

SPECIAL MEETING

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT
9732 Pyramid Hwy #407, Sparks, NV 89441

Thursday, May 21, 2020

MINUTES

Trustee Larry Johnson called the special meeting of the Palomino Valley General Improvement District (PVGID or GID) to order at 6:00 p.m. Thursday, May 21, 2020 at 5105 Wayside Road, Reno, Nevada.

Trustee Johnson read (in part) the following notice from the agenda: Due to the ongoing COVID-19 pandemic and in accordance with Governor Sisolak's Emergency Directive 006 in regards to public meetings, as extended through May 30, 2020, this meeting will be held via teleconference only. The public has been afforded the opportunity for public comment in advance of the meeting. The public was asked to submit their comments via email no later than 5:00 p.m. yesterday. All advance public comment received will be provided to the Board of Trustees prior to the meeting and will be included as an attachment to the minutes.

1. **Roll Call:** Trustees present were Larry Johnson, Jim Currivan (by phone), Greg Dennis (by phone), and Donald Otto (by phone). Trustee Marty Breitmeyer was absent. Also present were Shawn Kelly, Operations Manager; Cathy Glatthar, Assistant to the Board; and Louie Test, Legal Counsel (by phone).

2. **Public Comment:**

Trustee Johnson reported receiving a single public comment from Pamela Roberts, dated Wednesday, May 20th at 4:07 p.m. Trustee Johnson stated Ms. Roberts' public comments would be included in the minutes (see attached). He then asked Louie Test what was the proper order of discussion?

Louie Test stated Ms. Roberts had each comment noted as to which agenda item they pertained, and stated Ms. Roberts' public comment for this agenda item (#2) should be accepted. He asked if everyone had an opportunity to read Ms. Roberts' concerns and said he believed her concerns were the concerns of the Board, too. He said there's no way to have a discussion with the public on these items, but with this public comment segment, there's not to be any discussion; the Board is just supposed to take the information submitted by that individual.

In regards to Ms. Roberts' general comment, Trustee Johnson stated we have tried our best to comply with the requirements in this difficult time. He said a number of public agencies are conducting meetings via teleconference and receiving public comments in advance; the way we have modeled this meeting. He said our legal counsel, Louie Test, has confirmed that we are in compliance with the Governor's directives.

Louie Test stated the very day he had a discussion with Cathy Glatthar on this matter, he had received an agenda from the Reno Planning Commission and their agenda had basically the same guidelines we used which allowed for public comment to be submitted in advance and would be attached to the minutes. He said he didn't think anybody likes the way this is being done, but due to the circumstances, we don't have a choice and hopefully in June we can have a meeting in which the public can actually attend.

Trustee Johnson agreed with Louie and added that he knew other government agencies are using technology such as Zoom to conduct meetings, but unfortunately a number of

us do not have cameras or microphones for our personal computers at home and are therefore unable to partake in this technology. He reiterated that he hoped this was a very temporary situation.

Trustee Johnson said Ms. Roberts' other comments would be discussed under the individual agenda items.

3. Approval of Minutes – March 19, 2020:

In answer to Trustee Currivan's question about the "throughput report" mentioned under "Calendar Review" on page 5, Cathy Glatthar explained annually we report the amount of material that has been produced from the Wayside aggregate pit in order to renew the Air Quality Management Division operating permit.

Trustee Otto referred to Ms. Roberts' comment about the written minutes needing to reflect more of what was said during the meetings, and said Ms. Roberts asked that the meeting recording be posted on the website.

Trustee Johnson opined that Cathy Glatthar does an excellent job and is accurate in [writing] the minutes, and no, she does not record word for word.

Cathy Glatthar stated the most current meeting audio recording is posted on the website under the "Minutes" tab. She added this meeting audio would be posted within five business days.

For Trustee Otto's edification, Louie Test explained that if anyone believes the written minutes are missing information or a statement needs clarification, that is exactly why we have this "Approval of Minutes" item on the agenda.

Trustee Currivan made a motion to approve the minutes as written. Trustee Otto seconded the motion, and hearing no opposition, the motion passed.

4. Public Hearing: Approval of Final Budget for Fiscal Year 2020-2021:

Cathy Glatthar started by reporting we received a letter from the State Department of Taxation stating our tentative budget was in compliance with the laws and appropriate regulations. She said for this final budget, the worksheet she sent out to the constituents, posted on the website, and sent to the Board members, was a summary that lists the same four categories of expenses that are shown on the official budget forms from the State (see attached). She said the budget details were outlined in the first worksheet that was used for the tentative budget, and she just wanted to highlight the changes she made since the tentative budget was approved and submitted. She stated the major change she made was to increase the FEMA reimbursement amount for the next fiscal year (July 1, 2020 to June 30, 2021) from \$20,000 to \$60,000. She explained she did this because she did not believe we would receive the \$40,000 for the last two project worksheets by the end of this fiscal year (June 30, 2020). She said that \$40,000 increase in revenue was added to the "Services, Supplies, and Other Charges" expense category.

In answer to Trustee Dennis' question, Cathy stated, for the record, [all the supporting documents] that were sent to the Board members, were also posted on the website and sent to the constituents who are on the email list.

Trustee Johnson referred to Ms. Roberts' comment that the budget [worksheet] did not "set forth the expenses with enough specificity." He said based on what Cathy explained earlier, the State sets forth four large categories of expenses; the State does not ask for, does not want, and does not need the type of specific data that Ms. Roberts' was asking

for in her public comment. Trustee Johnson stated the detail Ms. Roberts is asking about is reported on a monthly basis in the transaction report which is attached to the minutes. He said we can't be any more transparent in our financial dealings than we already are.

Trustee Otto said he thought Ms. Roberts was looking for detail for the next year and not for the past.

Cathy Glatthar said her summary (worksheet #2) actually has more information than the State budget forms. She said the State's form has only three revenue categories: Ad Valorem, CTX (Consolidated Tax), and Other; whereas her summary breaks out "Other" into LGTA, FEMA, and Interest Income.

