material from shoulders and build up road
- UPPER WILCOX RANCH - Sand or Aggregate Base
- GOODHER/WILCOX RANCH - Bus Turnaround Improvement
- MAILBOXES AT AMY, CRAZY HORSE, & QUAKING ASPEN - Sand
- IRONWOOD & WHISKEY SPRINGS ASPHALT EDGE PATCHING - Use Temporary Labor(?)
- AGGREGATE BASE STOCKPILES (?) - Unsure if this should be done - Material has been stolen in the past when stockpiled in roadway easement
- QUAKING ASPEN - Sand Front/Lower Section
- IRONWOOD RETENTION BASINS - Clean Out Sediment
- BROKEN SPUR (On FEMA Repair and Mitigation List) - Take material from nearby shoulders, build up road, and install culvert
- TWIN SPRINGS (On FEMA Mitigation List) - Add rock to downstream side of low water crossing
- PIUTE CREEK (On FEMA Mitigation List) - Aggregate base over culvert repair area
- LITTLE IRONWOOD (On FEMA Mitigation List) - Armor inlet and outlet of culvert (Completed?)

PVGID OPERATIONS REPORT
Report Period 07-17-2017 to 08-10-2017

ATTACHMENT: 08/17/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Wilcox Ranch (Amy to Quaking Aspen)
Wilcox Ranch (Quaking Aspen to Goodher)
Wilcox Ranch (Goodher to Mid)
Goodher
Grass Valley (S)
Sharrock
Piute Creek
Broken Spur
Quaking Aspen (Wilcox Ranch to O'Hara)
Bacon Rind (N)
Sage Flat
Amy (S)
Pasture View
Yellow Tail
Chantry Flats
Crossover
Prairie
Amy (Ironwood to Wilcox)
Wilcox Ranch (Amy to Quaking Aspen)

OTHER ROAD WORK:

Add material front (Range Land)
Fill potholes (Rebel Cause & Range Land)

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, September 21, 2017

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 21, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Martin Breitmeyer, Mitch Gerlinger, Jim Currivan, and Larry Johnson. Greg Dennis 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:**
Larry Johnson asked if there were any public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – August 17, 2017:** Jim Currivan made a motion to approve the minutes as written, and Mitch Gerlinger seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley stated we received our first ad valorem revenue [for the new fiscal year] in the amount of \$91,000. Maureen commented the audit is underway and will probably be completed sometime in October.

Cathy Glatthar reviewed the Estimated Operating Funds for Capital Improvements report. She stated for this report, this is the beginning of a new year and she has made some changes to the report. She explained she reduced the “additional revenue expected” figure by five percent (5%) as a precaution because these revenue figures are projections. She explained for the ad valorem revenue, she allocated 35% to September (first property tax installment), 21% to November, February, and April, and 2% in July. She said the other change she made was to increase the average monthly expenses by \$2,000. She said net operating funds [for capital improvements] is \$308,168; which is through next August. Larry Johnson stated we are on track to continue with the capital improvement program similar to this year. Cathy added last fiscal year’s actual revenue was \$612,700 and projected was \$609,256, so it was very close.
 - b. **Payment of Bills:** Maureen Sidley stated the bills this month are normal; nothing unusual. Maureen said there were two voided checks and explained why. Mitch Gerlinger asked what the Silver State International LED Light/Chamber was? Jim Hicks said that was for the brake lights on the International [water truck]. Martin Breitmeyer made a motion to pay the bills. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

5. Road Maintenance Reports:

- a. **Road Reports:** Larry Johnson stated it continues to be extremely dry, which means every road we grade washboards within a week; with 95 miles of roads, we can't keep up. He said we have been able to keep up with road maintenance requests for the most part. He reported at the last meeting there was discussion about grading cross sections and what would be optimum. He said Sharrock and Yellow Tail were graded in accordance with the cross section he diagramed last month. He complimented Jim Hicks on the very good job he did on both of those roads. Larry said one resident on Yellow Tail thanked the GID for the work that was done.

Larry said similar work was done on Grass Valley Road, west of Pyramid Highway. He said there are ninety-degree curves that collected sediment, ponding water across the road. He said upon inspection, the grades on both sides of the road are flat and there is no place to put a culvert. He said they built collection basins which should collect the water during moderate storms and not have water on the roadway. He said the soil over there is a fine grain and when it gets wet, it's a slimy mess, so those two areas are going to rut and get soft; he wants to have aggregate base brought in to cover those areas, but said we had no funds last month, but we will get it done soon now that we have some funds available.

Larry said we will work with the woman-owned trucking company that we received a quote from and start hauling in the rip rap and aggregate base and get these projects done. He asked Cathy to supply him with the contact information.

Larry referred to the list of projects that need to be completed before winter, and stated the first three are done: Sharrock, Yellow Tail, and Grass Valley (except for the aggregate). He said Range Land and Big Dog are winter projects, because they need a little bit of moisture to do those. Cathy asked Larry if he had some idea when upper Quaking Aspen would be done? Larry said we need some moisture, there are only two residents up there, we will truck in aggregate base and combine upper Quaking Aspen with all of the other areas that need aggregate base; we will do these one after the other to be efficient with the trucking. Larry added upper Quaking Aspen is a seasonal road and it is on the list. Cathy added that it has not been graded in three years. Larry said as of the first of October it's supposed to be closed for the winter; people have chosen to live up there anyhow, at their own risk. Jim Currivan asked how new residents find out about [road maintenance] in their title search? Larry said they don't; the GID wrote a letter to the Board of Realtors and asked that they disclose to new buyers the operations and maintenance of roads in Palomino Valley and they refused. He said it is a "buyer beware" situation.

Jim Currivan asked about the Curnow Canyon item on the list of projects and where the aggregate base was going to be placed? Larry explained it is at the end of the surfacing on Axe Handle; exactly where they did last time. Jim C. said there were a few areas the residents wanted looked at. Larry suggested Jim C. look at them and report back to him.

Larry explained that Don Otto is renting a large "CAT" to do work on his Quaking Aspen property and wanted to know if the GID wanted any work done. He asked the Board to authorize removal of the "nose" of the blind curve just below 5900 Quaking Aspen Road. He said it is hard, basalt bedrock and the material removed could be used as rip rap for some of the culvert projects on our list. Mitch Gerlinger made a

motion to authorize up to \$1,500 to have the work done. Martin Breitmeyer seconded the motion and hearing no opposition, the motion passed.

- b. Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding:** Larry Johnson said most of the FEMA funding has been put on hold because of the hurricanes. He said we have our list of projects and we have until next August to complete them.
- c. Operations Manager's Report:** Jim Hicks said they got the water truck back today; the problem was caused by the EGR cooler taking out the injectors. He said one injector was replaced and they feel that the other injectors are okay. He reported having problems with the loader. He said they had Sonsray Machinery come out and they determined the problem was the transmission. Sonsray Machinery provided estimates to rebuild the transmission \$24,000 (add \$13,000 for other needed repairs), install a remanufactured transmission \$35,000 (add \$13,000 for other needed repairs), cost for a used loader \$108,000 (with 4,500 hours), and cost for a new loader \$148,000. The Board discussed the options and concluded that Martin Breitmeyer will look into availability of used loaders and new loaders with a multi-front so other devices can be attached. Larry asked Maureen to research financing options. The Board agreed that if something comes up before our next scheduled meeting, we will call a special meeting.

6. Old Business:

- a. Procedure for Removal of Animals Struck by Vehicles (Other Than Feral Horses):** Larry Johnson said he asked Chris Miller with the Department of Agriculture (DOA) to attend tonight's meeting to discuss disposal of livestock struck on our roads. He said he had met with Mr. Miller at the end of January and at that time he thought they had a verbal agreement that feral horses [south] of Whiskey Springs were under the jurisdiction of the DOA and that any animals struck by vehicles would be removed by the DOA. He said Mr. Miller was in the process of obtaining a tilt-bed trailer, but in the meantime requested the GID's assistance with loading. He said there was an incident some months ago where the DOA had Reno Rendering come in and take care of a dead horse.

Larry said there was a mare struck by a young man this past Monday night and he received a call asking for the District's help. The GID crew took care of the horse first thing the next morning. Larry said he wanted DOA to be here tonight to discuss the policy. Jean Jorgenson, in the audience, stated she is a Nevada State Brand Inspector, and lives near where the mare was struck. She said the meeting with Larry and Mr. Miller back in January was held at her house. She said she texted her boss the morning after the mare was hit and the DOA should have handled it. She said she was here tonight, because her boss couldn't be. She discussed the incident and that residents on an online community forum were talking about people speeding on the roads out here and that they have a right to do so because these are private roads. Ms. Jorgenson said a lady who stopped Monday night said she was going to look into flashing "horse" signs. She said the other incident when a horse was killed, also involved a teenage driver. She said the speed limit posted is 35 mph. Larry said the speed limit signs are advisory; we do not have any jurisdiction on how fast anybody drives on these roads because these are public access easements. He said we have had Washoe County Sheriff's office tell us they have no jurisdiction out here. Mitch Gerlinger said there are a lot of wild horses in this valley. Larry agreed

and said the other conversation with Chris Miller (DOA) was they were having discussions with BLM and the Tribe regarding a solution to lower the population. He said we would welcome to be part of that discussion. Jean Jorgenson wanted to know if the young man could be charged for the GID's time to remove the animal and teach these young drivers a lesson? Larry said our legal counsel was not present tonight and asked Cathy to send him an email. Martin Breitmeyer said he thought we would be seeing more of this because there are more young people moving into the valley and there are more houses going in.

Jean Jorgenson asked if she could put up signs on her property? Mitch said yes, as long as they don't interfere with maintenance of the roadway easement.

Kate Carlson, Wilcox Ranch Road, said they have a nonprofit equine animal sanctuary and offered to bury such animals on their property. Larry said Ms. Carlson should discuss that with the DOA, as they have jurisdiction. Martin agreed and said it should start with the DOA and if they need our assistance, they contact us. Larry said there should be a specific procedure, in writing. Cathy Glatthar spoke up and clarified we are talking about feral horses and not other animals such as antelope, deer, etc.

Larry then turned the discussion to animals other than horses. He said he spoke with the [Nevada] Department of Wildlife (NDOW) and if the animal is deceased, either the property owner or the GID can remove the animal. In answer to Martin's question, Larry said it would be prudent to contact NDOW to report the dead animal. He said if the animal is still alive, you have to call NDOW and notify them; it is illegal for you to euthanize the animal. He said they will send out someone to dispatch the animal; there are cases where they will authorize an individual known to them, who knows what to do and how to do it to euthanize the animal. He added that it is illegal to remove any part of the dead animal. He said if the GID is involved, his preference is to remove the animal and bury it. In answer to Cathy's question, Larry said the phone number for NDOW is 775-688-1500.

Larry said the we need something in writing from DOA as to the procedure for horses and he will write up something for the wildlife and we will get this posted on the GID's website.

7. **New Business:** None

8. **Judicial/Government Affairs:**

Louie Test was not present.

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

- The next meeting is October 19th.
- Cathy asked Larry if he wanted to agendize for next month Policy for Accepting Roads Improved by Others? Larry said yes.

10. **Correspondence:**

Cathy Glatthar reported being contacted by an engineer who was drafting plans for a new development in the Specific Plan Area (SPA). The parcel is on Grass Valley Road, south of Whiskey Springs and south of the turf farm.

Cathy said she received an email from Dennis Buck, Chair of the Citizen's Advisory Board, and he was looking for information on exclusions from the District. Larry commented that people who have driveways onto Pyramid Highway say why should we pay taxes into the District? He said the flip side of that discussion is he doesn't have any kids in school, but he funds the school district, etc.; there are taxes paid for the betterment of the community. He said there is a procedure for people to leave the District. Cathy said there is an NRS statute, they are petitioning the Board for exclusion, they have to pay the \$500 fee, and it does take Board approval.

11. Public Comment:

Donald Otto said Sharrock looks good. He said he has been buying reject base/Class E from Martin Marietta for \$3.85 a ton. He suggested the GID consider using it. He said Marty's idea of an integrated [loader] was a good idea. He suggested the Board consider an off-brand. He said the Spanish Springs Homeowner's Association had the roads paved and taken over by the County. Larry said they did, but with a costly special assessment district. Martin speculated it would cost \$45,000 to \$55,000 per parcel to do that here. Larry said he doubted they could get the 51 percent approval needed.

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

12. Board Member and Staff Items:

- Larry said something for the future may be to agendize whether this Board goes to the County and requests some of the SPA developer funds to improve Broken Spur. He said there are ramifications because to improve Broken Spur would involve raising the roadway, surfacing the roadway, putting in new driveway culverts, and then the District would be responsible for the maintenance of the roadway in perpetuity. He said he wants the Board to be thinking about this and if it's something they want to do, then they'll put it on the agenda to be discussed.

- 13. Adjournment:** Martin Breitmeyer made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 7:16 p.m.

