

REGULAR MEETING

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

Thursday, April 19, 2018

MINUTES

Larry Johnson called the regular meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 6:10 p.m. Thursday, April 19, 2018 at 21555 Pyramid Highway, Reno, Nevada.

1. **Roll Call:** Trustees present were Mitch Gerlinger (arrived at 6:30 p.m.), Greg Dennis, Jim Currivan, 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:**

Susan Ambrose stated the local Brand Inspector asked her to make a public acknowledgment regarding two of the GID employees, Chuck Blower and [Dennis Owen] who are doing the patching work. She explained they found a feral horse in extreme distress and they were able to reach Jean (the Brand Inspector) who was able to get immediate authorization to have a resident euthanize the horse. There was a brief discussion, after which Ms. Ambrose reiterated the two GID employees did an outstanding service to that unfortunate animal.

Larry Johnson asked if there were any further public comments? Hearing no requests, he moved to the next agenda item.
3. **Approval of Minutes – Closed Sessions 1 and 2, and Open Session – March 8, 2018:** Cathy Glatthar explained that due to the lateness of getting the closed session minutes to the Board, the Board could choose to postpone the approval of the closed session minutes until the next meeting. Larry Johnson agreed and stated he had a few amendments to the open session minutes: (1) page 3, item 5. a. clarification: “city streets, highways, etc. have a 2% cross slope and our asphalt surfacing has a 5% cross slope”; (2) page 4, second paragraph clarification “Larry replied, LW Land Company ...”; (3) next sentence clarification “He said LW Land Company ...”. Jim Currivan said he had a change on page 8, second paragraph clarification “Jim Hicks ...”. Jim Currivan made a motion to approve the open session minutes as amended, and Greg Dennis seconded the motion. Hearing no opposition, the motion passed.
4. **Financial Reports and Payment of Bills:**
 - a. **Financial Reports:** See Item 5. c. for Net Operating Funds for Capital Improvements report discussion.
 - b. **Payment of Bills:** Maureen Sidley reported there were three equipment repair bills: one was for tires for the grader. She then asked Jim Hicks to explain the Power Plan (\$6,482.55) and Sonsray (\$3,714.80) bills. Jim explained the Power Plan bills were for the 770 grader which had fuel and oil leaks, the valves were adjusted and they installed a new air conditioning evaporator, and the valves were adjusted and the console was fixed on the 670 grader. He explained the Sonsray bill was for the backhoe in which they installed a new turbo, fixed some oil leaks, and installed a new seat. Maureen stated the AT&T bill was unusually high this month, and she will

go to AT&T and look into a new plan with unlimited minutes. She added the bill is usually between \$100 and \$150 per month.

Jim Currivan made a motion to pay the bills. Greg Dennis seconded the motion, and hearing no opposition, the motion passed.

- c. Work on Final Budget for Fiscal Year 2018-2019:** Maureen Sidley said the tentative budget she handed out was signed by her because all the income figures changed, and Kelly Langley (Nevada Department of Taxation liaison) instructed Maureen to make the changes and sign the tentative budget and submit it. Maureen reviewed the handout for the final budget. She explained the first column shows year-to-date expenditures, and the second column consists of estimated expenditures through the end of the fiscal year, June 30th. She said she added \$60,000 under road maintenance in case a project is done before the fiscal year end. She said the last column shows the projected revenue figures and the expenses reflect what she felt would be safe figures for each line item. She explained we have only one fund, but it's nice to stay within budget by line item. She said in order to have an ending fund balance of \$70,000, any excess is added to the road maintenance item. Greg Dennis commented the \$70,000 represents approximately two months of reserve.

Larry Johnson asked Cathy Glatthar if the FEMA revenues of \$150,000 is an approximate? Cathy responded yes, and that she wouldn't know how accurate the figure is until we receive the remaining two project worksheets from FEMA, because we don't know what amounts have been approved for mitigation. Greg Dennis asked if any [FEMA] funds had been received. Cathy and Larry replied no. Cathy said we haven't even received the \$107 for project worksheet #4. Maureen said we did receive \$107 at the beginning of the month, but she didn't know what it was for; it was from the State of Nevada, but there was no indication that it was FEMA reimbursement. Larry asked if we receive less than \$150,000 from FEMA, do we have to file an amended budget? Cathy replied the budget only has to be augmented if we go over.

Greg Dennis stated the real funds available are \$864,000 less \$150,000, so in reality it's \$700,000 [projected revenue] and then we have an expense item at \$918,000 and if we don't have the funds, it will come out of road maintenance.

Maureen added that the CTX [Consolidated Tax] figure is the highest it's ever been at \$414,000; it's usually around \$300,000. She said she called Kelly [Langley] to verify that figure. Cathy said don't count on it, because this year we are way down [on CTX revenue from what was projected]. In answer to Greg's question, Maureen explained the beginning fund balance is not included in the \$864,000 income total.