Cathy went on and explained she put together a clean, easy-to-read worksheet for this meeting. She explained the first worksheet, that Ms. Roberts mentioned in her public comment, was prepared in February for the tentative budget, and that worksheet had detail, but the Salaries and Wages total had not changed, and the Employee Benefits total had not changed, and the Capital Outlay total had not changed. Cathy stated when she increased the revenue, she in turn increased the Road Maintenance expense item which increased the "Services, Supplies, and Other Charges" expense category total. Cathy reminded everyone that these budget figures are projections.

Trustee Johnson added that this budget that is submitted to the State, is an administrative necessity, but we have the ability to move money around in each of these four [expense] categories. He said in actuality this budget doesn't mean a whole lot; it gives us a projection of how much income we might receive and as that income changes, we may need to move money from one [expense] category to another. He added that as our income changes and as weather and other conditions change, we make prudent decisions based on the data we have at that time. He said we have data on what expenditures have been to date, and what expenditures are going to be in exactly what categories for the remainder of the year, are in flux.

Trustee Dennis made a motion to approve the final budget for fiscal year 2020-2021. Trustee Currivan seconded the motion. Upon a vote, the Board unanimously approved the final budget.

5. Payment of Bills and Other Financial Matters:

- a. Transaction Report and Payment of Bills - Including review of April 16, 2020 bills paid:** Cathy Glatthar explained there was no meeting in April, but some bills were paid in April. She asked if there were any questions on the April transaction report (see attached)? Trustee Otto asked about the Hoffman and Test bill of \$525. Cathy explained Louie Test's invoice paid in April was for February. Trustee Otto asked if we have a meeting and Louie does not attend, do we still pay Louie? Cathy answered, yes, Louie is on retainer. Louie Test said that's how a retainer works.

Cathy then moved on and reviewed the May transaction report (see attached). She reported Ad Valorem, CTX, and LGTA income of \$39,414.52 came in. She explained the budget hearing notices were published, per NRS statute. She mentioned several of the listed bills and stated there was a credit for the surplus 550-gallon fuel tank that Shawn was able to sell.

Trustee Dennis made a motion to approve the transaction report and pay the bills for May. Trustee Otto seconded the motion, and hearing no opposition, the motion passed.

Trustee Johnson stated he wanted approval for payment of the Sierra Nevada Construction bill. He explained the contract for the pavement edge reinforcement project was completed this week and the invoice should be forthcoming within the next few days. He said the contract was for time, materials, and trucking. He explained the Board already approved the contract and the amount was to be just under \$100,000 (to avoid prevailing wage constraints). He stated they were able to do a bit more than he had originally estimated; approximately 7.8 edge miles which now includes the entirety of Ironwood from Amy to Pyramid Highway, and Whiskey Springs from just east of Broken Spur to Pyramid Highway. He said the contractor did a lot of extra work, including some patching, and they fog-sealed today. He said they worked a 12-hour day on Monday and an 8- to 9-hour day on Wednesday. He said the paver broke down on Monday night, was repaired on Tuesday, and the work was completed on Wednesday. He said he personally staked out the edge of pavement on the roadways and coordinated the paving work. He asked for authorization to pay the bill upon receipt. He mentioned holding back 12 tons of material to do a patch on Whiskey Springs Road just east of Right Hand Canyon Road where the pavement had been washed out. He said the contractor bent over backwards to help us with this project. Trustee Dennis made a motion to approve payment of the Sierra Nevada Construction invoice upon receipt. Trustee Currivan seconded the motion, and hearing no opposition, the motion passed.

Trustee Dennis said good job, thank you, it looked great. Trustee Otto also stated it looked good.

- b. Other Financial Reports:** Cathy Glatthar stated for future agendas, she will change this item to “Estimated Operating Funds Report.” She referred to this month’s report (see attached), and stated she had reduced the estimated CTX revenue from 36,000 to 30,000 for the months of May, June, July, and August. She said for the same months, she decreased the estimated LGTA revenue from 2,920 to 2,000. She said we have no idea what to expect in the way of revenue for the upcoming months. She said the payments we do receive are approximately two months behind. She stated the CTX revenue we received this month was for March, and the shutdown happened about mid-March. She said the additional revenue expected through the end of August shown on this report is 105,000, but she said she really didn’t know what we could expect. She stated she reconfigured this report in hopes that it would be easier to read. She reviewed the estimated expenses and reserves through the end of August, and stated the net operating funds for road improvements as of August 31, 2020 is estimated to be \$173,656.

Trustee Johnson said that’s the best estimate at this time.

- c. Amend Petty Cash Policy:** Cathy Glatthar said Ms. Roberts’ comment on this item was why wasn’t the public provided with the current petty cash policy. Cathy said she agreed and this item should have been worded differently. She explained the current policy is \$50 of petty cash, and she believed Shawn was requesting the amount be raised to \$400. Shawn Kelly stated the reason he was asking for an increase was so that he doesn’t have to go into town to the bank to withdraw cash when he needs to purchase something, such as tires or other deals he finds on Craig’s List. Trustee Dennis made a motion to increase the petty cash fund from \$50 to \$400. Trustee Currivan seconded the motion, and hearing no opposition, the motion passed.

6. Road Maintenance Reports:

- a. **Road Reports:** Trustee Johnson said we have received very few road maintenance requests because Shawn has been out there grading.

Trustee Otto disagreed and stated Shawn's operations report shows 36 hours on one grader and 14 hours on the other grader. He said that's only 50 hours out of 320 hours. He opined that's not enough grader hours and this was unacceptable to him; it should be 3, 4, or 5 times as much.

Trustee Johnson said he believed Trustee Otto's hourly maximum of 176 times two was inappropriate. He explained since we haven't had any measureable precipitation in months, we had a water truck and a grader involved, so to compare that to 300 and some hours was an inappropriate comparison.

Trustee Otto disagreed and said he stated there were 300 and some hours *available*.

Trustee Johnson said there was not; anybody who has run a payroll knows there are 176 hours in a month.

Trustee Otto responded that there were two men.

Trustee Johnson said there were not [two grader operators], because one employee had to be on a water truck in dry periods.

Trustee Otto said it doesn't have to be; all the work doesn't have to be on the surface of the road. He said there's a lot of ditch work to be done.

Trustee Johnson said we need to use water to keep the dust down and to keep from starting fires.

Trustee Currivan stated there's a lot of other work shown on the operations report such as road surveys, filling pot holes, equipment maintenance and repairs; so what do you throw out? He said you have to let the crew use their judgment.