PVGID OPERATIONS REPORT
Report Period 08-14-2017 to 09-14-2017

ATTACHMENT: 09/21/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Wilcox Ranch
Sharrock
Grass Valley (W)
Bacon Rind (N)
Anniversary
Amy (S)
Wayside
Bacon Rind (S)
Yellow Tail
Wilcox Ranch

OTHER ROAD WORK:

Grass Valley (W) fill turns & add water storage
Yellow Tail Rebuild ditches

OTHER:

None

EQUIPMENT:

International W/T EGR Cooler
770 Grader Turntable work
770 Grader replace Fuel filter head

REGULAR MEETING

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

Thursday, October 19, 2017

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, October 19, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Marty Breitmeyer, Mitch Gerlinger, Greg Dennis, Jim Currivan, 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:**
Larry Johnson explained there are two times for public comment on the agenda and asked the Board members if they wanted public comment to wait until the road report item? Jim Currivan and Mitch Gerlinger suggested waiting until after the road reports were made. Larry addressed the audience and said we will get to the road reports shortly, and everyone will have an opportunity to speak.
3. **Approval of Minutes – September 21, 2017:** Marty Breitmeyer made a motion to approve the minutes as written, and Mitch Gerlinger seconded the motion. Greg Dennis abstained because he was not present at last month's meeting. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Maureen Sidley reported the annual audit is nearly complete. Larry Johnson said he has been contacted by Kohn and Company to fill out standard audit questionnaires. Louie Test said the auditors usually contact him regarding any expected or pending litigation and he did not hear from them this year. Maureen said she would check with the auditors.
 - b. **Payment of Bills:** Maureen Sidley stated there is a bill from Sonsray for troubleshooting the loader. She said the bills also include \$9,800 to Kohn and Company for the annual audit. Jim Currivan made a motion to pay the bills. Marty Breitmeyer seconded the motion, and hearing no opposition, the motion passed.
5. **Road Maintenance Reports:**
 - a. **Road Reports:** Larry Johnson reviewed the list of projects as of August 17th that they felt were needed to be completed prior to and during the winter, as follows:
 1. SHARROCK - Between Amy and Wild Horse - Grading and Ditch Repair - Completed
 2. YELLOW TAIL - Right-angle corner that collects/ponds water - Excavate collection basin, raise road, install culvert, and install aggregate base over area that was graded - Completed, except for aggregate base

3. GRASS VALLEY (WEST) - Two corners that collected sediment, ponding water across half of the road. The grades on both sides of the road are flat and there is no place to put a culvert. - Completed - Collection basins were excavated, and that material was used to raise the roadway. The soil is a fine-grain, alkali soil (poor subgrade material), so aggregate base was brought in to cover those areas. In major floods, that roadway will still be subject to flooding because it's flat and there is no place for the water to go. During normal storms, the collection basins will prevent the roadway from being wetted.
4. UPPER QUAKING ASPEN - A section of road that former Boards have classified as seasonal, only open from May through October; people have built on the upper sections of that road and demand that it be a year-round road. There are a couple of fairly steep grades and a number of springs present up there that flow across the road. It's a narrow, one-lane mountain road. Completed - Aggregate base was installed on the steep grades and spring areas were ditched into a series of existing four-inch diameter, totally inadequate, culverts under the road, but that's what is there and has been there for many decades. Stabilized wet spots with rock.
5. CURNOW CANYON - At the end of the asphalt surfacing, there is a fairly steep curve on the north side of the hill, so snow and ice does not melt because it is in the shade. Each year we place aggregate base in that area. - Completed

Larry said there are a series of FEMA reimbursement projects that have not been completed, such as:

6. WHISKEY SPRINGS (FEMA Mitigation) - Rip Rap Outlet Side of Box Culvert
7. WILCOX RANCH BRIDGE - Rip Rap Northeast Side
8. TWIN SPRINGS (FEMA Mitigation) - Totally washed out during the flood. Reopened probably within two weeks of the flood. Large rip rap needs to be added on the downstream side of low water crossing.

He said we have not received any money from FEMA and as of two months ago the District was dead broke. He said since then tax monies have come in and we are beginning these repairs. He continued with other items on the list that are yet to be done.

9. BIG DOG (FEMA Repair and Mitigation) - Winter work - Excavate shoulders, raise road, install elliptical culverts, and top with aggregate base
10. RANGE LAND (FEMA Mitigation) - Winter work - Lower drainage swales on both sides of the road and use that material to build up the road. Material is fine-grain soil and will rut and become unstable in wet weather, so it will be capped with aggregate base.
11. UPPER WILCOX RANCH - In the past, sand has been taken from the DG pit and used to surface this steep grade with a thin veneer which has improved traction on that hill during wet weather.
12. GOODHER/WILCOX RANCH - The school bus turnaround will be improved.

13. MAILBOXES AT AMY, CRAZY HORSE, & QUAKING ASPEN - Sand
14. IRONWOOD & WHISKEY SPRINGS ASPHALT EDGE PATCHING - A temporary crew is currently working on this. Bacon Rind north and Right Hand Canyon (a 40 to 50 year old pavement - you can make a patch and a new pothole will appear next to it - it's old and deteriorated) have some potholes, and will be added to the list.
15. AGGREGATE BASE STOCKPILES - Completed - We have stockpiles at the yard for use by the crew to make emergency or spot repairs.
16. QUAKING ASPEN - Sand the lower end of road; probably the most unstable, prone-to-deep-rutting, slick-clay road in the system.
17. IRONWOOD DETENTION BASINS - We have detention basins on Ironwood Road that are on the up-hill side where the "v" ditch goes into a depression; there is insufficient fall from one side of the road to the other to install a culvert. Years ago we built detention basins which have since filled in with sediment from subsequent storms. Our loader has been down, but we will get these detention basins cleaned out in preparation for this winter's storms.
18. BROKEN SPUR (FEMA Repair and Mitigation) - Just south of the intersection with Whiskey Springs, is a low area that during the flood this past January, collected a huge pond of water. Larry said he pulled a four-wheel-drive out of that area. Some work has been done - Low spot has been filled with excess material/sediment that collected along side of Whiskey Springs. It needs additional build up and a culvert needs to be installed.
19. PIUTE CREEK (FEMA Repair and Mitigation) - During the flood, the culvert[s] [were] completely obliterated. Water came onto the road and washed a large channel down the road for about half a mile. Most of the repair work has been completed. Larry told Jim Hicks we need to take the backhoe up there and work on the inlet. He said he would show Jim what needs to be done. Aggregate base has been placed over culvert repair area.
20. LITTLE IRONWOOD (FEMA Repair and Mitigation) - Culvert was washed out by flood waters. Culvert restored. Need to armor inlet and outlet of culvert with rock rip rap.

Larry explained about half of the list has been completed. He said according to FEMA regulations, for trucking and materials, we had to put out official solicitations to several states to prove that we considered minority and woman-owned businesses. He said the latest trucking was performed by a woman-owned enterprise. He said we are covered and well documented in our vendor selection.

Larry explained that we submitted four projects for FEMA reimbursement and we have 18 months from the date of the disaster declaration to complete the work (August 17, 2018). He said he plans to have all of the work completed well before that date. He reiterated that all this work is being done with GID funds. He said we were promised to have funds from FEMA starting in September, but then Houston, Florida, and Puerto Rico hurricanes came and we were put on hold. He said we don't know when we'll receive reimbursement. He said our paperwork is in great shape.

Larry stated the work that has been done has been fit into and taken out of our normal operating budget.

Larry then read through Jim Hicks' list of roads graded [from 09/25 to 10/12/2017] (see attachment).

Larry added that we have probably spent an inordinate amount of effort on upper Quaking Aspen that serves only a couple of residents. He said one of those residents has an elderly parent who had a medical episode and emergency responders expressed dismay at the condition of the road. He reiterated that a [previous] Board policy stated that upper Quaking Aspen Road is a seasonal road, open to four-wheel-drive traffic from May to October, and not open to traffic in the other months. He said it's beautiful up there and people have built homes and they expect and demand improvements; it is a difficult situation.

After item 5. c. (below), Larry opened public comment and explained that speakers must state their name for the record and asked that testimony is given in a polite and professional manner, with no personal attacks.

Larry Chesney, 6055 Rebel Cause Road, said in the past he's come to these meetings and praised the folks for the work that they had done, but tonight that is not the case. He said it was stated that Rebel Cause and Range Land Road were graded; that grading lasted two days before the wash boarding came back; now it's a safety issue. He said he's been here 11 years and he's never seen the roads in the disrepair, all around the Valley, as they are today. He said he is a certified construction manager and an electrical engineer by degree, not a civil engineer, but as far as he's concerned, this organization is failing at all levels, from management down to road repair. He thanked the Board for their time.

Nevada Storey said he's been living on Eagle Place for almost 13 years. He said he's been building roads for 42 years. He said this is the first meeting he's been to; he's not a complainer. He said Broken Spur is in dire straits. He said he offered to bring a blade out and put base material down, but was told no. He said he wants to get his money's worth. He said he wants to see Broken Spur graded. He said the GID has a distributor in their yard and wanted to know why oil wasn't being sprayed on the roads to keep them tight. He reiterated that he just wants his road graded.

Larry Johnson addressed Mr. Storey about his offer to grade and bring in aggregate base ...

Mr. Storey interrupted and said he wouldn't point fingers at who told him he would compromise the integrity of the road and the road is shot as it is.

Larry Johnson asked Mr. Storey if he made that offer to this Board?

Mr. Storey replied that he did make that offer to one member of this Board. Then he commented that the bump in Whiskey Springs by the equestrian center is a cattle guard that got covered up with base and then chip sealed over. He said he just wants his road graded; that he's paying almost a thousand dollars in taxes a year for this.

Larry Johnson asked Mr. Storey if he would show him a tax bill where Mr. Storey pays a thousand dollars?

Mr. Storey said he thought it was something like eight hundred dollars a year. Then he said he doesn't do the finances, but that's what his wife said.

Larry Johnson stated we have a standing policy to allow people to improve sections of road in front of their property. He said if a proposal like that was ever brought to this Board, we'd kiss you on both cheeks.

Mr. Storey said it was offered more than six months ago.

Larry Johnson said this is the first meeting Mr. Storey said he's attended, so it was not offered to this Board.

Mr. Storey said it wasn't offered to this Board, but it was offered to a Board member who is present tonight.

Larry Johnson said if Mr. Storey would like to be on the agenda to discuss such a proposal, he'd be very interested in hearing it.

Mr. Storey reiterated that all he wants is for his road to be graded.

Larry Johnson explained we have a very nice, functional system in which people either call or email to request maintenance on their road. He said we pride ourselves in meeting those maintenance requests, typically within one week of receipt of that request and almost always within two weeks; far faster than the county or the cities ever respond. Larry said the GID's website clearly lays out the process. He added that people who have used the system typically email us back the next week and thank us for acting quickly to their request.

Mr. Storey said he was used to it being done regularly, so he didn't have a complaint, but now it is not being graded on a regular basis.

Larry Johnson asked Mr. Storey to avail himself of the system and we'll get it taken care of. He said at this point you are on the record and we'll have your road graded.

Mr. Storey brought up the bump on Whiskey Springs again and said there's going to be an accident there.

Larry Johnson stated he has been in Palomino Valley for 25 years. He said he was raised in the Sierras on logging roads and has driven dirt roads and mountain roads all of his life. He said you have never seen me in my 72 years in the ditch and you won't see me driving 70 miles an hour on these roads. He said he bought his place 25 years ago, very secluded, out in the country, and there's a steady stream of traffic going by his house now and most of it, including some of the relatives of the people who are in this room, go by at a hellish rate of speed. He said his point is 1. we have such a high level of traffic on these roads than we did ten years ago; and 2. we're in the hottest summer of record; we haven't had rain for so long and at that point our roads wash board immediately under high traffic loads at the velocity people drive. He said he knows a lot of residents don't like to hear that, but it is the truth, period. He said there is nothing this Board can remotely do about it. He said we cannot enforce speed limits; we tried years ago to stabilize the major collector roads with a mag-chloride product and then went to Durablend, a mag-chloride product with polymers in it, which was more expensive, but you could re-grade the product. He said we filled the room then with people who hated the product and demanded we stop because all of those products get slick when they get wet and they corrode

aluminum horse trailers; people just didn't like the products, and in response, we stopped using them. He said we've looked at a wide variety of similar dust palliative/stabilization products like EMC-squared, Gorilla Snot, etc. He said he has used all of these products and the costs of the products that would really work, approach the costs of our Cape Seals that we are putting down and these other products only last one year. He said it was our hope that by surfacing our collector roads with our Cape Seal projects, that those roads would not have to be graded on a monthly basis, and that would free us up to grade the secondary roads more often. He explained in a summer like this that is dry and extremely hot, we're not going to make anybody happy; I guarantee it and I said so back in April. He addressed Mr. Storey and said if you will, please avail yourself of our system and when Broken Spur gets to a point where you think your road needs regrading, send us an email.

Larry Johnson said he greatly appreciated Mr. Storey for attending tonight and asked him to inform his neighbors about the road maintenance request system. He said we have two crew members and 95 miles of roads and a totally inadequate budget; we're going as fast as we can.

Mr. Storey said he would like to get his neighbors together to pitch in and he'll pave Broken Spur.

Larry Johnson said there is additional background that Mr. Storey isn't aware regarding the paving of Broken Spur, but that is beyond the scope of tonight's meeting, but will be covered in future meetings. Larry did ask Mr. Storey if the realtor or developer disclosed to him any future improvements on Broken Spur?

Mr. Storey replied no.

Kevin Cook said he is brand new to the area. He said he has a place on Ernie Lane, but they don't have a house yet. He wanted to know what the GID might want or need from somebody new coming into the area.

Larry Johnson said one of the problems we have are lots on the uphill side of roads that build a driveway that comes down and drains onto our roadway and washes sediment and erodes our roadway. He said we have a standard of driveway entrances onto our existing roads. He said if Mr. Cook gives his contact information to our Assistant to the Board, Cathy, she will email him the policy. Jim Hicks mentioned that the GID does not maintain Ernie Lane. Larry said then that policy would not apply to Mr. Cook.

Mr. Cook then asked about the turnaround at the end of Ernie Lane. He said he believes it's an easement and he wants to put up a fence on his property, but isn't sure where the easement is. Cathy Glatthar mentioned the parcel map should show the radius of the turnaround.

Larry Johnson explained that the original GID Board did not accept Ernie Lane for maintenance, therefore it is to be privately maintained by the property owners. He said Roadrunner [up to Ernie Lane] was accepted for maintenance, and Mr. Cook can use the same system mentioned earlier if Roadrunner needs maintenance.

Mr. Cook said he had actually submitted a road maintenance request for Roadrunner.

Larry Johnson explained the GID did extensive repairs to Roadrunner after the January flood.

Mr. Cook wanted to know if Ernie Lane would ever be maintained by the GID?

Larry Johnson explained the property owners would have to petition the Board for acceptance and they would have to bring the roadway up to the GID standards.

Cathy Glatthar said she would send Mr. Cook both the driveway standards and policy for petitioning a road to be accepted and those road standards.

Mr. Cook then asked if there is anything on the website where people who have equipment can sign up to help the GID?

Larry Johnson said we do not and one thing we discourage is anyone with their own equipment going out and working on roads that we maintain; at the same time, if that is coordinated through the District ...

Pam Willmore, Right Hand Canyon Road, said the reason for being here is there are windrows along the side of the road and isn't that dirt supposed to be brought back onto the road?

Larry Johnson said it is a significant issue and asked Greg Dennis to write "roadside windrows" on the white board.

Greg Dennis said we've had a few discussions about this: where's the dirt going, why isn't it back on the road, what can we do about it, how do we improve our methodology. He said it's something he's not satisfied with yet; he's new to the Board, and we'll have to see.

Ms. Willmore said she was glad to hear they are going to fix the potholes on the paved part of Right Hand Canyon Road, even though a new pothole may form right away.

Larry Johnson said there will be new potholes in the spring that they will have to patch.

Donald Otto said he handed out to the Board members print outs from the NextDoor Palomino website. He said there were a lot of comments about grading. He said when he asked about using his own equipment to do work on the road by his house a few years ago, he was shot down by the Board; they said insurance wouldn't cover it, you can't do it. He said one of the Board members who is here tonight told him to go ahead and do it on the side, so that's what he's been doing. He said that's what he has been trying to do; make a silk purse out of a sow's ear. He said he would like to see more in the minutes regarding comments from the public. He said he wondered if the Board members read the minutes before they okayed them?