In answer to Greg's question, Cathy said the final budget will be approved at the May 31st budget hearing. Maureen added she received permission from Kelly to scan the final budget and send it in after that meeting so we won't be late.

- d. Status of Purchase of Replacement Roller:** Cathy Glatthar said Marty Breitmeyer called her this afternoon and asked her to report to the Board that the roller is about a week to two weeks out because the dealer had to order the side-shift mechanism. She said Marty also said the side shift was going to cost \$4,300, and delivery might be \$1,800 unless the dealer can deliver it. She said with delivery the total would be \$24,600, which is just a bit above what was approved last month. After a brief

discussion, it was determined that \$600 over what was approved does not require an additional motion.

- e. **Discuss Dump Truck Options: Repair, Replace, or Other:** Cathy Glatthar reported that Marty Breitmeyer said he hasn't had a chance to continue his research on the dump truck options. Greg Dennis asked Jim Hicks if we should just go ahead and replace the dump truck? Jim Hicks said that is his opinion, because the repairs will probably cost more than a replacement. Larry Johnson said he wanted Marty's input on the matter before a motion is made.
- f. **Discuss Installing a Hitch on the Water Truck:** Larry Johnson asked Jim Hicks if he had looked into installing a hitch on the water truck? Jim Hicks said he had not and asked why do we want a hitch on the water truck? Larry said the thought was to have the water truck driver tow a small piece of equipment, such as a skid steer, to use for road clean up after the road was graded, such as culvert inlets. Larry said he thought there was insufficient information in which to base a decision. He said this was something Marty brought up as a potential, so we should postpone any discussion.

5. Road Maintenance Reports:

- a. **Road Reports:** Larry Johnson stated we had a bit of moisture this month, so the operations this month have mostly been the regrading of roadways. He said we were down about one week without a water truck driver. He said our new employee, Shawn Kelly, started work about two weeks ago, so we're back up to speed. Larry said half the roads in the system need grading after these storms, so no projects or any special work is being done.
- b. **Report on Flood Repairs and Mitigation and FEMA and State Disaster Funding:** Larry Johnson said Cathy Glatthar and he were working through the endless piles of FEMA and State Division of Emergency Management paperwork. He said Cathy is to be commended for staying on top of all of these details. He said we have submitted our quarterly report, which is essentially our invoice, for our largest project. He explained there are layers of review within the State, just as there were layers of review within the Federal government; at the end of which they either have questions, requests for clarification, or they issue us a check. He said that report was submitted ten days ago and we haven't heard from them yet. He said this invoice is for \$70,000, which is approximately 50 percent of the total claims. He said upon receipt of that, at the next Board meeting, we will be doing some road improvement projects. Cathy said she listened in on a conference call today [with the State Division of Emergency Management (DEM)], and learned that because the work for our Project Worksheet #2 is 100% complete, DEM will need to conduct a site survey before they will finalize the PW and authorize payment.
- c. **Capital Improvements Plan:** Larry Johnson said the capital improvements plan is a question mark because our dollars available for capital improvements is down to \$195,000, which does not get him to where he wanted to be this year. He said it decreased by about \$50,000 this month. He asked Cathy Glatthar to explain the decrease. Cathy said first off, actual revenue is down overall, year-to-date \$53,500 from what was projected. She reported ad valorem revenue received this month, was almost \$13,500 less than estimated, and year-to-date, is down by \$35,000, and CTX (Consolidated Tax) is down by \$27,000 year-to-date from expected. She said

the only number that's up is the LGTA (Fair Share Tax), which is up year-to-date by nearly \$9,000. In answer to Larry's question, Cathy said actual ad valorem and CTX revenues are less than expected because of poor projections, in her opinion, especially with CTX. Larry asked how this year's revenue compares with last year? Cathy said [CTX] is up by 9% from last year, but the projected numbers are not coming in. She said they projected a nearly 5% increase in sales tax for this year and actual increases have been a lot less; maybe 2 or 3%. She said she did not know why ad valorem is so low unless it's for the same reason [poor projections]. Larry said then our capital improvement project remains to be seen as to what we are going to be able to afford. He said before he puts together contract documents, we need to get a better handle on what's available. He said he would probably put something tentative together for the Board for the next meeting. He said at this point it will be significantly scaled down.

Donald Otto, in the audience, said the Board talked about doing Range Land; raising it sometime this year.

Larry Johnson said if we receive FEMA reimbursement, yes.

Mr. Otto said if it's at all possible, we have moisture in those banks now, and if we wait until July we are going to lose that window of opportunity to make use of that moisture. He said it's going to be hard for the water truck to keep up when all that material is being moved, and if you wait until the hot season, it will just be worse.

Greg Dennis said that's why he thought it would take two water trucks to do it then, and that doesn't make sense.