Shawn Kelly said he believed the roads are in good shape considering where they have been in the past. He said he's only been here a short period of time, and he plans on continuing the infrastructure improvements that were lacking in the past. He said he would put together a two-year plan and a five-year plan for the Board's review. He said basically after these roads are covered [with material], he wanted to go into a watering program. He said you can't run two graders in a dry climate; you need moisture. He said you also can't grade when the roads are frozen or muddy. He said there are a lot of things that need to be done other than grading.

Trustee Dennis thanked Shawn and said he had faith in Shawn. He said that's why Shawn was hired, and that Shawn was using his best judgment to make things work for the community.

Trustee Otto said he wanted to elaborate on the grader hours and the 50 hours out of 300 some hours. He said he understood, that he was not an idiot to this, that the crew has plenty of other things to do, too, and he said he was not insinuating that the crew needed to spend 300 hours on the grader. He said being that grading the roads was the primary goal out here, he thought there should be more than 50 hours a month. He said he has stated in the past that grader time should be 80% of one man's time, and he still holds to that. He said he understands it's dry and Shawn wants a fire truck tending alongside him when he's grading to prevent fires.

Shawn said the possibility of starting a fire was one reason mentioned for using water when grading during dry conditions. He recollected that Trustee Otto mentioned several months ago that the crew needed to watch for fire. He said when he's working in the ditches and on the shoulders in the easement, he has to make sure they don't start fires and they also need to keep the dust down. He said he's dealing with what was done in the past and he's trying to get the road system in order. He said they are getting caught up on some of these other things and there's going to be a lot more time in the blade. He said he needs water to grade and sometimes, in locations far from the wells, he can't get enough water. He said he can't dry grade these roads. He said in some cases the road is pure rock and there's pure rock on the sides, so they have to bring in material from the Ironwood pit, such as towards the end of Yellow Tail. He said they've cleaned up the yard and he's sold some surplus equipment that he had to help get loaded. He said a business isn't just one thing; it's a multi-faceted system here and it's just two guys who are trying to get caught up on years of mishap. He said he has a certain way of doing things and he takes pride in his job; he ran a business in this town for 15 years. He said they are working hard to get the system in order. He said he will be spending more time in the grader and a water truck will be used when he's grading. He said they are also using the compactor after they grade, and the crust that's being created with the compactor is holding the roads together.

Trustee Johnson read and addressed Ms. Roberts' comments for this item, as follows:

"I think it is important that every member of this Board make an effort on at least a quarterly basis to be familiar with the condition of the roads within its district."

Trustee Johnson said he did not think that was the role of the Board; that the Board was here for policy. He said we have an operations manager to do that and inform the Board.

Trustee Johnson then continued reading Ms. Roberts' public comment:

"I point out that the role and authority of the PVGID is for the 'operation, repair and maintenance of roads.' Notwithstanding this limited authority, this Board has voted to expend hundreds of thousands of dollars in 'improvements' for Wilcox Ranch Road."

Trustee Johnson said the statement about Wilcox Ranch Road improvements was not true.

Trustee Johnson continued reading:

"It is my belief that the PVGID should focus on repairing and maintaining all of its roads before it pursues any additional 'improvement' projects."

Trustee Johnson said he wanted to point out that, yes, the authorization of the GID does say "operation, repair and maintenance." He said he wanted to know if any Board member disagrees that putting drainage and culvert improvements, or putting gravel on roads, or even Cape seal and pavement edge reinforcement, was not maintenance? He said he could not see that we were overstepping our authority in any way. He said if anything, he would jump on past Boards for ignoring all of this, and commend this Board for doing the necessary maintenance for the benefit of all of our residents. He said he thought this comment was completely off base and unfounded. He asked if there were any Trustees who disagreed with that?

Trustee Dennis said Ms. Roberts stated (in part), “the focus should be on repairing and maintaining all of the roads before pursuing any additional ‘improvement’ projects.” He said we do the additional improvement projects so we can minimize the maintenance and repair on roads; so we’re not grading the heavily-trafficked roads continually and constantly to the detriment of those people who need maintenance on other roads with less traffic. He said he wasn’t sure if Ms. Roberts’ comment was appropriate.

Trustee Otto said he agreed with Trustee Dennis that we’re saving money on maintenance by changing the surface of some of these roads. He said we are proving that on Wilcox; that road has only been bladed once since the aggregate was laid down. He said normally we would have bladed that road a number of times. He said we’ve saved a lot of blading by surfacing Ironwood. He said we are saving by doing upgrades to road surfaces, and it pays for itself over a long period of time.

b. Status of 2020 Pavement Edge Reinforcement Project: Trustee Johnson read Ms. Roberts’ public comment (in part), as follows:

“I am pleased with the progress in this project, however, I was disappointed to see that there are still potholes within or adjacent to the newly applied edging.”

Trustee Johnson stated where possible and where they identified them, they patched pot holes as they went by as a separate operation of shoveling mix over to the pot holes and using a drum roller to compact them in place. He said in addition to that, in the spring of each year we have a patching program in which any remaining pot holes identified on all of the Cape-sealed roads are patched. He mentioned in the case of Right Hand Canyon Road, the pot holes were patched twice a year because the pavement deteriorates so fast. He said asphalt patching was part of our normal maintenance procedure. He said this individual was apparently not aware of our standard procedures.

c. Future Road Improvement Projects: Trustee Johnson said as Shawn mentioned, this was a request he made of Shawn to identify all deficient roads and divide them into separate categories, such as:

1. Roads like Chantry Flats that have a deep-clay subgrade that become unstable and rut badly when they get wet.
2. Roads like Crossover that have big rocky, knobby areas in the summertime where the rocks become exposed and the road becomes extremely rough and practically impossible to grade.
3. Roads like Bacon Rind that are sandy/DG (decomposed granite) type roads that washboard a week after we grade them; you can’t grade them often enough.