Greg Dennis said we're supposed to, yes. Larry Johnson said he faithfully reads the minutes every month.

Mr. Otto said he expects everyone to read them and if the minutes reflect everything that was said, then you guys will be up-to-date on all the comments. He said two months ago, he was at the meeting and a few Board members were not present, and he drew a cross section on how he thought the road should be and it brought up a conversation that lasted kind of long, but in the minutes it ended up being only four

sentences; he wished it was a little more detailed. He said the people who don't come to the meeting can only see the minutes if they are on the list and Cathy forwards them.

Cathy Glatthar stated the minutes are on the website.

Mr. Otto said he would like the minutes to show what all these people are saying. He said when he drew that picture on the board, Larry said he had been trying to get Jim to take care of those windrows for years. He said Larry asked Jim about the windrows and Jim said there were no windrows, and he said he was so floored he got up and left. He said Larry said that answer was unacceptable. He said nothing more was said and you just moved onto the next agenda item.

Larry Johnson said in actuality the very next week Sharrock Road and then the following week Yellow Tail was graded in strict accordance with the cross section he drew on the white board.

Mr. Otto said at last month's meeting he did commend them; that Sharrock looked great and that's the way they should all be cut like. He said Jim has been on Wilcox Ranch Road at least four times since then and we still have the same windrows sitting on the sides. He said he also wants the roads turned over deeper; that he has told them he's been a blade man for a long time and when you have wash board, you don't just skim over the top, you turn them over a couple or three inches, whatever it takes to cut them out and use water.

Greg Dennis said when they do that it's an annual program; you build the road up in the winter when you have moisture and you keep cutting it down in the summer when you have no moisture so you can get rid of the washboard, and that is some of the issue that needs to be addressed when we discuss the overall methodology of grading.

Mr. Otto said he brought it up two years ago and we still got windrows. He said he also brought up roads being narrowed, because each time the blade goes through and cuts the ditch you take a few more inches off it to make it look pretty and you kick it out and we've got roads going with material coming off these roads and out of the ditches and they just get narrower and narrower. He said nothing has changed. He said he is not happy at all with the blade man's operation. He said the way the vertical ditches he's talked about where Jim kicks the windrows out and we have a vertical and the people slip in there in the winter time, they're stuck, they're going against a windrow. He said some of the times when Jim goes through, he kicks dirt into the water cut outs where the water is supposed to escape. He said that's not acceptable and now we are approaching winter and you've just done that on Wilcox; you just covered up some of them right where there are culverts and the water can't get in them; why is that?

Larry Johnson thanked Mr. Otto for his comments and asked the Board if they had any input.

Marty Breitmeyer said he thought they were addressing the same issue they've been having; we have drawn that same picture on that board since his first meeting as a Board member a year and a half ago.

Greg Dennis said he made a note: “methodology of grading practices.” He said we started talking about this and the one thing he looked at a lot, because his Dad lived up on Quaking Aspen, and a lot of other places he’s travelled to, there’s no perfect solution to each specific place; there’s clay spots, very sandy spots, very rocky spots, and the type of grading practices needed for each one of these areas requires a little bit different methodology. He said in some of these areas where we have fine-graded materials, we don’t want to make canals out of fine-graded materials by pushing the material off and blading it through. He said with the clay, we’re doing the right thing and putting down DG in the winter or putting rock into it. He said the situation with Range Land Road will take earth moving and we don’t know what kind of funds we’ll have for that road or for the other roads. He said the methodologies and how we are going to handle it and whether we have the money to do it and putting that all in play. He said he likes the capital improvements we’re doing and the roads that are going to be fixed, but we only have two people and we’re doing these special projects and that means they’re not getting out there and blading the roads enough, so it’s a problematic thing for the GID and how we move forward and make it work better; can we get enough money to make it work.

In answer to a question, Larry Johnson said we have a totally inadequate budget; we only have enough budget to run a two-man crew year round and do a single capital improvement project each summer. He said that was a Board philosophy adopted after he came on the Board. He said a lot of the issues we are hearing tonight are centered around how these roads are graded; a lot of it comes down to how often we can get there. He said if you look at the list of roads that were graded this past month and put the mileage to that, it’s impossible for us to grade every road every month. He said in a dry year with increased traffic roads deteriorate fast. He said it doesn’t matter if they are graded one half inch deep or three inches deep, they will wash board and deteriorate within one to two weeks.

Ms. Willmore asked if there was any way to get more money? She added she sees more people moving in, so we should be getting more money.

Larry said yes, with increased population we should have more revenue coming in ...

Ms. Willmore interjected and asked what about FEMA, don’t they owe us money?

Larry said yes, FEMA owes us money, but we have to wait our turn; Houston, Florida, Puerto Rico come first.

Ms. Willmore asked if a grading methodology could be written into the minutes?

Larry said he would make a suggestion after we hear everybody.

Bob Gunn, 3855 Amy Road, said he’s been out here for about 19 years and he’s not an engineer nor a heavy equipment operator. He said Wilcox Ranch was graded the same day he drove to 5200 Wilcox Ranch Road and then drove the three miles on Wilcox Ranch back to Amy Road and he said he could still see the wash board in the road. He said he thought that was because it wasn’t cut down enough. He said it seems to him if we are spending a lot of money on a project that only lasts a day or two, then why are we wasting money doing that? He asked if there is another solution? He said someone mentioned cutting it deeper, but you [Larry Johnson] just said it won’t do any good to cut it deeper.

Larry Johnson said it will buy you some time.

Mr. Gunn added the short section of Amy between Ironwood and Wilcox is the same; very, very wash boarded and it's hard on cars.

Larry Johnson said he drives Wilcox Ranch, and when he drove down Saturday morning, at 45 miles per hour, a young man in a white pickup blew past him doing at least 70. He said our dirt roads will not stand up to the increased levels of traffic when people drive fast. He said yes, he believes there are things we can do better.

Donald Otto talked about the short section of Amy between Ironwood and Wilcox, and said if it was cut down deeper, watered and then rolled with the smooth-drum roller, it would last a lot longer and then do another section of Wilcox Ranch and so on. He said worn out shock absorbers have a lot to do with causing the wash board.

Larry Johnson said and acceleration at the intersections/corners.

Donald Otto said when Jim grades the roads in the spring, during the wet season, he cuts them deeper, it lasts a lot longer and that's because there is water.

Larry Johnson said yes, that's because there is water and if you remember my statement earlier about the hottest, driest summer ever on record and we have no moisture in any of our roads and they are not going to stick together. In answer to Mr. Otto's question, Larry said not even if we rolled them.

Mr. Storey interrupted and said he's not a fan of DG, he's a base person.

Larry Johnson said the worst section of wash board in this entire valley is the section of Winnemucca Ranch Road where Washoe County put down aggregate base. He said aggregate base will retard wash boards, but it sure doesn't stop it. He said we put down aggregate base on a section of Bacon Rind north as an experiment and instead of wash boarding within a week, it took about two and a half weeks to wash board. He added that wash boards in aggregate base will knock your teeth out.

Larry Johnson then asked for comments from the Board.

Jim Currivan said one of the main concerns tonight are about the banks on the edges of the road. He said according to Mr. Otto, Sharrock was done nicely, so he asked Jim Hicks why aren't all of the roads done this way.

Mitch Gerlinger interjected and asked Jim what the time deficit is between the two methods?

Jim Hicks said there's a fair time deficit and it's on both ends. He said when they grade the road, they pull the ditches and put the material on the road; when you swale the ditches the material is up on the bank and you have to get up on the bank and bring the material down in order to put it on the road. In answer to Mitch's follow up question, Jim said it's a four-to-one time ratio to do the swales versus pulling the ditches.

Greg Dennis said that sounds right. He said he's seen other counties do that type of work, where in the wintertime they will take the old road when it's wet, put the ditches back in, take all that dirt and put it back up on the road, and the rest of the summer they grade out the tops of the road and they do it all over again every year.

Mitch Gerlinger remarked that the surface area to be worked is doubled with the swale method, we have 80 miles of dirt roads to do this method on, and we have a ton of legacy work to be done as a part of that. He said every mile we do to spec, is effectively three miles we are not touching during that same time period.

Marty Breitmeyer said we need to move forward by starting to do the swale method on the roads where it can be done; there are a lot of places where you can't do this because there are rock cuts on the side that can't be done: upper Quaking Aspen, upper Wilcox Ranch, Piute Creek. He said where it can be done, it will aid in Jim's grading to pull those edges and have them laid back, because then we don't have the rocks in the bottom, we can lose the windrows, we can make a less aggressive ditch, and still maintain the crown of our roads. He said you wouldn't have to climb the backside every time; just the first time and then maybe every third time. He said he agreed that in the wintertime we can build the roads back up when we have the right amount of moisture; summertime, you can't haul enough water with one water truck, and the travel time to get another load of water and get back is problematic. He said he agreed with Greg, that there is a time when you do just cut the top of it off. He said he believes the sides do need to be pulled back, that there are a lot of places where there are obstacles in the ditches, and he believes it's just a matter of time before it becomes a serious issue, and we have narrowed some roads, not all of them, but there are a few places.

Jim Currivan said he looked at Sharrock and Yellow Tail and they were peeled back. He said once the hard part is done, isn't it just a matter of touching it up?

Greg Dennis said there are obstacles to it; the first time you go out there's vegetation that has to be removed, you have to be concerned with phone lines; it's not just something that happens, you've got to go out there and be aware of what's going on and figure out a plan for each piece.

Marty Breitmeyer agreed and said it is something we should move forward and make a plan.

Mitch Gerlinger explained to the audience that we have had issues in the past with AT&T and the depth of the phone cables; most are not buried as deep as they are supposed to be. He said this is a mitigating factor.

Marty Breitmeyer said we will have to contact USA before doing the shoulder work on a particular road.

Greg, Mitch and Marty commented about losing winter road building time with the flood damage repairs.

Larry Johnson said the items he heard are as follows:

- Windrows and excess material on the sides of the roads. Most of the time we do not have vegetation growing on those windrows.
- Road cross section. On the major roads, we want a 20 foot travel lane, one foot shoulder drainage swale, sufficiently gentle if a vehicle slides off the road they can come back up onto the road, beyond that swale, no windrow, no vertical bank that vehicles could slam into and get stuck against.

- Grading of water escapes. While not most important in the summertime, most definitely must be done before the winter storms so we can get the water off the roadways.
- Not deep enough grading. We should be grading deeper, we have rippers and with the addition of water we could scarify to bottom of the wash board or the bottom of the ruts. As for rolling, the pneumatic action of vehicular traffic is about as good of compaction as you can get. In addition to that, our pneumatic roller on the back of the motor grader must be fixed and utilized.
- Rocks in ditches. There are too many areas where there are rocks in the ditches and it's a hazard to traffic.

Larry Johnson said this is going to take time. Greg Dennis said it will take years. Larry said it's a long term goal and every month they select a road a week from the road maintenance requests and they build the proper cross section. Greg asked if there would be a second crew? Larry said no, we do one road a week. He said we grade many roads a week and we select one road a week. Mitch Gerlinger said we select one road and then work in the requests around it? Larry suggested we start this program next week. He said we have Road Committee meetings every Monday morning and he proposed to put this in writing along with the cross section drawing, which will be titled "typical" because there are a whole bunch of roads where that cross section is inappropriate. He said he will report back to the Board at next month's meeting as to which roads have been improved; three months down the road we should be able to determine if we are falling behind or keeping up with road maintenance requests. Marty said there is no lack of ability in obtaining the results we are asking for; we can do this. Larry said we will have a list of roads improved and take, through public comment, reviews on the roads we've improved.

Larry remarked that we don't get a lot of road maintenance requests each week. Cathy said sometimes none, sometimes more than others, and we had five this past week. Greg said just because we don't receive a request, doesn't mean we shouldn't review or look at a road and determine what we should be doing with it.

b. Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding: Discussed above under item 5. a.

c. Operations Manager's Report: Jim Hicks said the loader is working; it appears that the pressure regulator in the transmission was stuck. He said the grader needs some work; it has a fuel leak, and the A/C and the heater don't work.

Mitch Gerlinger asked if this means we are temporarily off the hook on replacing the loader? Jim said that is up to the Board. He confirmed the loader is working, but it is still in the shop, and there is still some work that needs to be done on it.

Larry addressed Jim and stated that at a prior meeting he requested that Jim repair the ripper bars on the motor grader as well as the pneumatic rollers and asked what the status was? Jim said the ripper bar is fine, the bar on the rollers has been repaired, but they still need to get the roller apart, which means they will have to burn off the bearings and put new wheels and tires on. Larry said that work needs to be done.

6. Old Business:

- a. **Procedure for Removal of Animals Struck by Vehicles (Other Than Feral Horses):** Larry Johnson said for the feral horses, call the Department of Agriculture (DOA) and if we can assist them, we will, otherwise they have the responsibility for feral horses. Louie Test reported on the dead horse issue and whether or not the GID can charge the young man who hit the horse for the time it took the GID to properly dispose of the horse. He said the GID can bill anybody, but this might be a moot question if the DOA takes responsibility and the GID doesn't have to use personnel and equipment to bury a horse. Louie said you have to be able to prove who was driving, and there are other proof issues. Larry said he'd almost like to try it, if it would slow people down at night.

Larry said as far as wildlife, if the animal is deceased, we have the authority to remove it, bury it, drag it off into the sagebrush, whatever we feel is appropriate. He said if the animal is still alive, we are required by law to contact the Department of Wildlife (DOW) so they can dispatch a Sheriff's Deputy or a Warden to euthanize the animal. He added that it is illegal to remove any part of such an animal (i.e. horns, head, etc.).

- b. **Policy for Accepting Roads Improved by Others:** Larry Johnson said he'd like to defer this item. Greg Dennis asked why accept any new roads when if you build anywhere else in the County, you have to build the road to County standards? He said County standards are three inches of asphalt on six inches of base; all we are doing is adding huge amounts of maintenance on roads which will get huge amounts of traffic, and we have no way to deal with it. [Note: The discussion flowed into the next agenda item and is continued under 7. a., below.]