Larry said he was just thinking out loud and said we could actually contract that work now and that money would come out of our fund balance. He said it comes down to a decision, would we rather put asphalt surfacing on Wilcox Ranch Road and Amy or would we rather make repairs to Range Land?

Greg Dennis said in some cases he would say neither. He said when he drove Ironwood and some of the other roads with the patching ... he said he remembers someone saying how we've stretched so far with the Cape Seal and how much further we go is an issue. He said he sees just what we have to maintain, the necessity of going over what we already have again, even if we are redundant in the Cape Seal, just to maintain what we have. He said he did not believe it would be wise for us to expand the program until maybe we have a couple of years behind us and see where we are. He said maybe we need to do a Cape Seal on a Cape Seal or something, so we make sure that what we have stays together rather than expanding the program. He said he's iffy on both of them; because when Range Land dries out, it's terrible, the clay turns to rock, it's chunky, and it's already in that condition. He said the ruts that formed when the road was wet, have hardened up.

Mike Klinger, in the audience, said he drives about 60 miles of these roads every night (he delivers the papers out here), and he said Range Land could be fixed in about two days with the material that's there.

Larry said he didn't think you could do it in two days. He said you have over a mile and a quarter of length; that material from Grey Van to where it starts up the hill, where it gets granular, that is the area that is soft and impassable practically every time it gets wet. He said part of the problem is the road is lower than the

surrounding land, and it collects water and there's no place for the water to go. He said the only solution is to raise the road to a sufficient level to where in select locations you can get turnouts along property lines that are easements for public utilities and drainage. He said every quarter mile there could be an outlet for that water. He drew a sketch on the white board depicting the proposed method to fix the problems on Range Land. He explained we have an easement that is 33 feet on both sides of the centerline, we can mine material in those raised areas on both sides of the roadway, between the edge of easement to create a lowered section that would collect drainage on both sides. He further explained that material would then be used to raise the road, and culverts would be installed periodically to take water from the south side to the north side and into the drainage along the property easements.

Greg explained if you go one mile, two-feet deep, by 24 feet wide, that's 10,000 yards; you are going to move about 1,000 yards a day, so how many days would it take?

Larry said they are proposing to use a paddle-wheel scraper. Mr. Klinger said he would use the grader and move the dirt right onto the road and build the road as you move the dirt, and it's all DG [decomposed granite]. Larry explained it's not DG, it's an alkali clay. Mitch Gerlinger said this is what happens when DGs "D" for a very, very long time. Larry said it is a very poor subgrade soil. Larry said the reason why he is saying use the paddle-wheel is because the next mile and a quarter, up to Winnemucca Ranch Road, gets granular, and pick up those granular soils and use it to coat the alkali-clay fill used to raise the road. Greg said he was concerned about not having enough material to raise the road. Larry said we need to make the lowered sections as wide as a piece of equipment (10 feet) and a foot deep and therefore there will be enough material.

Donald Otto suggested the first thing they do is find the low spot, then find the next quarter mile drainage outlet that you talked about and make sure all these ditches flow to that point. Larry said they have to run a profile the entire length of this and find out where the low spot is; that's standard engineering that's been done on thousands of miles of roadway. Mr. Otto said he was trying to point out that he doesn't believe they need to raise the entire thing. Larry said he believes they need to raise about a mile of the road; he said he's been looking at this for six years, and he will do sufficient analysis to be sure they are out at the low spot. He said you must realize every place there, the surrounding land is higher than our road. He said he would take Mr. Otto's suggestion to heart and analyze this with a couple of construction superintendent friends of his and a project manager and do a cost comparison and get their opinions on this project.

Greg said another benefit of the paddle-wheel scraper is that it weighs a lot (82,000 pounds plus a 55,000 pound load per Mr. Otto) and that will help to compact the road. Larry said we need the pneumatic tires to compact the clay fill and the steel-drum roller on the granular soils we use to cap the clay.

Larry said, bottom line, we are going to have to decide if we want to do any additional surfacing this year; we are presently doing significant patching on the Cape Seal; there is significant patching that needs to be done on Ironwood across from the horse corrals. Greg agreed that there is a bunch of patching that needs to be done or you're going to lose what was put into it already. Larry said if we are

talking about the edges, he agrees, but he said we'll need to discuss how people are unnecessarily driving off the edge. He said on Whiskey Springs on his way to this meeting, he met a truck pulling a horse trailer, and he did not have to drive off the edge. He said people feel comfortable staying on the road when you drive 40 or 45 miles an hour, but nobody feels comfortable when you drive 70 miles an hour, meeting somebody and staying on that narrow surfacing. Larry said this is something he did not recognize when we started this program, so he said a bunch of this he faults himself.

Greg said some of the issues he sees is the subsurface of the Cape Seal is always going to be a problem because we didn't do a type 2 base, so layering up the Cape Seal may not always work because the subsurface isn't going to allow that over time. He said he wants to consider the fixes that are going to be necessary to keep what we've got.