Trustee Johnson said we have roughly 44 roads in our system and he asked Shawn to prioritize which ones were the worst in each of these three categories and come up with a long term schedule; as the budget will allow. He said he has in his head what a long-range plan should be; how often we should resurface our Cape seals. He said unfortunately flooding in 2017 and [2019] set us back, and now the Coronavirus has impacted our revenues. He said long-range plans on paper are nice to look at, but that was exactly what they are; the Board has to react to what is happening to us, to funding available, to new development that is coming into the valley, to all of these

many factors, and simply because it doesn't meet a magic little plan, doesn't mean we shouldn't do it. He said Shawn is busy putting this together and it will be put out in draft form for everybody to review. He thanked Shawn for his effort.

Trustee Dennis thanked Trustee Johnson and Shawn.

In reference to Ms. Roberts' comment: "I'm not sure this GID has the authority to expend money on 'improvements' rather it is limited to operation, repair and maintenance.", Trustee Dennis asked Louie Test to weigh in on this and tell the Board if they were or were not allowed to make improvements.

Louie Test responded that he heard a consensus from the Board in which they clarified that improvements were a part of maintenance. He said in order to properly maintain, you needed to put in improvements, and if you didn't make improvements, the maintenance would go by the wayside and you would end up with nothing.

Trustee Otto said it's called a "General *Improvement* District." He said folks need to understand that improvements and maintenance are synonymous.

Trustee Johnson read Ms. Roberts' final comment for this agenda item, as follows:

"I would hope that the Board would focus on major roads first i.e. Whiskey Springs, Ironwood, Range Land and Axe Handle and then move to connector roads like Amy, Wilcox Ranch, Grass Valley."

Trustee Johnson said this Board's first priority is to keep all roads serviceable. He said so for roads like Grass Valley where residents had to park their cars and had to walk to get home, the improvement of drainage and subgrade conditions on that road met that first priority, and in his opinion, was entirely appropriate. He pointed out that this individual mentions the major roads first - Range Land and Axe Handle - and put as a lesser priority the roads of Wilcox Ranch and Amy; whereas Amy and Wilcox Ranch Roads serve way more residents than does either Range Land or Axe Handle. He said he believed this Board has acted properly in their prioritization of funding for road maintenance and improvements. He said furthermore, the amount of money that has been expended on Range Land and Axe Handle in the past two years is entirely commensurate with the number of homes served by those roads.

d. Operations Manager's Report Including Surplus Equipment/Vehicles and Capital Outlay:

Trustee Johnson read the following comment from Ms. Roberts:

"I am concerned that the grading that is being done is lowering the road, pushing gravel to the sides, pushing soil into or over culverts and/or causing roads to narrow."

Trustee Johnson said that was a completely inaccurate statement. He said he'd really like to know who told this lady this, because he didn't think she came up with it by herself. He continued reading Ms. Roberts' comment:

"I am concerned that insufficient time is being allocated to patching 'paved' roads so as to optimally maintain them."

Trustee Johnson said he answered that one; we patch every spring and every fall, or as needed.

Shawn Kelly addressed capital outlay and explained it is for equipment, vehicles and yard improvements. He requested to have any remaining, unspent capital outlay

budget at the end of this fiscal year (June 30, 2020) rolled over into the next fiscal year. He said the Board will vote on the capital outlay items in advance so that if he finds an item or items they will already have been approved for purchase. He reviewed the following list of capital outlay items for the Boards consideration:

- Grader (would sell John Deere 670 grader)
- Water Truck (would sell 2005 Int'l water truck)
- Water Tank (already approved - would replace the tank on the 1995 Peterbilt water truck)
- Loader (would sell 1990 Case loader)
- Paver, tack pot, 36" smooth-drum roller and trailer (for a "hot" patch program)
- Excavator (would sell 1989 Case dozer)
- Building to include maintenance shop, office, and bathroom (office trailer would be sold and monthly rental of Sani-Hut restroom would end)
- Phone Line Locator
- Tilt Bed Trailer (would sell Zieman tilt bed trailer)
- 10-Wheel Dump Truck (would sell 1992 Freightliner 10-wheel dump truck)

Trustee Johnson stated this is not the year to spend money. He said he had no problem with rolling this year's unspent [capital outlay budget] into next year's budget. He said he was going to be extremely tight with money. He explained, for example, he did not recommend to the Board to have the four-foot wide band of chip seal put down over the top of the edge reinforcement pavement this year. He said until we get a handle on how bad of a hit we're going to take on revenue, he did not think it was prudent for this Board to be spending money. He said he thought we should wait until early fall to see how the revenues come in and plan accordingly. He said for example, there are a number of roadways Shawn will have on his list that we normally include in winterizing projects, such as Quaking Aspen and upper Wilcox Ranch. He said there will be a number of those roads on that list that will need attention, and we're going to have to put some gravel down; it will be mandatory that we spend money to winterize those roads. He said for this next quarter, his recommendation was we tighten our belt and we sit tight. He said to Shawn, that goes for capital outlay, as well as any of the projects they would like to do.

Shawn explained his understanding was this list needed to be presented to the Board so the Board could approve whichever items they deemed appropriate within the capital outlay budget of \$75,000 plus the rollover amount from this fiscal year. He said he's a penny-pincher, and he won't spend the money if we don't have it, but the items would already be allocated for if the money is there when an item became available. He said he would not purchase anything right now.

Trustee Johnson said we are going to rollover the unspent capital outlay, but he did not believe we should spend it.

Shawn said he agreed with that.

Trustee Dennis said he agreed with both Trustee Johnson and Shawn. He said it's a difficult situation, but when the economy turns down, sometimes opportunities for

purchasing equipment at reduced prices may arise. He said he understands that we have to watch what we spend, but there may be some opportunities for us.

Trustee Johnson said Shawn is always looking.

Shawn said he also has responsibility, and his main responsibility is the roads. He said the list is something to be voted on, yea or nay, up to our capital outlay budget. He reiterated that his priority is improving the roads.

Trustee Johnson said Shawn has made a number of purchases over the past two years, and was in full support of those purchases. He said he pats Shawn on the back for getting rid of the old junk and for maintaining and bringing up to standards the remaining vehicles and equipment; he loves what Shawn has done. He said at the same time, we have to pinch pennies.

Trustee Dennis said Trustee Johnson took away his “attaboy” for Shawn.

Trustee Otto said he’d like to see Shawn’s list so he can review it and be prepared to vote on it at a future meeting. He said one really good suggestion was the phone line locator.