7. New Business:

- a. **Agency Review for Grass Valley Road Tentative Parcel Maps [located in the Warm Springs Specific Plan Area]:** Greg Dennis said if they want this special plan area, then let the County have the responsibility of the roads. He said the County allowed the special plan area to be developed. He reiterated, why accept any roads? He said these roads should be built to County standards and the County should take them over. He said the GID will still have the problem of the collector roads eventually needing to be paved and he doesn't believe we'll have the money to do that. Larry recognized Greg's concerns and stated one of the conditions for this latest round of parcel maps was that those roads were to be privately maintained. Greg said it doesn't make any difference, because those smaller parcel sizes will create all that extra traffic on the roads. Larry agreed and said if Nevada [Storey, in the audience,] thinks he has an issue with all of the traffic on Broken Spur now, wait until that area is fully developed. He said this is being done by parcel maps and not subdivision maps. Greg said if it were done by subdivision map, then the developer would have to do the roads to County standards. Larry said his comments to Washoe County as to conditions of approval were: 1. The roads are to be privately maintained. They would have to set up a homeowners association that maintains those roads; 2. Construction traffic will be using GID-maintained roads to get in and out, and our roads are not designed for heavy truck traffic. The GID would perform a condition survey before and after development and they would be assessed a damage fee that would have to be paid to the District prior to them receiving any certificates of occupancy (CofO).

Greg said they'll sell one house one month and another one later ... good luck. Larry agreed and said he did not know how to approach this since it is not a subdivision, but instead, multiple parcel maps, which circumvents the subdivision laws to where those requirements are not in place. Mitch Gerlinger asked what if we do a survey assessment before, and say here are our written road maintenance standards that we have accepted and the roads need to meet these conditions when you are done? Greg said we should state that all development must go through subdivision standards. Larry said the specific plan has already been approved. Greg said he has all the material from the old specific plan and it's not what it is now.

Bob Gunn, in the audience, said all new development has to be presented to the Citizen's Advisory Board (CAB). Larry asked if the Capurro/Murphy multiple parcel map item came before the last CAB meeting? Mr. Gunn said he is a CAB board member, and as far as he recalled, the item was not on their last agenda. Cathy Glatthar said the Agency Review of these parcel maps came up after the CAB meeting in September and won't be addressed by the CAB. She explained it is part of the specific plan area (SPA) that's been mapped out since 1995, and the condition requiring paved access to the SPA parcels was waived because they put the financing plan in place. She explained the financing plan was designed to collect fees until there was enough money to do the improvements. Larry added they collected deposits from the developers and now those developers are asking for their deposits back.

Greg said he doesn't see the District having the ability to fund, long term, these kinds of issues, let alone keep these roads in good shape. Larry agreed and said he attempted to address that with the conditions he submitted. He said even that's insufficient. Greg agreed and said that's only about twenty percent of the issue; because the road [Whiskey Springs] goes all the way to the highway. He said this needs to go before the Board of County Commissioners at some point. Larry addressed Mr. Gunn, and said we need to have a discussion.

Larry stated his approach on this was probably inadequate and we're going to need to address this on the County Commission level and through the CAB. He then read the conditions of approval into the record (see attachment).

Greg said the first condition requiring the developer to reimburse the GID for any construction-related road damage prior to issuance of a CofO is problematic. Larry said the biggest "hole" in that condition is proving who created the road damage. Several examples were voiced.

Louie Test said the GID's responsibility is to maintain the roads, and this proposal is bigger than us maintaining the roads. He said the people out here should address the impacts this development will have. He explained the original plan was designed with the idea that there was going to be one major developer who was going to fund the construction of the main roads coming into and out of his development. He said that did not happen and the smaller developers said we'll pay fees into a pot to be used to pave these roads. He said those fees were not enough to make those improvements. He said this only goes before the Parcel Map Review Committee (PMRC). He reiterated that the GID's responsibility is for the roads and maybe your condition should be we don't have the funds and the resources to maintain the roads and therefore we recommend denial of the parcel maps. Larry asked how Louie thought that would go; do you think they would turn it down? Greg said if we don't

make a stand and make it a political issue, then it will never become a political issue. Louie said at that point they would come to us and negotiate with us about what conditions we would need, which may give us an opportunity to come up with something that has more meat to it. He said the GID should ask to have them pave the road because that's what the plan called for. He said the County is currently faced with having to reimburse the funds being held for these improvements. Greg said without the roads being improved everyone who pays into the GID is going to be stuck with paying for the increased maintenance for the SPA. Louie said he would have the developer come up with the conditions for how they are going to take care of the needs from point A to point B. In answer to Jim Currivan's question, Louie said the GID should recommend denial to the PMRC because the GID doesn't have the finances to maintain the roads. Cathy Glatthar said the PMRC meets on November 9th to review these maps, and the deadline for agency review has passed.

Mitch Gerlinger said wouldn't there be new revenue coming in with these new parcels? Louie said that would be the argument; that the tax base will increase and additional money should be enough to maintain the roads from the development to the highway. Marty Breitmeyer said that doesn't happen until after the house is built; in the meantime the roads are being damaged and we don't have the money for repairs. Greg said you want the entire SPA to be an SAD (Special Assessment District) and to fund the roads through the SAD. He explained the SPA owners vote for the SAD (simple majority needed) and if it fails to go through, then the problem is theirs, not ours. Marty spoke about the impacts of construction that could go on for years until full build out and not having the money needed to maintain the roads during the years of construction. Greg said it's cumulative. Larry said he tried to address that with the condition requiring annual condition surveys and road repair costs. Louie said we may have to fall back on Larry's list of conditions if the committee approves the maps.

Larry said he thought we needed to get a letter to the PMRC before we appear at this meeting. Larry asked Greg if he would write the letter? Greg said we have five to ten years worth of work to get these roads where we want them because of all the legacy issues; we should be telling them forget it. Greg wanted Louie involved in the response. Larry said he just had a discussion with Washoe County on how they handle such conditions, and they handle it just like he wrote it. Cathy explained that the developer is paying into the individual infrastructure funds per the financing plan. Louie said then you're going to have a problem if they are complying with the law, then you're not going to be able to change it. Greg said the fee amounts are inadequate and not relative to today's costs; we need to come up with 2017/18 standards and costs relative to what we expect developers to do.

Larry addressed Nevada Storey, in the audience, and said the reason he asked about the disclosures earlier was because the Specific Plan says before the parcels were developed and sold, Broken Spur was to be paved to County standards. He said elsewhere in the plan it states that Broken Spur doesn't have to be paved until all of the other roads out to the Pyramid Highway are paved, because that would be the last phase of the development. He said there's this huge grey area and the people who built your houses probably didn't tell you about that and now they want their deposits back. He said they didn't build the road, and now they want their money back, and they want to strand you and they want to strand us.

Greg said a perfect example of this was back in the seventies when the County allowed septic tanks everywhere. He said according to the environmental impact statement, all of those septic tanks were supposed to be converted and homes were supposed to be hooked up to the sewer plant when it was built, but that didn't happen. He said a Special Assessment District should be set up in the SPA now while you are dealing with the big land owners who own the majority of the land because once you get a lot of individual property owners, they are not going to vote themselves a big bill for a road to be built.

In response to Larry's question, Greg said he wants to work with Louie and write a letter. Greg asked Louie if he could help with the wording of the letter? Louie said he would not be available for the next week. Larry said that would still give Louie ten days before the PMRC meets on November 9th.

Larry said the philosophy of the Board is we can't afford to maintain the roads, and we recommend a Special Assessment District be formed or some like mechanism.

Mitch asked if we have any specific numbers as far as how much these parcels will generate in property taxes to the GID?

Cathy said she had some tax figures for some of the newly built houses in the SPA (the 56-parcel development that is currently under construction), as follows:

- A 3 bedroom/2 bath house on five acres \$383
- A 4 bedroom/3 bath house on five acres \$461
- A 5 bedroom/3 bath house on five acres \$501

Mitch said then we can come up with an average and say this is how much money will be generated and this is the estimated cost to upkeep and the cost to upkeep is higher than the additional funds coming in; we need data to back up our claim that we can't afford to maintain the roads in the SPA.

Greg said the second thing is we want this to be a subdivision map and be subject to the County's subdivision standards.

Cathy said that question was addressed and Roger Pelham (Washoe County Planner) answered as follows:

“Series of parcel maps are allowed under article 606 of the Development Code. Full subdivision improvements can be required of subsequent parcel map approvals. The process is different, but the result is the same.”

In response to a comment made by Louie Test, Cathy explained the way this was done was the developer submitted five parcel maps for one 67+ acre parcel. The first map was for three small parcels and one large parcel, the next map took the large parcel from the first map and divided it into 3 small parcels and one large parcel, and so on until the entire 67+ acres was divided up. She said on the Agency Review Memorandum it states, “The next 5 applications are ‘Serial’ Tentative Parcel Maps from one APN.”

Greg made a motion to include that and the other issues we discussed in a letter and bring it back for the Board [President's] approval to submit to the PMRC and others responsible for implementing what we need done in that letter. Marty Breitmeyer seconded the motion and hearing no opposition, the motion passed.

Louie said he can't believe they allowed serial parcel maps, because of the provisions of NRS 278. He then addressed Mr. Gunn and said this is your job, not the GID's job. He said the GID is only responsible for the roads. He said about the only thing we can say is we don't have enough money to address the impacts and therefore we can't support the project. He said at that point you are going to get Murphy [one of the developers] coming to us on the road issue, but these other issues are for the CAB to deal with.

Mr. Gunn said as far as he can see the CAB has been circumvented on this and we're going to have to get a hold of Commissioner Herman.

Greg said we're going to need to do some work. Louie said we have to look at the costs; this is how much money this will generate and our costs to maintain the roads is this, the amount of money we are going to get from this new development is not going to be enough to maintain the infrastructure to get these people to ... Greg interjected and said or to even begin to do the capital improvements necessary to get a road to the highway. Larry said or we're going to have a repeat of Broken Spur. Louie said he thought that would be the gist of the letter. Larry asked Louie if he would be writing the letter? Louie repeated that he will be gone for the next week; that Cathy will get the figures put together based on the houses that are being built now and Greg will draft a letter.

- b. Loader - Approve Repair of Existing, Purchase of Used, or Purchase of New Unit:** Larry Johnson said we should bring the loader back from the shop, run it for a month, and reassess in 30 days. He added there are some more repairs that are needed. Marty wanted to know how much more we were going to spend; it's worth about \$15,000, and as a trade-in it's worth between \$5,000 and \$7,000. In answer to Greg Dennis' question, Marty replied it might run for another year or it might break tomorrow. Larry said the entire list of repairs was \$13,000 and he said that could be reduced to \$7,000 maximum. Marty Breitmeyer asked Jim Hicks if any of the needed repairs are safety related? Jim replied he did not believe so, and he listed some of the needed repairs. He reiterated Larry's suggestion to bring the loader back and run it. The Board members voiced agreement and Larry asked Jim to report back next month on its performance.

8. Judicial/Government Affairs:

Addressed earlier under item 6. a.

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

- Maureen Sidley will need to submit the Quarterly Economic Survey by November 14th.
- Maureen will need to file for an extension on the water rights by November 26th.

10. Correspondence:

None

11. Public Comment:

Mitch Gerlinger thanked the attendees for coming out and having a civil discussion. Larry also said thank you.

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

12. Board Member and Staff Items:

- Larry Johnson said for next month's agenda we will have an assessment of progress on road grading improvements, an update on the Grass Valley parcel maps, and an update on the loader.
- Maureen Sidley said acceptance of the audit will need to be on next month's agenda.
- Larry mentioned there is a meeting this coming Monday, October 23rd, with Washoe County staff members that Cathy has been invited to and he has been specifically uninvited to, to discuss reimbursement of SPA [roadway and storm drainage fees] to the developer who improved Amy, Sharrock, and Broken Spur. He said they are the same developers who have submitted the parcel maps for Grass Valley. He added his comments for Cathy to relay to the County are the developer did not make the improvements to the GID's standards (a less expensive slurry seal was used), and there are areas on Broken Spur where the Cape Seal has failed and in his opinion, they should be responsible for patching and applying another slurry seal over that area before they receive reimbursement. In response to Greg Dennis' question, Larry explained the developers in the SPA made deposits into funds for [infrastructure improvements, including roadways] that are being held by Washoe County. He said when the major developer in the SPA decided not to go forward with development, which included building the "Spine" road (a paved road from Pyramid Highway, paralleling Whiskey Springs Road), the smaller developers paid into various funds for future construction of the infrastructure improvements, and now those developers want their money back. He added that he has always said that's okay, but development occurred on Whiskey Springs and Broken Spur on these smaller lots, which were originally 40-acre minimum parcels; because they enjoyed and received the profits from those smaller lots, they did not do any of the infrastructure on Broken Spur and they should not be entitled to [refunds]. He said the purpose of this meeting on Monday is to determine how to handle reimbursement to Capurro/Murphy for the improvements they made to roads within the SPA. Larry said our legal counsel and Washoe County's legal counsel conferred and recommended no Board members be present at this meeting, just staff. He said Cathy has an extensive background on the SPA, and will report back at the next meeting.

- 13. Adjournment:** Mitch Gerlinger made a motion to adjourn the meeting. Marty Breitmeyer seconded the motion, and hearing no opposition, the meeting adjourned at 8:20 p.m.

PVGID OPERATIONS REPORT
Report Period 09-25-2017 to 10-12-2017

ATTACHMENT: 10/19/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Wilcox Ranch (Quaking Aspen - Goodher)
Range Land
Rebel Cause
Gray Van
Roadrunner
Grass Valley (W)
Piute Creek
Amy (Ironwood - Wilcox Ranch)
Wilcox Ranch
Two Forty
Crazy Horse
Wilcox Ranch (Goodher - Mid)
Bacon Rind (N)
Prairie
Amy
Wilcox Ranch
Right Hand Canyon

OTHER ROAD WORK:

Add Material Grass Valley Turns
Add Material Piute Cr. Over culvert installation
Add Material Curnow Cyn. Front
Add Material Quaking Aspen Hill

OTHER:

None

EQUIPMENT:

Loader to town for troubleshooting

October 4, 2017

ATTACHMENT
10/19/2017 Meeting
Agenda Item 7. a.

Roger Pelham, Senior Planner
Washoe County Community Services Department
Planning and Building Division
Via Email: rpelham@washoecounty.us

Re: LW Land Company, LLC Tentative Parcel Map Case Numbers:
WTMP17-0015, and WTMP17-0017 through WTMP17-0020
Palomino Ranch Estates #1 through #5

Dear Mr. Pelham,

The Palomino Valley General Improvement District (PVGID) requests the following conditions of approval be placed on the above referenced proposed parcel map cases:

1. Development of the new parcels created by these parcel maps will result in construction traffic on existing surfaced roads maintained the PVGID. Existing surfacing consists of thin Cape Seals that are not designed to withstand heavy truck traffic. Prior to any construction on these lots, the developer shall meet with the PVGID to designate haul routes that truck traffic will be restricted to. Prior to construction, the PVGID will conduct a condition survey of the haul routes. Following house construction, the haul routes will be re-surveyed, possibly on an annual basis for the duration of development. The developer will be responsible for related damage to the roads, and will reimburse the PVGID accordingly prior to the issuance of any Certificates of Occupancy by Washoe County.
2. Any improvements to existing roads maintained by the PVGID shall be performed by the developer to the standards of the PVGID.
3. Grass Valley Road will require extension northward from its present terminus to serve Parcels A-1, A-2 and A-3 and the private access road for the rest of the parcels. The road extension shall consist of two travel lanes, at a total width of 20 feet, flanked by one foot wide shoulders and roadside v-ditches a minimum of 12 inches deep on each side of the road. The roadway shall be constructed with either a four percent crown or a four percent cross slope.
4. The new Grass Valley Road extension has not been accepted for maintenance by the PVGID and will therefore require private maintenance.
5. Future driveway entrances shall not allow drainage onto Grass Valley Road. Driveway culverts or drainage swales matching and perpetuating the flows of the roadside v-ditches along Grass Valley Road shall be installed and maintained by the property owner.