Larry said that section at the wild horse corrals was done in 2011, and we have gotten magnificent performance out of that material. He said the cost of putting six inches of type 2 base on the roadway costs as much as the Cape Seal; 50 cents a square foot. He said there are some select areas where we might want to peel off a three foot edge of the Cape Seal, such as across from the horse corrals, and try an aggregate base there. He said he did not think it was appropriate to consider putting type 2 base the entire width and length of what we originally Cape Sealed; it's not remotely within our budget.

Don Otto asked if a three-foot strip could be Cape Sealed? Larry said yes. Mr. Otto said he thought Larry said at a previous meeting that could not be done; that you could only do 10-foot wide strips. Larry said that is not the case; that he meant if we were to do a single pass, we could only go 20-foot wide. He explained if you go from the centerline you can make that surfacing 21, 22, 24, whatever you want. He said his intention this year on Amy and Wilcox Ranch Road, after viewing the performance on Ironwood and people driving off the edge and breaking the edge off, was to widen that surfacing to a 22-foot width, but he said he wasn't sure if that would cure it. Mr. Otto asked why is it the first two or three feet in has the cracking? Larry said it is only in localized areas where we have moisture coming off the hillside that gets into the subgrade; the great majority of those roadways do not have that issue.

Mr. Klinger suggested cutting in a more definitive ditch to discourage people from driving on the edge? Larry said we have been criticized for having ditches that some complained were too deep; they say we want a gentle swale that we can drive a car into and back out of safely.

Greg said we are not going to solve every problem we have, and each road is a little bit different and each sub-base is a little bit different. He said if we spent all this money on engineering, we wouldn't have any money left to do anything, so we kind of guess at it and move forward. Larry said we don't guess at anything; we make our best decisions based on the information we have on hand.

Larry said in summary, by next meeting the Board members need to review and think about what should be done. He said he would provide the Board with the data on the performance records of what has been Cape Sealed, when we have to go over that again, and what has been done in the past, and that budgetary projection

of how much total roadway we have the ability to surface and maintain. Greg said and you're on the edge doing it and he said he didn't agree.

- d. **Operations Manager's Report:** Jim Hicks said they conducted a road survey, and 29 roads need to be graded. He said the temperatures are expected to be in the mid-seventies tomorrow through next week, which means the roads are going to dry out fairly rapidly. Larry interjected and explained the ramifications of that are we will not see two graders on the roads for the foreseeable future, because we are going to need a water truck; these roads are going to need moisture. Jim agreed and said the roads are going to deteriorate much more rapidly once we get into the higher temperatures. He said as for the equipment, we've repaired most of it; we need to put a seat in the loader and one in the pickup, and we'll try to get that done in the next couple of weeks.

6. Old Business:

- a. **Status of Draft Agreement with LW Land Company:** Larry Johnson said he has three calls into LW's engineer and hasn't received a call back. Louie Test explained he saw Brian Murphy at a 4H event over the weekend, and Mr. Murphy said they were still in a quandary as to which alternate [route] they were going to use, but they are still talking about using the Ironwood approach. Louie said he explained to Mr. Murphy that one of the GID's concerns was periodic inspections to make sure our roads are maintained in the same condition they were before they started the project and when they leave the project, and how to handle the notification so we can be there. Louie said he did not mention the fact that we were probably going to require bonds or some type of assurance that the work was going to be done. He said that Mr. Murphy's concerns are with the County because of some of the restrictions the County has placed on LW Land Company. He said the County is not going to give Mr. Murphy any credit for the improvements they made to the roads. Greg Dennis said he sees construction trucks going down both roads continually, and he doesn't know how you can stop that. Louie said this applies to the new parcel maps, and for construction, we can stipulate a route in the agreement.

Larry said he thought it was unenforceable; that Capurro and Brian Murphy started development along Broken Spur and Amy. He said they reached an agreement with us that they would surface Amy to their last house, Sharrock, and Broken Spur to their last house. He said they built a handful of houses and then sold to another developer; we have no agreement, we have no hammer on that new developer. Louie said we need to be sure to have something in the agreement that it applies to any new assigns. Larry said we have no way to hold developers accountable for all the original parcel maps that were approved by the County. Larry said in this new agreement, we need to include maintenance of the surfacing Murphy and Capurro have already put down. Louie said Mr. Murphy was so irritated that they were not getting reimbursement for the surfacing they did, he said they were going to come in and grind up all of the asphalt they put down. Louie said bottom line, once they decide on the route, then we'll sit down with them and work out an agreement that should include the existing surfacing.

- b. **Washoe County Proposed Refund of SPA Developer Fees:** Larry Johnson said this was somewhat discussed above; we have not heard anything new from the County on this.