In response to Trustee Otto’s question, Shawn said the locator would cost between \$2,000 and \$2,500. Shawn said he tried to get AT&T to donate a locator to us, but they would not.

Trustee Otto said the locator is something this Board should consider providing to Shawn, so we can hopefully avoid cutting phone lines in the future. He said Trustee Johnson had a good point about pinching pennies for the next quarter, but we also need to keep our eyes open for something that’s a hot deal and then bring it to the Board as Trustee Dennis mentioned.

7. **Old Business:** None

8. **New Business:** None

9. **Judicial/Government Affairs:**

a. **AT&T Cut Cable:** Trustee Johnson said we are not going to pay and we haven’t heard from AT&T. He said he thought the matter was dead.

b. **Other Matters, If Any:** Louie Test said he had nothing to report. Cathy Glatthar spoke up to say she would be changing this item to a non-action item for future agendas. She said this item will be for reporting purposes only and no action will be taken until a particular item is placed on a future agenda.

10. **Calendar Review:** Cathy Glatthar reported on the following items:

- Cathy said the next meeting is scheduled for June 18th and hopefully by then we will be able to conduct the meeting at the County range. Trustee Johnson said he wanted to postpone the meeting for a week and reschedule for June 25th. The Trustees agreed to reschedule the meeting for June 25th.
- Cathy said the June meeting starts at 5:00 with a closed session for employee performance reviews.
- Cathy stated Trustee Johnson would be conducting Shawn’s review, and the rest of the Board members were asked to submit any comments they had on Shawn’s performance to Trustee Johnson in advance of the June meeting.

In answer to Trustee Otto's question, Cathy explained employee compensation would be discussed during the open session of June's meeting.

Louie Test stated the only discussion allowed during the closed session is the competency and character of the individual being evaluated.

- Cathy stated Shawn will conduct Chuck's evaluation and Chuck [would be asked] to attend the closed session. She said Chuck would go first and Shawn's evaluation would immediately follow.

11. **Correspondence:** None

12. **Public Comment:**

Trustee Johnson stated public comment was already covered.

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

Trustee Dennis gave Cathy "kudos" for putting all this together. The other Trustees, Louie, and Shawn also thanked Cathy.

14. **Adjournment:** Trustee Dennis made a motion to adjourn the meeting. Trustee Currivan seconded the motion, and hearing no opposition, the meeting adjourned at 7:34 p.m.

Public Comment for PVGID May 21, 2020 Meeting

Pamela Roberts

Wed, May 20, 2020 at 4:07 PM

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

Cc: Maeve Ambrose

Dear Board Members,

I am submitting the following public comments for specific agenda items for the May 21, 2020 PVGID Meeting as indicated:

Agenda Item 2 (Public Comment on matters NOT listed on this agenda)

I am very concerned that this meeting is being held without the public being able to listen to the discussion and votes being taken by this Board. Other governmental agencies are using technology like Zoom or YouTube to ensure that their meetings are still "open to the public". I do not believe that the suggestion that public comment can be sent in to the Board in advance is sufficient. While I believe the PVGID Board meetings are recorded, the transcription of the minutes is not word for word. It has been my experience from attending the PVGID meetings and reviewing the minutes, that occasionally the draft and approved minutes leave out key words or phrases that more accurately reflect the attitude of the Board member. I respectfully request that this Board be prepared to hold its next meeting in a manner that allows the public to contemporaneously listen to the meeting. I also request that the recording of this meeting be made available on the website for the public to listen so that we are not relying upon a transcription of the minutes (which are not word for word).

I suppose I am getting a reputation for being the "Open Meeting Law" police, but I proudly wear this badge because I believe in transparency in our government and the right for the taxpayers who fund the PVGID to be fully informed and be heard. Agenda items like 5 b -Other Financial Reports and 9 b- Other matters, if any- are too vague for any action to be taken. Again, the public is entitled to know what financial reports the Board is reviewing and what Judicial/Government Matters the Board may be considering. Perhaps your legal counsel should review your agenda and board packet (attachments) before it is disseminated to ensure compliance with the Open Meeting Law.

Agenda Item 4: Public Hearing: Approval of Final Budget for Fiscal Year 2020-2021

The only document that is attached to the May 21, 2020 agenda is the worksheet#2 -May 21, 2020. This document does not set forth the expenses with enough specificity. For example, when does the fiscal year begin and end? What is the detail for the categories of Expenses? For example, how much is the salary for the Operations Manager? How much is the benefits for the Operations Manager? How much is salary for the second employee? How much is budgeted for Secretarial Services, Bookkeeping Services, Legal Services, etc.? The Annual Budget should be detailed by line item so that each month the Board would show their constituents the variance between budgeted expenses and actual expenses. I am appalled that with a budget of \$1,132,637 that the projected annual budget has merely four categories of expenses. How can the community comment on this budget, future plans and operations when we are given so little detail? In looking back at the minutes and attachments for the February 20, 2020 meeting, I did locate a more detailed annual budget worksheet for FY 2020-2021. This document should have been attached to this month's agenda as well so that the public could see the detail for numbers presented in worksheet #2. However, upon review, the numbers in the PVGID Budget FY2020-2021 which was attached this agenda do not reconcile with the detailed worksheet that was not attached to his agenda.

In addition, since the public will be unable to listen to any discussion by this Board regarding this Agenda item, I question whether this constitutes a "Public Hearing" as the agenda suggests that it is.

Agenda Item 5 c - Amend Petty Cash Policy

I am concerned that I have not seen any documentation regarding what the current Petty Cash Policy is and what is being considered? The current Petty Cash Policy should be attached to the Agenda and if there is a written proposal to amend such policy, it should be attached as well. How is the public expected to be able to comment on this agenda item. Please remember that the public is entitled to review every document the board members review relating to action items on this agenda.