If you should have any questions, please contact me at 775-848-6788 or by email to palvalgid@gmail.com.

Sincerely,

Larry J. Johnson
President

REGULAR MEETING

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

Thursday, November 16, 2017

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, November 16, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Greg Dennis, Jim Currivan (arrived at 5:50 p.m.), and Larry Johnson. Marty Breitmeyer 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:**
Donald Otto thanked Cathy [Glatthar] for doing such a great job on the minutes for last month.
Larry Johnson asked if there were any further public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – October 19, 2017:** Greg Dennis made a motion to approve the minutes as written, and Mitch Gerlinger seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** Cathy Glatthar reported the net operating funds for capital improvements figure is down a bit from last month partly due to the ad valorem revenue received, almost \$41,000, was less than estimated, \$59,443. She added that overall, to-date, actual revenues are \$23,488 less than estimated. Mitch Gerlinger said he reviewed some income figures, and we are just now catching up to where the income was in 2007/2008; which doesn't take into account inflation. Larry Johnson agreed and added that with inflation, our buying power is only at about 80% of where we were ten years ago. He said there's more traffic, more wear and tear, and less money to fix things. Greg Dennis asked what the total liquidity was at this time? Maureen said \$205,243. Greg asked if that is about as low as we have been in a long time? Maureen replied no, in August we were quite a bit lower; we try to maintain two months of expenses in reserve, [\$54,000].
 - b. **Payment of Bills:** Maureen Sidley stated there was a lot of patching material purchased this month; there is a bill for transmission work [on the loader]; one additional bill from American Truck and Trailer Repair in the amount of \$2,797.47 for the water truck injector problem from September 21st. Greg Dennis made a motion to pay the bills, including the American Truck and Trailer Repair bill for the water truck. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed. Larry Johnson commented that the expenditures this month were approximately \$34,000 which is a bit higher than normal. Cathy Glatthar mentioned workers' comp was paid this month. Maureen added there were temporary labor costs for the patch crew.

- c. **Acceptance of Audit:** Maureen Sidley passed out copies of the audit and stated it was another clean audit. Larry Johnson stated for the record, by law the GID is required to have an annual audit done, which is done by an independent auditing firm. Maureen added that the auditing firm reviews the books and makes sure we are in compliance with Federal and State regulations. She said the report must be sent to the State and Washoe County by November 30th each year. She mentioned because the Board does such a good job each year, the cost of the audit hasn't gone up in at least five years.

[Jim Currivan arrived]

Greg Dennis made a motion to accept the June 30, 2017 audit report from Kohn and Company. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

5. **Road Maintenance Reports:**

- a. **Road Reports:** Larry Johnson reported after last month's meeting the Board gave written direction to the maintenance supervisor on both road cross sections and grading criteria. He said it was discussed that in order to bring the roads into compliance with those cross sections, it would take time because it takes much longer to grade the roads into that cross section than to just make the surface smooth. He said they are taking a road a week and improving it to that cross section with crowns and swales sloping back to original ground. He said we recognize that there are roads in the mountains that that cross section is impractical to obtain. He said roads like Yellow Tail, Sharrock, Hockberry ... this week we did the front end of Twin Springs to just beyond Crossover; beyond that it is no longer practical. He said there are 40 some roads in the system and it will take at least a year to complete. He said we have to get utility clearance first; we recently fought a claim with the phone company for a line buried only six inches below the surface.

He said we still have a long list of things to do before winter: sand the surface of Wilcox Ranch from Crazy Horse to past the Quaking Aspen intersection, sand the Wilcox Ranch hill from Goodher to Mid Road - we have found that taking sand from our DG pit and putting a thin veneer down greatly decreases the potential for rutting soft, unstable surfaces. He said another restriction in grading roads to the directed cross section is the number of road grading requests we receive. He said with a two-man crew, we cover as much ground as possible in a week. He said next week (because of today's storm), we will be inundated with grading requests and there isn't enough equipment, man power, or hours in a day to get to everyone. He said we have been diligent in getting to road maintenance requests within a week of receiving the request, and in the worst case, within two weeks. He said the exceptions are large storm events where there is storm damage all over the Valley; we have to prioritize, with the first priority to get everyone access to and from their houses; the next priority is the most heavily trafficked roads; then we fit in everyone else. He said with this storm the length of Wilcox Ranch is deeply potholed, and we need to have it graded.

Mitch Gerlinger clarified that when we say in and out of everyone's house, we mean to the edge of the driveway on roads we maintain.

Larry said we created a list of things we need to do before winter and we are about two-thirds of the way there. He said some items are winter work, such as rock rip rap needs to be placed at some culverts, etc.

Larry then asked for public comment.

Greg Landrus, lives at south end of Bacon Rind Road, said a lot of residents at the south end of Bacon Rind feel they have been neglected and not getting their dollar's worth. He said they graded last week and only took the top off of the washboard and within two days it was back to where it was before they graded. He said in years past it was graded well below the washboard and watered and rolled with the wheels behind the grader which lasted for many weeks. He mentioned the [Cape] Seal that was done a few years ago on a section of the north side of Bacon Rind (north of Axe Handle) and that seems to be holding up very well. He said he knows some kind of treatment was done on the south section of the road, but about 95% of that is gone and it's causing problems because there are hard spots and then soft/wet spots. He said they wonder why the grading method has changed and why the frequency has decreased. He said south Bacon Rind is not being graded to the end, it is only being graded to the intersection with Sky Canyon. He also said he would like a copy of the 2017/2018 budget to see revenue and expenditures. He said there are about 20 to 25 homes that regularly use south Bacon Rind for access and they generate somewhere in the neighborhood of \$20,000 a year. He said he spoke to a contractor about a private contract for \$20,000 and the contractor said he could do it and in addition to grading, he would be able to bring in base and over a couple of years improve the crown and the drainage.

Larry Johnson responded that this is the hottest summer on record and the impact of that is the soil and our roads dry out. He said that has happened District-wide. He said his road has more houses on it and is in worse shape than Mr. Landrus' road. He said he just passed a propane truck stuck on his road today and an industrial tow truck had to be called in. He said we're all in the same boat. He explained the sand seal that was put on Bacon Rind south a few years ago, was his trial; he said he has fifty years of pavement design and construction management experience. He said the surfacing they put on Axe Handle, Whiskey Springs, and Ironwood is a Cape Seal (a chip seal with a slurry seal on top of it), and for most of those roadways, it was put directly on top of dirt. He said nobody in their right mind would try to do that; he would never recommend that to a client, but they tried it here as an experiment and it worked, so they extended it. He said the cost of that is our budget constraint and why we can't do a lot more of it. He said traffic meters were put out and we determined that Ironwood Road had the most traffic, then Whiskey Springs, then Axe Handle, and Range Land. He said roads that service 25 houses are way down the list. He said we have concentrated our capital improvements on asphalt surfacing (not pavement) on our major collector roads. He said the thought was if these major roads were surfaced, it would clear up time to spend on the other roads; along comes a summer like this and we have increased traffic. He said he bought his place up a canyon and he couldn't see another house; he bought it for the solitude. He said he knew he was on a tough road, but he was raised in the mountains and has driven dirt roads all his life and these roads don't bother him a bit; sometimes you have to drive slower. He said the amount of traffic on his road is ten-fold what it was 25 years ago. He said when we have a dry summer like this, you can't keep them graded fast enough; after the last Board meeting he wanted to go out and make some major differences in grading, but we had eight road maintenance requests for eight different roads spread throughout the system which we could not get to that week and some had to wait until the following week. He said we have

given written direction to our maintenance supervisor that roads are to be graded to the bottom of the ruts or the washboard, not just skim off the top. He said that happened three weeks ago and he wanted to hear from the public if that is being done from this point on or not.

Mr. Landrus stated that was not done this last time south Bacon Rind was graded, and in reading last month's minutes the roller has been down.

Larry said that wasn't acceptable to him and our maintenance supervisor was directed to make those repairs a long time ago and it has not been done.

Mr. Landrus asked if he was still the maintenance supervisor?

Larry replied he was and this was a subject for an employee review.

Russ Rodoni, lives on Sky Canyon, interjected and said whether the roller is fixed or not, you are not going to roll sand and compact it. He then wanted to know where the traffic meter was placed on Axe Handle, because if it was above Bacon Rind, you would not have picked up most of the Curnow Canyon traffic because half of those people use Sky Canyon to Bacon Rind; he knows because he's the one who grades Sky Canyon. In answer to a question, he said there are nine houses on Sky Canyon, but who gets the money for the vacant lots; somebody is paying taxes?

Mr. Landrus asked if there were about 350 parcels in the GID?

Cathy Glatthar said there are about 1500 parcels in the District and of those there are about 550 residences.

Larry said he sympathizes with the gentleman on Sky Canyon; it is not a road that the GID has accepted for maintenance. He said to be accepted, it would have to be improved to a particular standard.

Mr. Rodoni said it's not even that, she [Cathy Glatthar] sent him some papers and he did some research and the way Konesky wrote up the access easement [connecting Sky Canyon to Bacon Rind], as soon as the GID took it over, the [access easement] would be null and void and the road could be closed. He added that was the way he read it.

In answer to Mr. Landrus' question, Larry said GID taxes are based on the assessed valuation of each parcel. Cathy said the average ad valorem tax is \$320 a year for a property with a house on it.

Bob White, also lives on Bacon Rind (south), said you guys [the Board] do a great job for nothing, the road crew works hard on a small budget. He said he believes [Bacon Rind's] problems have to do with the [sand seal] as far as length of duration that it stays graded because it is present in some places and others not, and when you grade over the top of what's there, the potholes come back right away. He said he felt either grade out the sand seal (asphalt sprayed on the existing sand subgrade) and get back down to dirt because if you grade it now down to washboard you are going to take a lot of that with you and there are going to be chunks of that all over the road. He said if you are going to grade it, he'd like to see it [the remaining sand seal] all removed. He said to skim it off and haul it away.

Larry said he didn't think there would be a bunch of chunks. He said if that is the consensus of the people on Bacon Rind, then they'll put a scarifier on a blade and rip up that existing surface and regrade it.

Mr. Rodoni said he thinks it's beyond all that; we're talking about fixing crap every time. He advocated residents getting together and paying an extra \$1,000 to have base brought in. He wanted to get a cost on putting base on that entire south section of Bacon Rind.

Larry said he could give Mr. Rodoni the cost. He explained to repair damage done to upper Quaking Aspen by Washoe County and other users of Virginia Peak after the January flooding, the GID spent \$8,600 (some money came from Washoe County) to repair a quarter-mile section with three inches of gravel surfacing placed by the GID crew. He said it would cost about \$50,000 to do the mile and a half of Bacon Rind.

Mr. Landrus asked what was done on Bacon Rind north?

Larry explained after the project was completed on Axe Handle, the contractor had some extra oil and made a deal that if the GID paid for the oil and chips, they would put it down for free. He said that chip seal has worked pretty reasonably. In answer to a question, he said that chip seal costs about \$32,000 a mile. He said it would give a much better wearing surface than aggregate base would. He said they put aggregate base on Bacon Rind north before they put down the chip seal on that quarter-mile segment. He said aggregate base washboards, but not as quickly as the DG sands they have there now; those DG sands in a dry summer, washboard within a week; it doesn't matter at what depth it's graded to, that's the nature of the material. He said if you want to see what happens with aggregate base, drive off the end of the asphalt on Winnemucca Ranch Road towards the Moon Rocks, it will knock your teeth out; that is just the characteristics of the material.

Larry stated you people are not alone; next month we'll have a contingent from Right Hand Canyon, everybody wants to know why isn't my road wonderful. He said we have a system where you can email or call in with a road grading request and we do our best to get there within a week.

Larry said that for next summer what he is going to propose to the Board for our capital improvement project is to surface two heavily trafficked areas: Amy [between Ironwood and Wilcox Ranch] and Wilcox [from Amy to Quaking Aspen] because they probably serve 150 residences, and those roads are dust and rock in the summertime. He said right now, you almost need a four-wheel drive, and at least in the wintertime, you all [on Bacon Rind south] are blessed because you don't get the deep ruts in the clay that we have in other parts of the Valley where you get stuck like the propane truck today. The following year, or the year after that, he said he wants to ... he said he knows he's asking people to be patient ... he wants to take one of these annual capital improvement budgets and start improving the roads that have 30 homes or 25 homes on them; we probably won't be able to do a Cape Seal; it might be gravel base or a chip seal. He said we are continually fighting a battle on how to stretch these dollars to a point where we have the fewest people yelling at us.

He spoke about the time when a contingent from Curnow Canyon came and said their road was only a driveway width; a developer did a whole bunch of parcel mapping up there and did not improve the road. He explained that the serial parcel maps allowed the developer to circumvent the subdivision laws of the State which would have required him to build a nice, wide, County-standard road. He said our development out here is being done helter-skelter and developers are not being held accountable, and all of us who are paying taxes into the system are stuck with the results.

Mr. Landrus asked when the roller will be functioning again?

Jim Hicks reported it is in town now and they are having trouble finding the parts. He explained it is old and no longer being made; they can't find replacement wheels and may have to have them made. Mitch Gerlinger added that it may be cost-prohibitive to rebuild it. Larry said in actuality the best roller for Bacon Rind south is a drum roller, which we have, and lots of water. In response to Mitch's question, he said we could grade and roll these sand roads when it's too wet to grade our clay roads. He addressed Jim Hicks and said next time we have a good storm, he wants Bacon Rind south graded and rolled with the drum roller.

Donald Otto, said he has offered this in the past and will offer it again, he is a grader operator and has worked for the GID before and is willing to work part time and run the second grader.

Bob White offered to have the drum roller parked on his property if need be.

Larry said they transport it on a trailer behind the dump truck.

Mr. Otto asked if we had a hitch behind the water truck?