- c. Employee Job Descriptions:** Larry Johnson explained that the revisions to the job descriptions proposed at the last meeting, were not voted on and that is why this is back on the agenda. Larry started with the Operations Manager's job description and introduced a new change to the first paragraph, "Job Description" as follows:

"Under administrative direction" *from the Board?* or *from the President?*, "the Operations Manager plans, organizes and directs the ..."

Larry asked the Board which way they wanted it to read? Greg Dennis said he had thought about it both ways and he said one of the things he was thinking about, and this probably needs to be on next month's agenda, is one person. He addressed Larry and said he knew Larry put a lot of effort into everything and has been doing an awful lot, but he doesn't see this organization going that way forever, so how do we set up a management system that brings the Board together to make decisions and makes the operations manager far more responsible and accountable for what is happening? He said right now, the way he sees it because he's been to the Monday meetings, Larry lays out and implements the direction the system is to go, and he is not very fond of that because we have a manager, and the manager must be accountable, and the way the manager must be accountable is he has to do his job and fulfill the requirements of that job. He said the manager can't be given direction *and* do what he believes he is supposed to be doing as the operations manager. Greg said it creates a conflict; that Larry essentially took over the operations management control of the system and told people how, and what, and where to do things. He said there's nothing wrong with that, but in the future, how are we going to deal with accountability and have an operations manager who is fully accountable? He said the Board needs to do more, including himself; the Board consists of 5 people and there are 95 miles, each member takes 20% of the roads and looks at them and comes back to the table with our views to the operations manager, who then gives his recognition to what needs to be done and follows up with the work. He explained then the operations manager becomes accountable back to the Board, not to one specific individual, i.e. the President. He said he would like to see those kinds of changes take place, but he does not know if they will work because in the past the Board wasn't functional enough to make an assessment of a road or do it in a way that could be brought back to the Board, so Larry took over the whole operation and made things work because the whole thing wasn't functional. He said he didn't have a good feel for the past, but said he had a good idea going forward, that if we are going to hire an operations manager, give him enough rope to hang himself, that's how you make people accountable. He said no one individual should be doing that level of work; no one should have to take complete control to ensure the system works.

Jim Currivan said he thought there was a lot of value in spreading out the work. He said he doesn't see it lasting forever, but said he thought it would be useful in getting the ball rolling.

Larry said he didn't think the Board members in the past had the technical expertise to do that; or had the time.

Greg said an operations manager that is functional, capable of describing what needs to be done, and having the accountability to bring that back to the Board is the most important thing we could put together.

Tricia Johnson, in the audience, said she's been out here for 25 years and she's not a technical guru, but she has driven these roads for quite awhile, sat in on a few meetings and heard some of the things that were said, and had seen some of the Board members who, great people, but they were not knowledgeable and they were not carrying their weight; how do you get people on the Board who know how to direct those things instead of letting the operations manager do what he wanted to do?

Mitch Gerlinger said they have a hard enough time getting people on the Board; the current Board is two people voted on and three people appointed.

Greg said we are not going to have engineers on the Board forever, so we need to set up a process that's going to work.

Don Otto asked Greg to explain what he meant about the Board members bringing their thoughts and concerns about their 20% of the roads to the table?

Greg said it's a training program for even the people who come on the Board; you need to tell them this is the way things need to be done, if they do not understand the proper way to grade roads, design roads, or maintain roads, it's a learning process that must take place because the Board members need to be cognizant of what is good and what isn't good.

Don Otto said he was trying to understand that if three members is a quorum, then would the Board members go to the yard office at different times to relay the information?

Greg said there are lots of counties, like Humboldt, that have a whole manual on how to grade roads, because they want to have teeth in what they need to do with the employees. He said we can take some lessons from others and incorporate some of what they have into a manual. He said the more they understand, the easier it will be for the operations manager to communicate with them. He said he wants to figure out a way to make it better, and he wants to say to Larry we're not going to be here forever and how do we deal with the issue going forward?

Larry said he loved the suggestion. He said on the past agendas there has been a maintenance manual that he has intended to write. He said we have given written direction on cross section of roads that was given last October, which was probably delayed too long by about three years.

Greg said Larry was doing good on that and we're making headway, but Larry can't do it all himself; that it's not right that the Board members are not getting feedback to the operations manager.

Larry said he agreed with that, but we have to be careful that five guys are not giving the operations manager five different directions; it has to come through one person.

Cathy Glatthar said that is exactly what happened in the past.

Louie Test said you have to have a system in place where individual Board members know what their responsibilities are and they don't have the authority to go to the operations manager. He said he thought what Greg was saying is those issues should be brought up at the meetings by each one of the Board members, and then someone is liaison between the Board members, and maybe you just say that's the President?

Greg said he's trying to make this a more coherent, functional group. Louie said and that takes care of the concern you had, you still have one person to do it, but at the Board meeting you would talk about the different things ... Greg interjected and said so the Board knows what's going to be done and carried out. Cathy mentioned you have a Road Committee. Louie said you have the President or a designated person on the Board who deals with the operations manager.

