

**BOARD OF TRUSTEES  
SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT  
WASHOE COUNTY, NEVADA**

TUESDAY

2:30 P.M.

MAY 22, 2007

PRESENT:

**Bob Larkin, Chairman**  
**Bonnie Weber, Vice Chairman**

**Jim Galloway, Trustee**

**David Humke, Trustee**

**Pete Sferrazza, Trustee**

**Amy Harvey, County Clerk**

**Dave Childs, Assistant County Manager**

**Melanie Foster, Legal Counsel**

**Rosemary Menard, Water Resources Director**

The Board met in regular session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

**07-18STM    PUBLIC HEARING ON TENTATIVE BUDGET – ADOPTION OF  
FISCAL YEAR 2007/08 FINAL BUDGET – CONTINUED FROM  
MAY 21, 2007**

Chairman Larkin opened the public hearing.

In response to Trustee Humke, Jerry McKnight, Finance and Customer Service Manager, replied there were no changes to the budget since yesterday's presentation, but he did have some additional information in response to inquiries.

Mr. McKnight explained the contract operation cost shown in the budget was \$1,374,000 of which \$516,000 was estimated for wages and benefits. He said that represented 9,740 estimated hours, which was equivalent to 5.4 FTE's. He stated staff provided services as needed to the South Truckee Meadows General Improvement District (STMGID) instead of there being dedicated staff. He said the service and supplies portion of the contract included \$365,000 in utilities to cover the cost of pumping water.

In response to Trustee Weber, Mr. McKnight replied the \$516,000 was based on historical data, but the actual time charged was based on the hours an individual worked on a project. He said the monthly report provided to the Board indicated the number of hours staff worked on projects, and the Local Managing Board (LMB) reviewed those numbers monthly. He said STMGID had the benefit of a large

organization providing those services, which meant STMGID did not have to hire a fulltime manager or other specialized staff.

In response to Trustee Galloway, Mr. McKnight replied STMGID could still elect to contract with the Department of Water Resources for services even if they had an independent managing board.

Trustee Humke stated there was a real possibility that STMGID would want to hire a manager. He said STMGID had been striving for a certain level of autonomy, which the Board had been willing to grant as long as the ratepayers in STMGID's service area were protected.

In response to Trustee Weber, Mr. McKnight said net income was down because the LMB had reduced the number of annexations. He stated that was done to maintain the system with the amount of water currently available without having to get water from other sources such as imported, wholesale or treatment plant water. He confirmed water hookup fees and contributions by contractors had significantly declined in the proposed budget.

In response to the call for public comment, Gary Schmidt stated Trustee Humke had commented he wanted to protect the autonomy of STMGID and also wanted to protect the ratepayers by this Board, through their hat as the Board of Trustees, exercising some control over STMGID. He felt if the Board really wanted to protect the ratepayers, STMGID should be restructured so the Board had no control over it. He suggested STMGID should be given total autonomy like the Gerlach and Sun Valley GID's. He said the ratepayers of those Districts exercised more direct control and could protect themselves.

There was no response to the call for further public comment. The Chairman closed the public hearing.

On motion by Trustee Weber, seconded by Trustee Humke, which motion duly carried, Chairman Larkin ordered that the final budget for the South Truckee Meadows General Improvement District for fiscal year 2007/08 be approved and adopted.

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There being no further business to come before the Board, the meeting was adjourned.

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**ROBERT M. LARKIN**, Chairman  
South Truckee Meadows General  
Improvement District

**ATTEST:**

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**AMY HARVEY**, County Clerk and  
Ex-Officio Secretary, South Truckee  
Meadows General Improvement District

*Minutes Prepared By:  
Jan Frazzetta  
Deputy County Clerk*