Larry said no.

Jim O'Brien, lives at the end of south Bacon Rind, said he is concerned about the safety issue with the way the road is now. He said he had a letter from his neighbor, Paul Neuffer, that he read into the record (see attachment). He said he is concerned that emergency vehicles can't get in.

Larry said he wished Mr. Neuffer was here because he believed Mr. Neuffer developed a number of parcels in that area and made no improvements to the road fronting those parcels, like any developer elsewhere in the County or in the cities would have to.

Sharon Korn asked what's going to happen when all of these five acre lots get built and there's a ton of extra traffic?

Larry said it's a concern and this is later on the agenda, but we will address it now (see Item 6. b. below).

b. Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding:

Larry Johnson explained that after last January's flood damage we applied to FEMA for reimbursement of repair costs. He said the majority of the work was completed in the first few weeks, but there are some items left to be done that are not safety issues. He said we have until next [August] to complete those repairs. He said FEMA will reimburse 75% of our costs (and the State will reimburse 12.5%). In answer to Larry's question, Cathy Glatthar said our costs are close to \$200,000. Mitch Gerlinger stated that is about 40% of our annual budget. Larry said it is about 75% of our annual capital improvement budget. He said we had to come up with that money to do this year's capital improvement project.

Greg Dennis said he would like everyone to understand while we had the flood issues, we were not getting the funding and the special flood [repair and mitigation] projects were taking us away from doing the general maintenance of the [95] miles, and that's what has exacerbated things even more; it's had a cumulative effect.

Larry said we haven't received any money yet, because reimbursement was put on hold when the hurricanes hit.

- c. **Operations Manager's Report:** Jim Hicks said the equipment is in good shape, but the Ford dump truck needs rear oil seals.

Mitch Gerlinger said he found a used snow plow for a grader and asked if we'd be interested. Jim said we are not equipped to put one on the front of the grader.

6. Old Business:

- a. **Loader - Approve Repair of Existing, Purchase of Used, or Purchase of New Unit:** Larry Johnson asked Jim Hicks to give an update on the loader. Jim reported the loader is working fine; he suggested they do some minimal repairs and keep it. Several Board members agreed.

- b. **Update on LW Land Company's Grass Valley Road Tentative Parcel Maps:** Larry Johnson explained some of the background: In the 1990s, some large developers along with some smaller developers approached Washoe County and said they wanted to do a specific plan for development of Warm Springs Valley; from the Pyramid Highway, a little bit north of Whiskey Springs, east to Amy; that entire area. A plan was formulated and accepted by the Washoe County Commission. As it impacts us, there was to be a new arterial road built from the Pyramid Highway through the development and it was supposed to be a County paved road. Other collector roads off of that were supposed to be paved to County standards, including portions of Whiskey Springs, Broken Spur, and Grass Valley. These were originally 40-acre parcels, some of which were to be reduced down to 1-acre parcels, other areas were reduced to 2.5-acre parcels, with the largest being 10-acre parcels. A sewer treatment plant was supposed to be built, a water distribution system, a fire station, schools, and parks were planned. Deposits were made by the developers to ensure these public improvements could be made, although they were insufficient to build them. All of this zoning was approved by Washoe County and can't go back without major legal work. The major developer who was going to build all of this infrastructure backed out. The smaller developers on the outer fringe parceled those lots into 2.5-acre and 5-acre parcels and sold them and made no improvements to the roads in front of those parcels. Fast forward to about 12 months ago and those developers have approached the County and they want their deposits back; it is in court as we speak.

Larry said hand-in-hand with that is the serial parcel maps by LW Land Company who is dividing a parcel on Grass Valley Road south. By the way, he said, most of the development was along Broken Spur and some on Whiskey Springs. He said if they went through the subdivision map process they would be required to put a paved road in up to their development and various other requirements they are not subject to under serial parcel maps. He said the serial parcel mapping circumvents the subdivision requirements and some of this will not necessarily get done. He said we already have additional traffic on our roads.

Greg Dennis said they are taking a sixty-seven acre parcel and making how many parcels out of it? Cathy Glatthar answered 15.

Mr. Landrus asked if they would be taxed under the GID?

Larry said they would, but it will only be a partial offset; development doesn't pay for itself in the form of taxes.

Greg said a dirt road system can only handle a certain capacity of traffic and once you exceed that you should have paved roads. He said we wrote a letter to the parcel map committee. In response to a question, he explained the GID is only responsible for the roads and the other concerns should be addressed by the community.

Larry said the Parcel Map Review Committee (PMRC) meeting is on December 14th (it was continued by the developer from the November 9th PMRC meeting). He said Greg wrote the letter with input from Louie Test and himself. He said in the letter they said the GID opposed serial parceling. He said the only good solution for the community is to have the County form a special assessment district for the SPA; have the property owners assessed sufficiently to pave the roads in the SPA to County standards all the way to the Pyramid Highway and remove the entire area from the GID boundary. He said, otherwise, it impacts us all.

Mr. Landrus stated he had a conversation with Bob Webb at Washoe County about the role of the CABs and he said he thought the CAB would have addressed a parcel map review item such as this.

Larry explained that this mapping submittal was done in between CAB meetings. Cathy Glatthar said the CAB last met in September and won't meet again until January and this parcel map review came in at the end of September. Larry said he thought the County would have called a special meeting of the CAB, but they did not. He added that the County should have CAB meetings whenever there is a planning item such as this affecting the community. Mitch Gerlinger reminded everyone that the GID can only address the roads.

Greg Dennis read into the record the conclusion of the letter written to the PMRC:

"The PVGID requests that Washoe County deny continued parceling of the WSSPA at this time and, furthermore, assist in developing a Capital Improvement Plan and/or other funding mechanisms that will address the right to develop within the WSSPA while mitigating the adverse impacts to the PVGID and the citizens within the District."

He said we are trying to address these matters instead of allowing this to continue because we know it's going to impact the bottom line of our services to all the people who live on the larger lots. He explained with a 40-acre parcel being divided into eight new lots, the dirt roads cannot be maintained at that level of service with that many people living on them; why should we, as a maintenance group, accept responsibility for something we know won't work.

Larry thanked Greg for his work on the letter and Louie Test for his input and help.

7. New Business:

- a. **Discussion of and Possible Change to Meeting Time:** Larry Johnson said some citizens have requested we change our beginning meeting time to sometime later than 5:30 and make it more convenient to people who work until 5:00. He said he did not have a problem moving it to 6:00. Mitch Gerlinger said he had no objection to changing the time or the day; he'd like to change the meetings to Wednesday. Larry said Wednesday conflicts with another board meeting he has. Donald Otto, in the audience, said he would like to see a later time; 6:00 or 6:30. Greg Dennis made a motion to change the meeting time to 6:00 p.m. on the third Thursday each month. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

In answer to Mitch's question, Cathy Glatthar explained a time change does not have to be by resolution; only location changes have to go through the resolution process.

- b. Maintenance Crew Working Days, Hours, and Holidays:** Larry Johnson said he wanted to propose winter working days be changed to five days a week instead of four. He explained in the winter time there are times when a storm occurs on a Wednesday or Thursday and they could grade on Friday, but the crew is off. He said in the winter the daylight hours are shortened and we don't have ten hours of safe working time; he proposed five-day weeks from November 1st to March 31st.

Jim Hicks said on December 21st (shortest daylight hours) sunrise is at 7:16 and sunset is at 4:38 and by the time the equipment is up and running and fueled, the sun is up by the time they get on the road, and they are done and back at the yard by sunset. He added four-day work weeks are more efficient; you have one more up and down time with a five-day work week. He said to say they need to be there on a Friday because it might rain on a Wednesday, for example, is hard to prove.

Larry said it's been obvious over the past number of years so many times that he has driven and said how he'd wished our crew was working that day.

Jim Currivan said he thought the opportunity was there and with more storms the crew is needed more often than the four days. He agreed with Larry for having five-day work weeks during the time frame from November to even possibly April. He said there would be more opportunity to grade when the roads are damp (not wet).

Greg Dennis said he did not disagree with his fellow Trustee. He said when we have the opportunity to grade wet roads or damp roads, are we financially capable to have two blades on the roads and maximizing our ability because we won't need a water truck and be more efficient. He said you would have to wait for the roads to thaw in the winter.

Larry said he's mulled this over for years and in a perfect world our second employee would be capable of operating a motorgrader and our present employee either cannot or has not expressed a willingness to learn so we could have two graders out at the same time. He said his calendar for a five-day work week corresponds with the end of daylight savings time and the beginning of daylight savings time. He said we do have an offer from a resident to work part time to operate the second blade after a storm, and we have put on temporary operators in the summertime to prep for capital improvement projects. He explained we haven't done that in the wintertime because it's only a day or two days worth of work and it's tough to get outside workers to be able to come in on such short notice.

Greg said whether it's five days a week or four days a week, it's about how we operate to maximize our efficiencies is what we need to look at and the timing of the five days or the four days is less important or more important?

Larry said he thought it is more important because you take a road he drives every day, Wilcox Ranch and a section of Amy, and after a storm like today's, the road is deeply potholed. He said we may be able to grade that tomorrow afternoon, depending on what happens tonight. He said his point is we have a hundred some residents suffering with the road conditions all weekend long; and this happens repeatedly throughout the winter. He said he finds a four day work week in the wintertime to be at the convenience of our employees and at the expense of our residents.

Jim Currivan said with the five days you have 20% more opportunity to get on problems like you have here; if this rain storm had happened two days ago, this coming Friday you would be able to be out there [grading]. He added if the roads are frozen do you really need those first one or two hours in the morning? Larry replied no. Jim Hicks said we water them.

Mitch Gerlinger said his only objection to going to five days would be the extra fire up and shut down time, but overall, he thought it was worthwhile. He said he didn't know if the change should be tied to daylight savings time, instead base it on the hours of the day. He said maybe set it for one month after the fall equinox and end it one month before the spring equinox. In answer to a question, Mitch said if there are 10 hours of daylight then we could be on 10-hour days instead of just eight. Larry said it's storm patterns not hours of daylight and working on a Friday when it's needed. Mitch said he recognized that as well, but the first part of this argument was the roads are frozen in the morning when we want to get things done, and he said he understands they want to work that extra fifth day a week, but we're losing some efficiency with the extra fire up and shut down with an eight-hour day; there's give and take on all of it and he said he thought going to five days in the winter is worthwhile, but he didn't think running it to the end of March is. Larry said he thought it was because March is a stormy month. Greg agreed with Larry that March is a wet month; we get the rains coming in from the Sierras. Larry said he didn't think daylight is nearly the factor that our storm durations are.

Larry then asked for public comment.

Sharon Korn said she didn't know how many crew members the GID had ... when she learned there were only two crew members, she said her idea would not work with a crew of two.

Greg Landrus said it makes sense to do five days during the winter, and they could adjust the dates as it goes.

Bob White said since you don't know how often you'd need to work a Friday, you could use overtime for a partial day; you might only have to do this one Friday a month, but you just don't know.

Larry said his problem with that is you have to ask the employee if he's willing to come in on his normal day off.

Maureen Sidley said with PERS it would be an "on call" situation and would cost us extra money.

Donald Otto said last winter when he was working and it was cold and there was some frost on the ground, he said he worked the ditches for an hour to an hour and a half and then went back and worked on the roads that had the sun on them. He said you have to be flexible and assess the situation and you can work early most of the time.

Larry asked Mr. Otto to clarify his comment and asked him if he was in favor of eight-hour days or ten-hour days in the wintertime?

Mr. Otto said what Larry said about working on a Friday when the conditions were right was really important; for instance tomorrow, one-third of the roads out here could be worked on tomorrow because they are sandy; such as Bacon Rind.

Cathy Glatthar suggested a more flexible schedule where the crew doesn't work the day it's raining and they come in the next day when they can grade the roads.

Larry said then it falls on him to make the call to Jim to not work on this day and come in the next day; this is a volunteer position and he puts in too many hours as is; he likes the five-day work week.

Mr. Otto said he didn't see that necessarily as Larry's call, that it should be the guy running the road crew to make that call based on the weather forecast.

Jim Currivan said he didn't think that would be fair to the employees not knowing which day they would have off; they would not be able to make plans.

Greg Dennis said he believed the Parks Department with the City has summertime hours and wintertime hours. Larry agreed and said practically every construction company that moves dirt goes to that.

Jim Currivan made a motion to go to a wintertime schedule of five days a week from November 1st to March 31st from 8:00 a.m. to 4:30 p.m. with a half hour lunch. Greg Dennis seconded the motion, and hearing no opposition the motion passed.

Larry said it takes effect a week from Monday [November 27th].

- c. **Consideration of Employee Merit Bonuses:** Larry Johnson said he would like to postpone this until next month. Greg Dennis made a motion to continue this item to next month. Jim Currivan seconded the motion, and hearing no opposition, the motion passed.
- d. **Washoe County Proposed Refund of SPA Developer Fees:** Larry Johnson said as he mentioned earlier, there were deposits placed with the County that were to guarantee the infrastructure would be constructed, but since the major developers went away, the remaining developers requested their deposits be returned, the County didn't respond, and they ended up suing the County. He said all those suits were dismissed except one. Louie Test explained there were about eight people involved in the lawsuit and all were dismissed except one and that was George Newell and he wants his \$10,000 back. He said the County is trying to mediate the issue rather than spending the money necessary to go to trial with depositions and so forth.

Larry said the ramifications of that is the County has these deposits that were put forward to guarantee, in our case, that certain roads would be built and those roads were not built, although development went forward and people live along those roads. He said the question is what is the County going to do with those deposits?

He said Cathy [Glatthar] attended a meeting of Washoe County staff, in which, he believed, proposals were advanced and County staff is going to prepare a report for the County Commission. He asked Cathy if that was correct?

Cathy explained there are two items being addressed, there is a request from a developer for reimbursement for road surfacing they did in the SPA area and they also have a court order to refund the fees because they are considered impact fees and the NRS statute regarding impact fees allows for refunds of those fees. She said the Court ruled that the fees are to be refunded to the current property owners, and that's what Louie was referring to when he said most of the developers will not get their money back because they are not the current property owner. She said the

County is trying to figure out how to reimburse the developer for the road improvements which are not to the exact specs of the financing plan, and then what to do with the remaining money in order to comply with the judge's order to refund those monies.

Larry said lots were developed through the parcel map system, homes were sold, the road improvements were not made, and at the last meeting, one or more of those individuals was here complaining about his road and now the County is going to give them a check and we'll still get yelled at. He said we must stay abreast of all of this.

Greg Dennis said he wanted our attorney to check with the other attorneys and find out if there is any use of those funds other than a refund in the future or what the decision will be for those funds, so we can take possible further action or request to the County as to the impacts to this general improvement district and the funding of road work.