Larry said there is nothing magic about the President doing this; the only thing magic about the way it runs now is he has fifty years of road experience. He said it won't last forever because after this upcoming term he will be term limited out; so he's got three and a half years left. Cathy said four and a half; it's a four-year term.

Greg said he is trying to make the operations manager strong enough that that is the focus.

Larry said there will be another point in this discussion that will come up very shortly, and if you'd like we can hold off on this discussion. Greg said he would like to wait.

Larry said his other proposed change was to take the grader operator description and change that to equipment operator and eliminate the equipment operator description. He said that was appropriate when we had four crew members. He said we should probably keep the truck driver description.

Mitch Gerlinger reminded everyone that the Operations Manager's job description item number nine needed to be changed to reflect the elimination of grader operator.

Larry agreed and said his proposed edit would be to eliminate the first four words for item number 10 and have it read: "Perform the duties of and meet all requirements of the equipment operator."

Mitch suggested just using "operator." Greg said "equipment operator" insinuates you never get off the equipment and get the sage brush out of the road when you're grading, and he wanted the job description to reflect there may be a need for physical labor, not just operate equipment. Larry said item number eight roughly states that. Mitch suggested, "and all other assigned duties." Larry asked Cathy to include that line.

Jim Currivan said he liked the idea of Board members being assigned a certain number of miles in their area that they would be responsible for in a way; for observations and instructions and also listen to the gripes, then the Board members will get a good feel for what's going on out there. He said when the Board members get together, they will report on the priorities for the area they are responsible for, and then they can discuss who has the highest priority and that starts the work assignment list. He said he would like to see it more defined.

Larry said that probably works fine for special improvement projects, but would not work well for day-to-day maintenance operations because we receive, in any given week, emails from people all over requesting standard maintenance. He said Jim Hicks does a magnificent job of responding to those and taking care of those typically the same week, but at the most, within the following week. He said he loved that input, in that special projects can be brought to the Board's attention, such as, we need a culvert here, or we need some rip rap here, or there is a drainage issue here; he said that is a great methodology.

Jim Currivan said he saw a downside to it being if someone has a gripe or a real concern, of a safety hazard, that we are a month apart and we need something quicker than that.

Mitch said we don't have a whole lot of things that happen like that, except when there's storm damage. He said another footnote on this is we talked about not having a hammer to hold over the developer who sold out, we do not have a hammer over each other; we're all elected officials on a voluntary basis; here are the roads in my area and I'd like to be responsible for these.

Greg said or even as time goes on you might do 20% for six months or a year and then get a different 20% because you need to know the entire system. He said we've gone to a system where we don't react unless we get a phone call or an email from someone. Larry said yes we do, that's not so. Greg said he gets that impression. Larry said we just graded Right Hand Canyon and we didn't get a request for that; Jim H. has been out grading roads without receiving maintenance requests. Jim Hicks said they are, but it's because they have been taking it upon themselves, but that is not the directive. He clarified that the directive was to grade roads that they have complaints on, only. Larry said never was that the directive, because there are weeks when they have zero requests for maintenance and at that point Jim, you are not going to do anything? Greg said he's talking about what is the philosophy if everybody is looking at the roads and saying the roads look pretty well graded and the operations manager says thank you very much because he is on top of it and he is doing assessments of roads and he is going out and maintaining things. He said it is collectively the Board coming back on a monthly basis and giving a hand shake or a slap on the hand, and it's not just only projects, he said he was thinking it was broader than that.

Larry said he would buy into the Board driving roads within a geographical area; in fact it would be best if they stuck close to home because they will get input from their neighbors. Jim Currivan said he doesn't get complaints anymore because the problems have been fixed. Larry said Jim Hicks is a hero now; that we received a wonderful thank you email from the Curnow Canyon residents.

Greg said he'd appreciate it if the Board would give this idea some consideration and we move forward on how to implement this type of system. Louie said what he understood from Greg is that Greg wanted a Board member's manual for road maintenance. He said this should be put on a future agenda.

Larry said this is a timely discussion because our operations manager, Jim Hicks, has submitted his resignation, and we are presently advertising for his replacement. Greg asked why are we out advertising when he doesn't have a good idea of what the operations manager is functionally going to be responsible for and how we're going to deal with the guy? Larry said it's because Jim has given notice and might be leaving in a week and a half or two weeks from now. Larry said he wrote up an employment notice that has been posted on a number of employment websites and will be posted around the Valley. Greg said he might just butt heads with Larry on this because he might have totally different ideas of what an operational superintendent is than what Larry thinks. Larry said the employment notice language was pulled off of the operations manager's job description. Greg said he knew that, but he doesn't like some of what's in that job description.

Comments were made and Louie Test clarified that we will take résumés and review them and be sure the applicants can do what the Board feels is necessary for the operations based on the job description and maybe there are some additional things the Board wants and that's what you look for in the résumés.