Agenda Item 6 Road Maintenance Reports

a-Road Reports - I think it is important that every member of this Board make an effort on at least a quarterly basis to be familiar with the condition of the roads within its district. I point out that the role and authority of the PVGID is for the "operation, repair and maintenance of roads." Notwithstanding this limited authority, this Board has voted to expend hundreds of thousands of dollars in "improvements" for Wilcox Ranch Road. It is my belief that the PVGID should focus on repairing and maintaining all of its roads before it pursues any additional "improvement" projects. I don't understand why Amy Road is over 40 feet wide between Ironwood and Wilcox Ranch. It looks like the first heavy rain will cause the loose dirt to fill the recently installed culverts.

b-Status of 2020 Pavement Edge Reinforcement Project - I am pleased with the progress in this project, however, I was disappointed to see that there are still potholes within or adjacent to the newly applied edging. This means that when cars move over to the edge to allow a WM, UPS, Propane Truck or a Cattle/horse trailer to pass by, the car tires will be damaged by the potholes. I hope the PVGID employees will patch the remaining potholes on Ironwood and Whiskey Springs.

c- Future Road Improvement Projects - I do not see any proposed plan from any Board member regarding future road improvements attached to this agenda. The public is entitled to review any document the board reviews related to this agenda item. I'm not sure this GID has the authority to expend money on "improvements" rather it is limited to operation, repair and maintenance. However, if it does have authority to expend money on road improvements, my ongoing concern that I have expressed at more than one meeting is that this Board does not have a long range plan for so-called "Improvement Projects." I would hope that the Board would focus on major roads first i.e. Whiskey Springs, Ironwood, Range Land and Axe Handle and then move to connector roads like Amy, Wilcox Ranch, Grass Valley.

d- Operations Manager Report - I am concerned that insufficient time is being spent on grading the unpaved roads. I am concerned that the grading that is being done is lowering the road, pushing gravel to the sides, pushing soil into or over culverts and/or causing roads to narrow. I am concerned that insufficient time is being allocated to patching "paved" roads so as to optimally maintain them.

Respectfully submitted,

Pam Roberts
Palomino Valley Resident

PALOMINO VALLEY GID BUDGET FY2020-2021

WORKSHEET #2 - May 21, 2020

PROPOSED FINAL BUDGET

Estimated Beginning Fund Balance		230,612
Estimated Income		
Ad Valorem	301,627	
CTX Consolidated Tax	502,198	
LGTA Special (Fair Share)	38,000	
Other Income-FEMA Reimbursement	60,000	
Interest Income	100	
Total Estimated Income		901,925
TOTAL INCOME & BEGINNING FUND BALANCE		<u>1,132,537</u>
Expenses - Public Works		
Salaries & Wages	188,000	
Employee Benefits	65,600	
Services, Supplies, Other Chgs	743,937	
Capital Outlay	75,000	
Total Expenses - Public Works		1,072,537
Ending Fund Balance		60,000
TOTAL EXPENSES & ENDING FUND BALANCE		<u>1,132,537</u>

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

TRANSACTION REPORT

As of April 16, 2020

Total of all Bank Accounts:	Balance as of April 16, 2020 - Almost CD #5010	366,003.48
	Balance as of April 16, 2020 - A/P / General Ckg #4179	296.03
	Balance as of April 16, 2020 - Payroll #4430	17,000.00
	Balance as of April 16, 2020 - Petty Cash	32.48
	Total Cash In All Accounts	<u>383,331.99</u>

<u>Wells Fargo - Almost CD #5010</u>		Balance as of March 19, 2020	303,483.46
Income for the Month			
Ad Valorem/Property Tax	46,418.64		
Consolidated Tax (CTX)	35,660.65		
LGTA/Fair Share	0.00		
Other Income	0.00		
TOTAL	82,079.29		
Interest Income	7.15		82,086.44
Transfer to Wells Fargo #4179	(4,500.00)		
Transfer to Wells Fargo #4430	(15,066.42)		(19,566.42)
		Balance as of April 16, 2020	<u>366,003.48</u>

<u>Wells Fargo - A/P / General Ckg #4179</u>		Balance as of March 19, 2020	718.21
Transfer from Wells Fargo #5010	4,500.00		
Interest Income	0.34		4,500.34

NAME	CK #	AMOUNT	DESCRIPTION	
Catherine Glatthar	9788	1,818.78	Secretarial Services \$1,236.58, Accounting \$472.50, Office Supplies \$109.70	
Flyers Energy	9789	1,001.58	Fuel	
Granite Construction Company	9790	155.04	Patching - Ironwood 1.5 Tons, Whiskey Springs .02 @ \$102.00 per Ton	
Hoffman & Test	9791	525.00	Monthly retainer & travel (\$435) & additional work (\$90)	
Napa	9792	94.56	Maint/repair parts for 621 Loader, 670 Grader & 770 Grader \$267.09, Operating supplies (\$172.53) (credit for bead seating tool)	
NV Energy	9793	336.31	Utilities - Electric	
Pyramid Business Services	9794	991.25	Monthly Bookkeeping, Payroll	
TOTAL		4,922.52		(4,922.52)
			Balance as of April 16, 2020	<u>296.03</u>

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

TRANSACTION REPORT

As of May 21, 2020

Total of all Bank Accounts:	Balance as of May 21, 2020 - Almost CD #5010	377,182.35
	Balance as of May 21, 2020 - A/P / General Ckg #4179	378.97
	Balance as of May 21, 2020 - Payroll #4430	17,000.00
	Balance as of May 21, 2020 - Petty Cash	32.48
	Total Cash In All Accounts	<u>394,593.80</u>

<u>Wells Fargo - Almost CD #5010</u>	Balance as of April 16, 2020	366,003.48
Income for the Month		
Ad Valorem/Property Tax	565.05	
Consolidated Tax (CTX)	32,652.71	
LGTA/Fair Share	6,196.76	
Other Income	0.00	
TOTAL	39,414.52	
Interest Income	2.91	39,417.43
Transfer to Wells Fargo #4179	(5,000.00)	
Transfer to Wells Fargo #4430	(23,238.56)	(28,238.56)
	Balance as of May 21, 2020	<u>377,182.35</u>

<u>Wells Fargo - A/P / General Ckg #4179</u>	Balance as of April 16, 2020	296.03
Transfer from Wells Fargo #5010	5,000.00	
Interest Income	0.01	5,000.01