Louie Test said there's no problem with the attorneys talking with the attorneys, he's already talked with Nathan [Edwards, Washoe County Assistant District Attorney] on this and [Washoe County staff] is supposed to come up with a recommendation.

In answer to Louie's question, Cathy said Washoe County staff has not decided what to do yet. She said she wanted to add that if they make the refunds, the financing plan has to be removed from the Master Plan, which will take some time. She said if they remove the financing plan, in her opinion, this Board should point out the fact that the developers were given a waiver for paving from Pyramid Highway to the frontage of their parcels because the financing plan was in place; so if the financing plan is removed, this Board needs to tell the County that they need to reinstate the requirement to pave from Pyramid Highway to their property frontage. She said they can do that via a special assessment district because there is a clause in the disclosure agreement that they will not oppose a future special assessment district.

Greg said there's one other issue with that; this financing plan was done in 1995 and by the third or fourth year, it was already not feasible to implement because they never had the funds to do it anyway, and now it's twenty years later and they are trying to do the same thing with funding they created back in 1995, which doesn't work at all. He said you can see the issues we are trying to deal with and why we are forcibly going forward against this parceling and these issues, because it's directly impacting the GID in a financial way and we cannot afford it. He said he still wanted our attorney to talk to their attorney.

Louie Test said he would talk to their attorney and write him a letter and request that he tell us what the status is and we may have to get together again.

Cathy asked Louie how we can get a transcript of the case? Louie said it is very expensive.

Larry asked Louie to ask the County attorney if the financing plan required the developers to improve certain roads, but because of the parcel map process, those developers did not develop those roads, so why then is a refund even being considered?

Louie said that's because the judge made a decision that they were impact fees and under State law you have to use the impact fees within 10 years of receiving the fees or they get refunded.

Larry said then in 2005 this Board should have approached the County and said before you refund any of these fees we either need a new financing plan or those monies need to be for those developers ... we didn't have houses built in 2005, did we? Cathy said some were built in 2000 and 2001. Greg said you also need to look at when the State law was done; the impact fees had some major modifications during all of those times. Larry said this GID Board from 2001 through 2005 missed the boat, and at this point we might not be able to get any of those funds, at the same time we can minimize and eliminate future damage by insisting the County, before they consider any of these serial parcel maps that they form a special assessment district or a new financing plan. He said we have taken the first steps and we need to attend the December PMRC meeting and make that clear. He asked if we should be raising this with the County Commission now, or wait until the staff report is out?

Louie said you are free to talk to the Commissioners, but most will probably say they are waiting to see what staff is recommending. He said under the SPA they have to take care of their internal roads, but the roads that lead up to there are going to be impacted because of the construction before the development is done.

Cathy added that the refund clause did not make it into the [final] development agreement and the County attorney did mention that fact in the meeting, but she got the impression that because the County had been fighting this lawsuit for two and a half years, that they want to be done with this and just refund the money. She said the County attorney did say they could possibly pursue the fact that the refund language never made it into the development agreements and therefore the developers waived their right to those refunds.

Louie said you should remember that this did come before the County Commissioners and there was the feeling that the developers should get the refunds. Cathy said that was the initial reaction. Larry said our County Commissioner, Jeanne Herman, was pushing for that.

Louie said he would get in touch with Nathan and find out where they stand on this.

e. Request for Review by Nevada Attorney General Regarding Serial Parceling:

Louie Test explained you can request an AG's opinion, but NRS 278 says the County "may" require additional conditions up to what's required under subdivisions for serial parcel maps; the language is "may," it isn't mandatory. He said he thought the AG's office will refer back to the County and say the County has the authority to make additional conditions, but this Board, as a governmental body can request an opinion. Larry asked if Louie thought it was worth doing? Greg Dennis commented that when matters go before the Attorney General and they go through State law, the AG has a lot of documentation and information regarding legislative intent, and what we can do is ask them to look at that legislative intent and find something that will help us. He said we could use this to get information from the AG's office which is a cost savings to us, because as a jurisdiction we can make this request, whereas a private citizen would have to go through an entirely different process. Louie said they may go through the legislative history, but they may come back with it's up to the County because the language says "may." Louie and Greg will work together on a request for review by the AG's office.

8. Judicial/Government Affairs:

Louie Test said he had nothing else to discuss and departed the meeting.

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

- Cathy will reserve the meeting room with the Park's Department for the next calendar year with the start time of 6:00 p.m.
- Regarding the water rights extension, Maureen reported the check to [Tri-State] has been sent, but they have not received the renewal letter yet.
- Maureen will need to submit the audit with Washoe County and the Department of Taxation within 30 days.
- The next GID meeting is Thursday, December 21st.

10. Correspondence:

None

11. Public Comment:

Bob White thanked the Board for working hard for no pay, and said those who are paid are working hard, too.

Several Board members thanked Mr. White for his comments.

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

12. Board Member and Staff Items:

None

13. Adjournment: Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 7:43 p.m.

ATTACHMENT
11/16/2017 Meeting
Agenda Item 5. a.

Paul Neuffer

7040 Sage Canyon Rd.

Reno, Nevada 89510

To PV/GID :

Our family has been using the roads since 1991, and we've seen marked deterioration in the condition of all the roads in the Axe Handle feeder area. This condition is exacting a terrible toll on all the vehicles that use these roads.

This bumpy ride is not free. It's hard to do the bookwork, but the cost of the damage to people and materials is probably exceeding the cost to the GID maintenance.

I am sorry I could not attend tonight's meeting, but I would appreciate any help you can give us.

Sincerely,

Paul C. Neuffer

PVGID OPERATIONS REPORT
Report Period 10-16-2017 to 11-08-2017

ATTACHMENT: 11/16/17 Meeting Agenda Item 5. c.

ROADS GRADED:

Curnow Canyon
Upper Quaking Aspen
Upper Right Hand Canyon
Pasture View (N)
Roadrunner
Pasture View (S)
Broken Spur (S)
Sage Flat
Prairie
Jackrabbit
Rebel Cause
Range Land
Grey Van
Wild Horse (Whiskey Springs - Sharrock)
Amy (Ironwood - Wilcox Ranch)
Wilcox Ranch (Amy - Quaking Aspen)
Wild Horse (Sharrock - Crossover)
Crossover
Bacon Rind (N)
Bacon Rind (S)

OTHER ROAD WORK:

Grade & swale ditches (Hockberry)

OTHER:

None

EQUIPMENT:

None

REGULAR MEETING

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

Thursday, December 21, 2017

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 6:40 p.m. Thursday, December 21, 2017 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger, Greg Dennis, and Larry Johnson. Marty Breitmeyer and Jim Currivan 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:**

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

3. **Approval of Minutes – November 16, 2017:** Larry Johnson asked Cathy Glatthar if she included in the minutes that the GID would work on Bacon Rind south following the next major storm when we have good soil moisture? He added that it's been dry and they haven't done anything major there because we don't have enough water on it.

Cathy replied she did and read the following excerpt into the record:

"Larry said in actuality the best roller for Bacon Rind south is a drum roller, which we have, and lots of water. In response to Mitch's question, he said we could grade and roll these sand roads when it's too wet to grade our clay roads. He addressed Jim Hicks and said next time we have a good storm, he wants Bacon Rind south graded and rolled with the drum roller."

Mitch Gerlinger made a motion to approve the minutes as written, and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.

4. **Financial Reports and Payment of Bills:**

a. **Financial Reports:** Larry Johnson addressed Cathy Glatthar and said he noticed our net operating funds for capital improvements is slowly dwindling each month. Cathy agreed and reported the [actual] revenue is less than expected by \$17,644, which is about 6% [less than expected]. She said we'll need to continue watching the revenues. She added our expenses were up \$12,000 this month over normal due to equipment repairs, grader blades, patching material, fuel was up, and temporary labor costs.

b. **Payment of Bills:** Maureen Sidley stated there were two bills without descriptions; the Silver State bill was for a valve. She said that for the other one, GHX Industrial, she needed a motion that the check would not be released until she verifies what the bills are for. She explained the three bills were from 2016 and she was unable to reach someone there before the meeting. She said there were two bills for Louie Test and she overlooked the second one in the amount of \$525 for "conference with clients discussing the letter to County to object to parceling until road improvements

are completed.” She stated we received a reimbursement from Ingalls and Associates in the amount of \$108 for overpayment on the insurance. Greg Dennis made a motion to pay the bills, including the additional bill from Louie Test and with the understanding that Maureen Sidley will hold the GHX check until the charges are confirmed. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

5. **Road Maintenance Reports:**

- a. **Road Reports:** Larry Johnson stated Jim Hicks submitted a list of roads that had been graded, and we’ve had some moisture, so the roads are not coming unglued quite as fast as they were during the dry part of the year. He said we were unable to get any roads graded to the requested cross section this past month, but asked Jim if he had utility clearance on Crazy Horse? Jim said he has clearance on Crazy Horse and Range Land. Larry said clearance on Crazy Horse is so they can create the mandatory cross section, and Range Land for the purpose of pre-design planning for creating the storm drainage areas on both sides of the road; with the material excavated being used to raise the roadway out of the flood elevation. He said in order to do that design work, they have to know where the utilities are. He said they will come back to the Board with a plan.

He said the segment of Wilcox Ranch Road from Crazy Horse to the Quaking Aspen intersection in which DG was placed in a half-inch-to-an-inch leveling course, with a little bit of moisture, that riding surface is markedly superior to the section that is not surfaced. He said furthermore, during inclement weather that section does not rut and become unstable nearly to the extent ... just with a leveling course of granular material over the top of those clays. He said the rocky sections in that segment show up in the summertime, in the wintertime, of course, rubber tire traffic pumps clays up to the surface and you couldn’t find a rock in those areas. He said they were going to sand the Wilcox hill, which is a north-facing slope and stays frozen; portions have been sanded and portions need to be completed. He said we have approximately a mile and a half of the lower portion of Quaking Aspen that needs to be sanded. He said Greg [Dennis] came up with a great value engineering question; he said we need to manufacture that material from our pit. He explained it takes a dozer to push the material down, a loader to pick the material up and deposit it on a screen to screen out the oversized material and then the screened material is used on the roads. He said Greg said to look at the cost to process the material compared to what it would cost to simply buy it from Donovan’s or Martin Marietta. He said with outside trucking, it winds up being a [wash], but the advantage of doing this is efficiency in putting the material down.

Greg Dennis said it would allow us to address the specific needs of an area of road; we can order what’s specifically needed. He said there will be less of a maintenance problem in the future if the right material is brought in for a specific area.

Larry said in crunching the numbers, for Quaking Aspen it would be a \$9,000 outside service bill, probably \$2,000 to finish Wilcox Ranch hill. He said the negative is these costs will come directly out of the net operating funds for capital improvements. He said we can do a certain amount of this without sacrificing next year’s capital improvement budget. He explained this is an annual project that helps get us through a winter season. Cathy Glatthar asked if they would sand the hill on Yellow Tail this year? Larry said perhaps; we try to do that each year.

Larry said Jim is grading as fast as he can; we've had a little bit of moisture and in fact, things are frozen a bit hard. He said he suggested that Jim grade the sand roads.

b. Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding:

Larry Johnson said we were in holding mode because of the hurricanes and then the California fires happened. He said at this point he doesn't see us getting any money this coming year. He said at this point we have spent the money, and if we see any reimbursement for that, it'll be manna from heaven. He said he has a whole bunch of hours in it, but Cathy has probably hundreds of hours in this.

Greg Dennis said there's a bigger issue; the GID maintains the roads, it doesn't do flood protection, storm drain issues, yet here we are with \$200,000 of expense for storm water repair and maintenance. He said that's still a question in his mind as to how we should deal with that with our relationship with Washoe County, FEMA, and other entities we might seek funding from. He said we had to fix the washouts to make the roads passable, but all those costs to maintain a floodway so we could put a road next to it, is whose responsibility?

Louie Test said you can point to the County, but they are going to say they have ditches all over the county and they are not responsible when roads get washed out. Cathy Glatthar said she spoke with Dwayne Smith, Washoe County Public Works engineer, and he said Washoe County is not responsible for flood control.

c. Operations Manager's Report: Jim Hicks said the Chevy dump truck needs to be taken in; it won't start, it might be a wiring issue and may be a problem with the key, which was recently worked on, so if that's what's wrong again, it would not cost anything. In answer to Larry's question, he said the loader is working great.

Jim then explained the compressor seal in the turbo on the generator for the Ironwood well failed. He said Cashman Equipment is working on it and they hope to have it running tomorrow. In answer to a question, Jim said Cashman quoted him \$4,000 to fix it. Greg Dennis asked if there was any preventative maintenance that could be done to prevent that from happening? Jim said no, what happens on the compressor side of the turbo charger there's a synthetic seal that failed and on the other side there's a metal ring that seals it and there's no maintenance on it.

6. Old Business:

a. Update on LW Land Company's Grass Valley Road Tentative Parcel Maps:

Larry Johnson explained these were pulled from the Parcel Map Review Committee and the County will notify us when they have been reinstated. Louie Test said when he spoke with Nate [Edwards, Washoe County Deputy District Attorney] about the refunds to the SPA developers, he asked why the County wasn't requiring the improvements on these parcel maps when they are coming in as serial parcel maps. He said Mr. Edwards stated that he thought it was the County engineer's position that if you have serial parcel maps they are going to require them to bring them up to County standards. He said that might be why they are being held up. He suggested getting in touch with Bob Webb or somebody else at the County on this. Larry said he would like to have a joint meeting with Mr. Webb and the County engineer and he said he would like to have Greg Dennis attend that meeting as well. Cathy Glatthar said one of the conditions listed in the staff report for the parcel map review was that the developer had to pave, to County standards, Grass Valley from Whiskey Springs

all the way down to the frontage of their new development. Larry said that's impossible because right now Grass Valley dead ends at the turf farm and they would have to build Grass Valley through the turf farm. Cathy said the easement exists.

b. Request for Review by Nevada Attorney General Regarding Serial Parceling:

Louie Test said when he spoke with Mr. Edwards, they are going to require subdivision requirements on the serial parceling. Greg Dennis said he felt the meeting with Mr. Webb and Mr. Edwards makes sense before they make any movement on this item. Larry said then this item is on hold.

c. Washoe County Proposed Refund of SPA Developer Fees:

Louie Test said Mr. Edwards said they were having problems with Murphy's reimbursement request, and the County was looking for supporting data that the work Murphy did matched with what was specified in the SPA's Financing Plan; it appears that a lot of the work they did had nothing to do with the impound funds. Larry said the justification by TEC, Murphy's consultant, was just a paper ... Louie interjected and said that is how Mr. Edwards sees it. Greg Dennis said none of that matters because the work done was not to County standards. He said that is the basis of acceptance. Cathy Glatthar added that the work was supposed to be done to the standards specified in the Financing Plan, and per Larry's instructions, she did point that out in the meeting with the County on the matter of reimbursement to Murphy. She said she also pointed out that of the three roads Murphy improved, only Broken Spur was listed in the Financing Plan. She added the County didn't have a clue about most of this. Louie said they picked up on all of that, and that is why they are going to Murphy and saying we aren't accepting this bill, you need to show how it fit into the SPA and if you can't , you aren't getting any of that money back. He said they still haven't decided anything on refunding the deposits, except for what the judge said about the money going back to the current property owners if there is going to be a refund. He reminded everyone that the judge's decision was based on the Impact Fee statute. He said only the developers who currently own property will get any money back, and that is based solely on the property they currently own. Louie said the other thing Mr. Edwards mentioned is if the County has to go back to court, one of the defenses is the waiver, that basically said they waived their right to a refund when they signed their development agreements which did not include the refund clauses. Greg Dennis said the dollars collected back in the mid-to-late nineties, were entirely inadequate to improve anything.