Larry said in about two weeks, he wants to call a special Board meeting to hire this individual.

Don Otto asked if they were hiring two people, because the NextDoor posting was for both positions?

Larry explained that we opened both positions because Shawn Kelly, who was hired as the grader operator, has expressed interest in applying for the maintenance supervisor position. He said we will collect résumés for the full gamut of experience and skill levels and make a necessary decision accordingly; we did not want to potentially promote Shawn and then go for another two or three week period of searching for the grader operator position.

Larry said he thought that individual needs to receive administrative direction from him, the President, for at least an extended period of time until we get that individual up and running and doing things appropriately.

Greg said he did not agree entirely with what Larry said; that it sounded like direction was going to exclusively come from Larry and not back to the Board, where the Board communicates ...

Larry said every Monday morning we have a Road Committee that has been giving the operations manager direction, and he thought that direction has to come from that Road Committee. He said Greg is on that Road Committee and ...

Greg interjected and said he doesn't give any direction; that Larry does all the directing, that Larry does everything and that's the way Larry does business.

Larry said Greg has not shown up for a month.

Greg said he hasn't bothered because it didn't do any good.

Larry said if you don't show up, you can't complain.

Greg said what's the point of doing nothing; sitting and twiddling his thumbs?

In response to Cathy's question, Larry said we are postponing job descriptions.

7. New Business:

- a. Consider Increasing Employee Health Insurance Benefit Cap:** Larry Johnson explained we currently have an \$800 [per month] cap allowance for health insurance purposes per employee. He said the problem is with the increasing costs of health care and health insurance, that is probably an inadequate amount in 2018. He said it has been suggested to him by our new employee, and he agrees, that that cap be raised to \$1,000 per month limit and that it be reviewed along with employee raises on an annual basis. Jim Currivan asked how many employees this applies to? Larry answered two. Maureen Sidley explained that having just two employees and only an \$800 allowance, limits the plans available. Jim C. asked if we could join Washoe County's group plan? Maureen said she has looked into that in the past and we were not eligible; she said she would check again. Greg Dennis made a motion to increase the health insurance allowance to \$1,000. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

b. Employee Handbook Update: Since the Board members had not reviewed the employee handbook, Larry Johnson stated this item would be postponed to the next meeting.

8. Judicial/Government Affairs: None

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

- Maureen Sidley reported the Notice of Public Hearing for the Budget is scheduled to be published on May 17th.
- Maureen stated the Economic Survey was signed tonight and will be submitted by May 15th.
- Cathy reminded everyone that the regular May 17th meeting has been cancelled and rescheduled for Thursday, May 31st for the budget hearing.
- The aggregate pit air quality permits expire at the end of May. Maureen stated she has not received a bill yet. Cathy said they had trouble last year because of the new permitting system.

10. Correspondence:

Maureen Sidley reported receiving a notice from Granite [Construction] regarding an increase in prices. Larry Johnson said the new cost for asphalt is \$6.00 per ton; that is for the oil portion of that mix.

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:

- Jim Currivan made a motion to hear an emergency item to discuss holding a special meeting to hire an operations manager so there is no interruption in road maintenance operations. Mitch Gerlinger seconded the motion, and hearing no opposition, the motion passed.

Larry Johnson said Jim Hicks gave notice and his last day was supposed to be May 3rd, but Jim has agreed to stay on until we hire somebody. He thanked Jim for being willing to stay on. After some discussion, the Board decided to hold a special meeting on May 17th at 6:00 p.m. Cathy Glatthar said that was our original meeting date and hopefully this meeting room is still available. She said she would check into it.

Mitch Gerlinger suggested making the operations manager position part-time, a couple of hours a day, and have a grader and a helper. He said it would allow us some flexibility.

Larry said he would think about it, but thought that he preferred it the way it is now. Greg and Larry agreed to consider Mitch's suggestion.

Maureen Sidley asked if the bills could be approved at the May 17th meeting instead of waiting for May 31st? Larry said it would be put on the agenda.

Larry said he wanted to review every résumé that comes in and all résumés, for both positions, should be sent to the Board members. He said he thought there should be a sub-committee to review the applicants. Greg Dennis agreed to be the second Board member on the sub-committee. Larry said we are going to receive résumés

that don't fit the bill, and we'll have to sort them out. Cathy reported that when she receives résumés, she has been screening them and if they haven't provided the necessary information on grader experience or CDL permit, she asks them for that information. She said she has already rejected two applicants and she wanted to know if that was okay? Larry, Greg, Mitch, and Louie all agreed that Cathy should continue screening applicants. Larry said we've got some hotshot guys that are about to apply.

- Greg Dennis reiterated that next month we need to have an agenda item to discuss employees and a change in how we manage employees and that goes along with the employee handbook.