NAME	CK #	AMOUNT	DESCRIPTION	
Catherine Glatthar	9795	2,006.67	Secretarial Services \$1,775.00, Accounting \$175.00, Office Supplies \$56.67	
Flyers Energy	9796	696.30	Fuel	
Hoffman & Test	9797	400.00	Monthly retainer	
NV Energy	9798	256.40	Utilities - Electric	
Pyramid Business Services	9799	1,077.70	Monthly Bookkeeping, Payroll	
Reno Gazette-Journal	9800	139.00	Final Budget Hearing Notice (Original)	
Washoe County Health District	9801	341.00	Air Quality Permit Renewal for Wayside Aggregate Pit	
TOTAL		4,917.07		(4,917.07)
			Balance as of May 21, 2020	<u>378.97</u>

PALOMINO VALLEY GENERAL IMPROVEMENT DISTRICT

TRANSACTION REPORT

As of May 21, 2020

<u>Wells Fargo - Payroll #4430</u>		Balance as of April 16, 2020	17,000.00
Transfer from Wells Fargo #5010	23,238.56		
Interest	0.11		23,238.67
Net Payroll	9,703.00	Net Payroll	
Jim Menesini Petroleum, LLC	(1,200.00)	Sold surplus 550 gallon fuel tank	
LJ's BECC 5/3/2020 Stmt			
Martin Marietta Materials	LJ's CC 789.74	112.82 Tons 3/4" Aggregate Base at \$7/ton - Yard Stockpile	
Silver State Fence & Stain	LJ's CC 4,268.90	Wayside Yard fencing	
Sani-Hut	LJ's CC 129.87	Monthly restroom bill	
Prominence	LJ's CC 2,902.71	Health Insurance	
LJ's BECC 6/3/2020 Stmt			
Reno Gazette-Journal	LJ's CC 137.00	Amended Final Budget Hearing Notice	
SK's BECC 5/3/2020 Stmt			
Waste Management	SK's CC 29.16	Monthly garbage bill	
Home Depot	SK's CC 149.69	Yard and shop supplies	
Alhambra (aka DS Services)	SK's CC 12.25	Monthly office water	
Autozone	SK's CC 84.99	Repair parts for 88 Chev Dump Truck	
SK's BECC 6/3/2020 Stmt			
Verizon	SK's CC 34.92	Monthly cell phone bill	
Scelzi Equipment Inc	SK's CC 36.95	2 Keys for new utility bed and shipping	
Employment Security Department	5927 408.74	Nevada Unemployment Qtr 1 2020	
Public Agency Comp. Trust	Auto 1,771.75	Qtr 3 FY 19-20 Workers' Compensation	
PERS	5928 3,270.00	PERS Monthly Payment	
Federal 941 Payment	EFTPS 709.00	Payroll Taxes	
	<u>\$23,238.67</u>		(\$23,238.67)
		Balance as of May 21, 2020	<u>17,000.00</u>

<u>Wells Fargo - Petty Cash</u>		Balance as of April 16, 2020	32.48
Transfer from Wells Fargo #4430	0.00		
<hr/>			
NAME	CK #	AMOUNT	DESCRIPTION
<hr/>			
		<hr/>	
TOTAL		0.00	
		Balance as of May 21, 2020	<u>32.48</u>

Reviewed by Cathy Glatthar, Assistant to the Board: *CAG* 5/18/2020

ESTIMATED OPERATING FUNDS FOR ROAD IMPROVEMENTS

For May 21, 2020 Agenda Item 5.b.

Total Cash in all Bank Accounts as of May 21, 2020	394,594	
Additional Revenue Expected Through August 31, 2020	105,618	
ESTIMATED OPERATING FUNDS THROUGH AUGUST 31, 2020		500,212
LESS Average Monthly Expenses (\$30,000) x 3 Months	-90,000	
LESS: Capital Outlay (\$17,000 + \$6,725 - \$8,569 = \$15,156);		
Martin Marietta ~\$15,000;		
Pavement Edge Reinf Proj \$100,000;		
Unexpected Repairs (\$5,000/mo x 3 months);		
Insurance \$9,000 (Jun or Jul);		
Workers' Comp \$2,400 (Aug)	-156,556	
LESS Reserve Funds (= Ending Fund Balance per Budget)	-80,000	
ESTIMATED EXPENSES & RESERVES THROUGH AUGUST 31, 2020		-326,556
ESTIMATED NET OPERATING FUNDS FOR ROAD IMPROVEMENTS AS OF AUGUST 31, 2020		173,656

Additional Revenue Expected Through August 31, 2020:

285,000	Ad Valorem	June '20 thru Aug '20	9,618
432,000	CTX*	30,000 x 3	90,000
31,360	LGTA*	2,000 x 3	6,000
748,360			105,618

*** Note: Due to COVID-19, May thru August CTX & LGTA Expected Revenues Were Reduced**

MONTHLY EXPENSES:

	Average	Actual	Difference	
Payroll	17,000	16,993	7	
Other (non Road Maint)	13,000	10,373	2,627	
	30,000	27,366	2,634	
				A/P Acct Exps 4,917
Road Maintenance		790		P/R Acct Exps 23,239
TOTAL EXPENSES		28,156		28,156

REVENUE - ACTUAL AND ESTIMATED

NOTE: As of 05/21/2020 Actual Revenue Exceeds Estimated By:

\$16,786.50

AD VALOREM				
Date	Estimated	Actual	Difference	YTD Difference
at 09/19/19 (35%)	99,750.00	108,753.21	9,003.21	9,003.21
at 10/17/19	0.00	6,410.74	6,410.74	15,413.95
at 11/21/19 (21%)	59,850.00	47,481.08	-12,368.92	3,045.03
at 12/19/19	0.00	6,251.36	6,251.36	9,296.39
at 01/16/20	0.00	77.09	77.09	9,373.48
at 02/20/20 (21%)	59,850.00	59,245.88	-604.12	8,769.36
at 03/19/20	0.00	178.84	178.84	8,948.20
at 04/16/20 (21%)	59,850.00	46,418.64	-13,431.36	-4,483.16
at 05/21/20	0.00	565.05	565.05	-3,918.11
June	0.00			
July (2%)	5,700.00			
August	0.00			
	285,000.00	275,381.89	-9,618.11	
CTX				
Date	Estimated	Actual	Difference	YTD Difference
at 09/19/19	36,000.00	37,881.70	1,881.70	1,881.70
at 10/17/19	36,000.00	36,664.07	664.07	2,545.77
at 11/21/19	36,000.00	38,015.61	2,015.61	4,561.38
at 12/19/19	36,000.00	37,934.26	1,934.26	6,495.64
at 01/16/20	36,000.00	37,277.90	1,277.90	7,773.54
at 02/20/20	36,000.00	35,715.05	-284.95	7,488.59
at 03/19/20	36,000.00	42,305.79	6,305.79	13,794.38
at 04/16/20	36,000.00	35,660.65	-339.35	13,455.03
at 05/21/20	30,000.00	32,652.71	2,652.71	16,107.74
June	30,000.00			
July	30,000.00			
August	30,000.00			
	432,000.00	334,107.74	-97,892.26	
LGTA				
Date	Estimated	Actual	Difference	YTD Difference
at 09/19/19	2,920.00	2,871.61	-48.39	-48.39
at 10/17/19	2,920.00	3,147.83	227.83	179.44
at 11/21/19	2,920.00	3,120.95	200.95	380.39
at 12/19/19	2,920.00	4,181.99	1,261.99	1,642.38
at 01/16/20	2,920.00	0.00	-2,920.00	-1,277.62
at 02/20/20	2,920.00	5,751.23	2,831.23	1,553.61
at 03/19/20	2,920.00	4,686.50	1,766.50	3,320.11
at 04/16/20	2,920.00	0.00	-2,920.00	400.11
at 05/21/20	2,000.00	6,196.76	4,196.76	4,596.87
June	2,000.00			
July	2,000.00			
August	2,000.00			
	31,360.00	29,956.87	-1,403.13	

PVGID OPERATIONS REPORT
Report Period 3/16/2020 to 4/12/2020
ATTACHMENT: 5/21/2020 Meeting Agenda Item 6d

ROADS GRADED AND COMPACTED:

[Grader Hours: 770 Grader = 36 hours; 670 Grader = 14 hours]

1. Amy Short: Ironwood – Wilcox Ranch (Skim pass)
2. Wilcox Ranch: Amy – Twin Springs (Add 45 yards base in spots)
3. Wilcox Ranch: Quaking Aspen – Near 2800 Wilcox Ranch
4. Wilcox Ranch: Goodher – Mid
5. Range Land: Gray Van – Rebel Cause
6. Broken Spur: Whiskey Springs – Tumbleweed
7. Bootstrap: Broken Spur N – End
8. Amy N: Whiskey Springs – End
9. Grass Valley West: Pyramid – End
10. Piute Creek: Whiskey Springs – End, (Pull ditches to build up & bring fines on the road and widen in spots; lots of big rocks)
11. Wilcox Ranch: Quaking Aspen – Mid (Used the moisture from the snow to push rocks in and bring some “cream” up)
12. Little Ironwood: Whiskey Springs - Ironwood
13. Anniversary: Pull shoulders and build up road

OTHER ROAD WORK:

1. Road Survey
2. Broken Spur: Pushed off tumbleweeds that covered the entire roadway for a quarter of a mile
3. Range Land: Pyramid – Easy Jet Fill in some potholes with base
4. Ironwood: Pyramid – Amy Pothole patch 1.5 tons
5. Whiskey Springs: Fill in 2 potholes .02 tons
6. Quaking Aspen: Haul off and clean up rocks & boulders near O’Hara

OTHER:

1. Wayside Yard: Prep for fence extension
2. Ironwood Pit: Haul loads of scrap metal and other pit clean up
3. Wayside Yard: Stack and separate rocks and boulders from Quaking Aspen
4. Wayside Yard: Haul 2 loads of old culverts & debris to Lockwood Landfill
5. Wayside Yard: Bring in 114.62 tons of Base with end dump

EQUIPMENT:

1. 92 Freightliner Dump Truck: R&R muffler, lube, and safety check
2. 02 Peterbilt Tractor: Repair fuel sending unit, Remove DPF and install new muffler, Drain $\frac{3}{4}$ gallon oil from transmission, Front & Rear differentials, Top off with additive
3. 03 Backhoe: Install company radio
4. Zieman Trailer: Safety check and tighten deck boards
5. Stepp Hot Box: Prep for sale
6. 90 Case Loader: Change Engine oil & filter, Transmission oil & filter
7. 770 Grader: Change oil & filter

PVGID OPERATIONS REPORT
Report Period 4/13/2020 to 5/17/2020
ATTACHMENT: 5/21/2020 Meeting Agenda Item 6.d.

ROADS GRADED AND/OR COMPACTED:

[Grader Hours: 770 Grader = 31 hours; 670 Grader = 14 hours]

1. Bacon Rind S: Axe Handle – End
2. Bacon Rind N: Half-mile Dirt Section
3. Amy Short: Ironwood - Wilcox Ranch
4. Peak: E – W
5. Lost Spring
6. Two Forty
7. Range Land: Peak – Winnemucca
8. Grey Van
9. Sharrock: Amy – Pasture View, Pull shoulders and ditches
10. Sharrock: Pasture View – Wild Horse
11. Yellow Tail: Chantry Flats – End, Spread 250 yards of Ironwood screened DG on roadway
12. Chantry Flats
13. Crazy Horse: Wilcox Ranch – 500’ South, Spread 75 Yards Class E & Base
14. Amy Short: Ironwood - Wilcox Ranch

OTHER ROAD WORK:

1. Quaking Aspen: Near O’Hara, Pick up end dump load of rocks
2. Wilcox Ranch & Quaking Aspen: Spread 3 yards class E on corner
3. Range Land: Pyramid – Easy Jet: Sweep
4. Whiskey Springs & Ironwood: Prep for edge paving project

OTHER:

1. Wayside Yard: Clean up and organize
2. Ironwood Pit: Clean up, Screen 400 yards DG
3. Disposal of Surplus Equip/Vehicle: Prep, Photograph, Advertise, Meet with buyers, Assist with loading, and Submit paperwork and proceeds
4. Drive to Sheridan, CA to purchase service bed and utility rack for Ford F450

EQUIPMENT:

1. Loader: Weld hard facing on bucket
2. 1980 F350: Bad alternator - R&R, Charge A/C
3. Wayside well generator: Would not start, battery bad - R&R
4. 770 Grader: Cut crown out of cutting edge’s, Replace lower blade slide guide
5. 2001 F450: Take dump bed off and install utility bed, Remove bad seat and install used seats and console