7. New Business:

a. Consideration of Employee Merit Bonuses:

Mitch Gerlinger asked what was done last year? Maureen Sidley responded \$500 for Jim and \$300 for Dan. Larry Johnson said he does not know of an agency that does this. Greg Dennis said Washoe County had a longevity bonus, but that was eliminated during the last economic downturn. Mitch said he viewed these bonuses more as a longevity bonus, and he was in favor of continuing these longevity or merit bonuses at the same level as last year. Larry said he has given merit bonuses his entire career and does not have a problem with merit bonuses. He said the Federal government gives bonuses to federal employees across the board. He said he has mixed emotions, but it is a tradition with the GID that has gone on for decades. He said he would suggest they continue the policy as long as a particular employee is with us and review that policy once they are gone. He said once you give an employee a

particular benefit, it's a slap in the face to pull it away. Mitch said he agreed. He said that is why he would continue the policy with Jim and Dan through their employment and review the policy when they leave. Mitch Gerlinger made a motion to continue the tradition of merit bonuses and give \$500 to Jim and \$300 to Dan. Greg Dennis said he was debating; we give raises, we cover employee benefits ... how long has this been going on? Maureen said it was in place in 1995 when she started with the GID. Greg said then this needs to be reviewed further on when we lose employees and gain employees; we need a new written policy in the future. Greg Dennis seconded the motion and hearing no opposition, the motion passed.

8. Judicial/Government Affairs:

Larry Johnson said he had an issue for Louie Test to review. He said it has to do with the Poundstone family that lives off of Ironwood Road, almost opposite the pit. He said there is a sharp curve on the south side of the pit where there used to be a significant super elevation on that curve with no drainage outlet, and with every major storm water ponded, sometimes covering the entire road. He said it was a safety hazard, so it was fixed by elevating the road to create sufficient height to put a culvert in, and created drainage in both directions to that culvert. He explained that culvert emptied out onto private property on the low end side in an area that did not receive flow before. He said their driveway was at grade in a lowered position. He said he met with the homeowners and suggested we install a 12-inch culvert under their driveway so that during large flows it would not wash their driveway out. He said he wasn't satisfied with the look of it when they were building it, so he had two, 12-inch culverts installed. He said they have been very demanding and in [the January 2017] flood, their driveway culverts plugged with sediment because of the very flat gradient on both sides, and they accused us of not installing what was promised, and said that two, six-inch culverts were placed instead of the 12-inch culvert he committed to. He said he went and measured the culverts and they were both 12-inch and the Poundstone's backed off. He said we flushed their culverts. In answer to Larry's question, Jim Hicks confirmed that we extended the Ironwood culvert by six feet [and added a flared end section] which brought the culvert down nearly to their two driveway culverts. Larry said the two driveway culverts are partially blocked with sediment again, and we're probably going to be asked to unplug their culverts forever and ever and it's on private property, but again, it's immediately down slope of our culvert. He said on one hand it's a minor amount of work and we'd flush their culverts out when we flush our culvert out. He said they have been so sarcastic and have threatened legal action; a simple request would have been greatly appreciated. He said when the issue of the two culverts instead of the one culvert was brought up they said Stevie Wonder could tell those were six inch culverts and way smaller than the 12-inch culvert promised. He said that's when he took the photo of the culverts with a measuring tape showing clearly they were 12-inch culverts and sent it to them along with a polite, professional email.

Louie Test said he'd need to take a look at the agreement and asked if it was in writing? Larry said it was in writing and it mentioned installation, not maintenance. Cathy Glatthar said she thought Larry's email did include something about maintenance was the homeowner's responsibility. Cathy said she would send all the documentation to Louie. Larry added that they are not in imminent danger of ... he said they were upset in January because their culverts clogged, although the Cottonwood Creek washed out their 48-inch culvert and took it a mile downstream and left them stranded. He said he

felt sorry for them, but they come across so hostile, it is difficult to respond in a professional manner. Louie said he would review the documentation.

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

- The Trustees will need to do their annual filings by January 15th - the Financial Disclosure Statement and the Contributions and Expenses Report. Cathy cautioned them to wait until after January 1st, so there is no confusion as to which year the filing is for.
- The next GID meeting is Thursday, January 18th.

10. Correspondence:

None

11. Public Comment:

James Robotham said he understands what Larry's qualifications are and the priority roads are Whiskey Springs, Ironwood, and maybe Axe Handle and Range Land. He asked who looks at these roads after storms to check for flooding? He said Ironwood, after the "s" [curves] going into the Valley, floods out. He said we're talking about drainage to eliminate this. He said he knows last winter when it rained and we had all the flooding, the creek comes through his southwest corner and took out his driveway. He said he lives on Ironwood and it washed out in the flood and there was soot, dirt, everything down on the road and not even one lane to drive through. He said the loading guys were going to fix maybe Twin Springs because it washed out and they drove over that road with the loader with it washed out almost on Ironwood and kept driving over it. He said nobody touched that road for over a week and that's a main road in.

Larry Johnson said he wanted to clarify that Ironwood Road did not wash out; it had sediment deposited over the top of the asphalt surfacing.

Mr. Robotham said exactly, but it wasn't even one lane; you had to stop for incoming traffic and almost run off the road if someone was coming. He said your guys drove over this road to go into the pit. He said there was flooding across the road with the last rain storm we had. He said his wife drove through it in the truck because someone coming the other way didn't want to slow down and it was only one lane. He said he watched you guys in the yellow truck a couple of years ago in the same spot the driver got out of the truck and used a shovel to dig out the berm on the east side to get the water to stop flooding on that side, too. He said there are several parts of Ironwood that flood out. He said you are spending money to fix the sides of Ironwood [the patching]. He asked what caused the original road to be washed away?

Larry explained it did not wash away; it's because people drive off the edge and that surfacing is a half-inch thick; it is not a paved road; it is surfacing to keep you out of the mud and to keep dust from being generated. He said last January when water was over the top and covered probably a good lane of Ironwood, that same condition existed all over western Nevada; on state highways, on city streets, on county highways, everywhere. He said these guys (referring to GID employees and emergency workers) were fixing roads that were washed out completely; we were trying to get people home and to work and to school. He said we did not have time to grade every road in the system immediately. He said he put on additional equipment operators and hired

additional equipment and handled roads in this priority: Make them serviceable first and get people home and get people to work; that was our first priority, then second priority, a week later, we started coming back and cleaning up things. He said that was his decision and he believed that was the correct one.

Mitch Gerlinger said he believed when they have sediment on the [asphalt] surfacing they typically wash that off and they don't use the loader or the grader. Larry said we use both. Jim Hicks said it depends on how deep it is. Mitch said just because the loader is driving over it doesn't mean it's the correct fix for it; we could end up removing the surfacing along with the sediment.

Mr. Robotham said it was a single lane.

Larry replied we had single-lane traffic on state highways, we had Pyramid Lake Highway completely washed out and gone for three and a half months where they closed the road; it went on and on and during that time period we did absolutely the best we could possibly do; we spent an incredible amount of budget that it appears now we might not get reimbursed in our lifetime from FEMA.

Larry said Mr. Robotham did have a valid complaint in that water does collect on the uphill side in two locations on Ironwood Road between the pit and the bottom of the "s" curve. He said it can be handled in a normal storm, a small-to-moderate storm, simply because we have gone into those areas and have excavated out storm water storage basins on the uphill side. He said a large storm, like the one we had in early November was a big storm, an inch and a half, filled those basins and put water onto the roadways. He said he doesn't want to see that occur and when he instructed Jim to clean out those basins this fall in preparation for winter, one of the things he mentioned to Jim was he didn't make those basins big enough, long enough, or deep enough. He said they fill with sediment and every winter we have to get a loader and a dump truck and clean those out every year, and this year, in his opinion, they were not cleaned out sufficiently, and in future years, as long as he is here, he'll make sure they are made bigger and deeper. He said we are limited on how deep we can make them because then people are going to drive into them and as soon as that happens, we'll have that person here yelling at us.

Mr. Robotham said he understands from multiple meetings was dirt roads, he doesn't live on one, but he drives them. He said just the other day or a week or so ago, you guys graded Amy from [James Ranch] to Whiskey Springs. He said the Board said quote unquote that their priority was to fix these roads right, which meant cutting below the washboard, but he graded that road and did not cut the washboards out of it. He asked why did we spend the money to have him just cut the top layer of it. He said he could still see the wash[board] the next day. He said we should spend the money to fix these roads right the first time.

Larry said we should be grading Amy to the bottom of the washboards. He said he just had the discussion with Jim on Bacon Rind south, and his direction to Jim was to grade Bacon Rind south to the bottom of the washboards. He said Jim said he had an objection to that because with that much loose material on the top it will never pack down and quite frankly it did pack down; it's the same material and on these roads you should be grading to the bottom of the washboards wherever possible. He said this section of Amy is not overly rocky, however the southern portion of Amy is. He said he's driven that at least twice since it was graded and he did not observe what Mr. Robotham described.

Mr. Robotham said he knows that a lot of people complain about the washboards, but he said he's on your guy's side about the washboard; everybody flies down Wilcox and he graded Wilcox at Amy and Ironwood, you cut it good, the next day it was washed out and it wasn't to do with what he did, I'm giving him a plus on that, but everybody flies down those roads and they wonder why they're washboard because they just fly and it's not you guys on that, but that one [Amy] should have been cut, it wasn't cut down enough.

Larry said Amy, south of the Ironwood intersection, washboards within two days of grading. Greg Dennis said there are certain soil areas on roads that you can't do anything with.

Mr. Robotham said he was giving you guys kudos for the section of Wilcox from Crazy Horse to Quaking Aspen where you guys sanded it is beautiful. He then mentioned that the Ironwood crossover was recently graded and wanted to know what happened with the southern part of that road?

Jim Hicks said it's a bunch of rock and there's no material to work with.

Larry said he installed "blind hill" signs on the south end of Amy and blood blisters later from a digging bar because it was solid rock three feet deep on both sides of that blind hill. He said the southern portion of Amy is rocky, but he didn't think the northern portion was nearly as rocky. He told Jim that wherever possible, we need to be grading to the bottom of those washboards, and the same thing after a storm, we need to be grading to the bottom of the ruts. He said that Jim has made statements before that it takes several gradings to get to the bottom of the ruts and he said he would like Jim to grade to the bottom of the ruts and the washboards whenever possible.

Larry went back to address Mr. Robotham's issue of the two ponded areas along Ironwood, he said there's nothing they can do until those areas dry out. He said when they dry out, those retention basins need to be enlarged. He said they will then handle a small or a moderate storm, but if we get an inch and a half of rain, we're going to have water up on that road, period. He said he looked into getting a culvert in under the road in that location, and at that point, the downhill side has insufficient fall, so they cannot put culverts in either location and that's why retention basins were built.

Greg Dennis said he didn't think a lot of our roads are ever going to be perfect.

Mr. Robotham said he understood, but in prior months he was hearing talk about fixing the roads right the first time.

Larry said he wanted to clarify that; we have a number of maintenance requests where people want their road graded every week, if we said okay we're going to build that cross section that was drawn and Jim was given direction to do, we would not get half of those requests filled and after a month goes by we would have twenty people in here saying I gave you a written request and nothing's been done on my road. He said we made a conscious decision that we're going to grade and improve the riding surface of the road and when we get time, or a spare moment when we don't have five or eight grading requests a week, we select a road that we are going to build to that proper cross section and we're going to fix it. He said we are pecking away at those. He said you heard Jim say that he got utility clearance on Crazy Horse Road, which comes into Wilcox Ranch; it probably has 15 houses off that, and we got utility clearance on that so that we know where the utilities are and that is the next one that we are going to build to

the proper cross section. He said we do one of those when we have a spare moment; when we don't have so many grading requests from all over the Valley that we can take an extra day. He said it's taken us decades to get into this hole; we're not going to solve it in 30 days. He said we're going to be lucky if we solve this within a year.

Mr. Robotham said he understands that, but you just paid this guy to grade Amy and not do it right, so we're back to where we were before, with that one end back to washboard.

Larry said the Board direction needs to be to grade to the bottom of the washboard every time. Greg Dennis said not if you're bringing up eight inch rock. Larry reiterated where possible; not if you're in a rock pile, but in fine grain soils, you should be able to.

Larry thanked Mr. Robotham for his comments.

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

12. Board Member and Staff Items:

None

- 13. Adjournment:** Greg Dennis made a motion to adjourn the meeting. Mitch Gerlinger seconded the motion, and hearing no opposition, the meeting adjourned at 8:03 p.m.

PVGID OPERATIONS REPORT
Report Period 11-13-2017 to 12-14-2017

ATTACHMENT: 12/21/2017 Meeting Agenda Item 5. c.

ROADS GRADED:

Amy (S)
Broken Spur (N)
Wilcox Ranch (Quaking Aspen to Goodher)
Quaking Aspen
Grass Valley (W)
Mid
Peak (E-W)
Prairie
Little Ironwood
Bacon Rind (S)
Amy (Whiskey Springs to James Ranch)
Twin Springs
Amy (Ironwood to Wilcox Ranch)
Wilcox Ranch (Amy to Crazy Horse)
Twin Springs (Cul-de-sac to End)

OTHER ROAD WORK:

Add material-Sand (Wilcox Ranch - Crazy Horse to Quaking Aspen)
Add material -Sand (Wilcox Ranch - Goodher to Mid)
Grade & swale ditches (Twin Springs - Wilcox Ranch to Crossover)
Repair Range Land (Gray Van to Rebel Cause)

OTHER:

None

EQUIPMENT:

International Water Truck Coolant Leak