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

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

BANK & DISBURSEMENT RECONCILIATION

@ April 19, 2018

Total of all Bank Accounts:

| | |
|---|-------------------|
| Balance'@ April 19, 2018 - Money Market - #5010 | 267,802.35 |
| Balance'@ April 19, 2018 - Savings - #4658 | 2,001.00 |
| Balance'@ April 19, 2018 - PR/Petty Csh - #4430 | 17,000.00 |
| Balance'@ April 19, 2018 - General Ckng - #4179 | 591.52 |
| <i>Total Cash IN All Accounts</i> | <u>287,394.87</u> |

WELLS FARGO-ALMOST CD #5010

Balance'@ March 8, 2018 228,938.17

Income for the Month

| | |
|------------------|-----------|
| Consolidated Tax | 27,039.44 |
| Ad Valorem | 45,960.02 |
| LGTA | 6,816.85 |

Total Income 79,816.31

79,822.43

Interest Income 6.12

Transfer to Wells Fargo #4430 (21,958.25)

Transfer to Wells Fargo #4658 0.00

Transfer to Wells Fargo #4179 (19,000.00)

'Balance'@ April 19, 2018 267,802.35

WELLS FARGO-SAVINGS #4658

'Balance'@ March 8, 2018 2,000.95

Transfer from Wells Fargo #5010 0.00

Transfer to Wells Fargo #4179 0.00

Interest Income 0.05

'Balance'@ April 19, 2018 2,001.00

Wells Fargo - PettyCsh/P/R Acct#4430

Balance'@ March 8, 2018 17,000.00

Transfer from Wells Fargo #5010 21,958.25

Void Check 5767 2,736.04

Deposit
PERS - February 24,694.29

Net Payroll 13,940.53

Wells Fargo - 941 Pmt EFTPS 3,851.26

PERS 5768 2,626.67

PERS 5786 3,116.32

Purcell Tire 5781 197.95

Employment Sec. Division 5787 961.56

Net Payroll
Mo. 941 deposit - March
PERS - February
PERS -March
Tire Repair
1st Qtr Payroll Report

\$24,694.29

(\$24,694.29)

'Balance'@ April 19, 2018 17,000.00

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
 BANK & DISBURSEMENT RECONCILIATION
 @ April 19, 2018

| NAME | CK # | DESCRIPTION | |
|---|-----------|---|--------------------|
| <u>NELLS FARGO-GENERAL #4179</u> | | Balance'@ March 8, 2018 | 341.74 |
| Transfer from W.F.#5010 | 19,000.00 | | 19,000.00 |
| PUBLIC WORKS | | | |
| Alhambra & Sierra Springs | 9350 | 37.97 Monthly Water | |
| AT&T - Cell | 9351 | 363.80 Cell Phone | |
| Catherine Glatthar | 9352 | 2,181.50 Monthly Work | |
| Flyers Energy | 9353 | 1,239.72 Fuel | |
| Granite Construction | 9392 | 210.00 Patch | |
| Hoffman, Test | 9393 | 435.00 Monthly Fee | |
| Home Depot | 9394 | 35.98 Misc. Small Supplies | |
| Humana | 9405 | 258.02 Health Insurance | |
| Humana | 9407 | 91.10 Health Insurance | |
| | | Monthly Bookkeeping Work, Copies - Tentative Budget - | |
| Maureen Sidley | 9408 | 570.00 Qrtly Econ Report | |
| Napa | 9395 | 9.99 Misc. auto parts | |
| Nv Energy | 9396 | 292.08 Office Utilities | |
| Postmaster | 9397 | 140.00 Annual Box Rental | |
| PowerPlan | 9398 | 6,482.55 | |
| Purcell Tire | 9406 | 1,384.83 Grader Tires/Repairs/Service | |
| Praxair | 9399 | 141.90 Cylinder Rental | |
| Sani Hut | 9404 | 129.87 Monthly Charge | |
| Sonray Machinery | 9401 | 3,714.80 | |
| Waste Management | 9402 | 31.82 Waste Removal | |
| Western Nevada Supply | 9403 | 999.29 Culverts, Dimple Band, Strap | |
| TOTAL | | 18,750.22 | (18,750.22) |
| | | 'Balance'@ April 19, 2018 | 591.52 |

PVGID OPERATIONS REPORT
Report Period 03-09-2018 to 04-12-2018

ATTACHMENT: 04/19/2018 Meeting Agenda Item 5. d.

ROADS GRADED:

Amy (S)
Amy (Whiskey Springs - Cape Seal)
Crossover
Peak (N-S)
Peak (E-W)
Range Land
Wilcox Ranch (Amy to Quaking Aspen)
Amy (Ironwood - Wilcox Ranch)
Bacon Rind (S)
Jackrabbit (S)
Jackrabbit (N)
Prairie
Wilcox Ranch (Amy to Quaking Aspen)

OTHER ROAD WORK:

None

OTHER:

None

EQUIPMENT:

None