

**EAST FORK SWIMMING POOL DISTRICT  
BOARD OF TRUSTEES  
GENERAL MEETING MINUTES  
November 14, 2018 at 8:00 a.m.  
Carson Valley Swim Center  
1600 Hwy 88, Minden, Nevada**

The Board of Trustees November 14, 2018 meeting was called to order at 8:00 AM at the Carson Valley Swim Center, Minden, NV. Board members present were Chairman Mike Hardie, Vice Chairman Doug Robbins, Dave Ellison, and Frank Dressel. Kimberly Rigdon was absent.

**AGENDA**

Upon motion by Robbins to approve agenda, second by Dressel, agenda unanimously approved.

**NO PUBLIC COMMENT.**

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**CONSENT AGENDA ITEMS**

Upon motion made by Ellison and second by Robbins. The consent agenda items 1a and 1b were unanimously approved.

- 1a For possible action. Approval of previous minutes from the October 19, 2018 regular Board Meeting.
- 1b. For possible action. Approval of general ledger cash balances, expenditures and investments through October 31, 2018.

**NO PUBLIC COMMENT.**

**2. Discussion Only. Discussion and update on the Capital Improvement Plan ongoing projects. (Shannon Harris, Scott McCullough)**

Chairman Hardie introduced this item. McCullough states that the construction is going well and on schedule. He states that once you get to the framing stages it's all controlled construction and you are pretty much out of the world of things going wrong. The nice thing about Q&D is we can review the layout and make modifications and improvements even to the current plan and they have been very receptive to that. Harris states we had our Supervisor Meeting yesterday and everybody stated that the communications is great and always very professional. They are also very aware of working around the public. Very smooth, professional process. We can do a walk thru after the meeting to see the progress. Robbins asks how bad the pipes were. McCullough states that most of the waste pipes were kept. Harris states that they did find a small crack in the waste out pipe coming into the Men's locker room and they were able to fix it before it became a problem. Ellison asks how does it feel, does it feel like this is a natural kind of design? McCullough states it feel really good now that the walls are up and what really helps is not putting a lid on it. Harris states that it will feel different because we had to update all of our ADA standards. So what you'll see is bigger toilet space, private ADA shower but the showers on the outside deck and the individual toilets, people are going to choose to just rinse and leave and stay out of the locker rooms. Dressel states he likes the plans out there and sees patrons looking at them. Harris states that she is adding new pictures weekly and put the color scheme out there also. I am also updating our website. Ellison states the outside bathroom could divert a lot of people from the locker rooms.

**No Public Comment**

### **3. Discussion Only. Discussion on Districts Asset Management Plan and 5-year Capital Improvement Plan.**

Chairman Hardie introduced item. Harris states that she has furnished the board with several documents. The cash flow chart aligns with the 5 year Capital Improvement Plan. This is just a draft. This is about putting in the real numbers that we believe that we are looking at related to asset management expense which ties to the asset management document that I also put in your board binders. The Capital Budget and cash flow chart ties to the 5 year CIP. The Capital Budget line items talk about expenditures that tie back to the 5 year CIP. Hardie states that the reason the 2021 CIP is higher than this year is because we are anticipating replacing all 3 boilers and the HVAC3. Harris states yes that's why I put the other document into your packets so you could see what came out of our asset management plan as to what our expenditures possibly look like over the next 5 years. When the component is due to expire is what's in this document. So what that says is worst case scenario we may have to replace those components, however we do have annual inspections done and if it lasts longer, then we will continue operating it longer. As you'll see, in the 5 year CIP, I also have listed Project Management which is McCullough's projects, also \$30,000 contingency. So when you look at what we are spending annually, it comes more off of the Capital Improvement Plan than the Asset Management Plan. I took the beginning figure of \$1,004,000 as of July 1, 2018 just to keep things consistent. I did make the updates that the board request last month. I took out the amended budget and subtracted out the additional amount we paid for the locker room planning and put it under contingency. So this is as of October 31. Hardie states that the cash flow has asset management in it. Harris states yes it does. Hardie states that in 2021-2022 and 2022-2023 we have over 2.2M in funds available. This is a political problem unless we have some big expenditures. Ellison states the Asset Management Plan is meant to take an asset today, determine the life of the asset, how much we need to replace the asset and how much money we need to set aside each year. There are two purposes for the plan; 1) calculate the reserve and 2) schedule maintenance projects. The previous board felt that the district had plenty of resources for further maintenance, and members of the public felt that we had more resources than necessary for future maintenance. As it turns out, both were wrong. At the time, there weren't enough funds to do the repairs we have done over the past four years. Therefore, creating and maintaining the plan adds value to the district and the community by calculating the reserve necessary to maintain the pool and, even though it is only an estimate, it can be better than what the district had in the past. As for scheduling, pool staff have been successfully scheduling maintenance projects for the past 29 years, so that this system adds little value to the district by scheduling maintenance. The system should be easy to maintain if we keep it simple. Tracking the items with the largest cost and leaving out the multitude of items with a small cost will reduce the administrative burden to manage this system. The Director's and the Maintenance Supervisor's time is best spent improving the operations of the pool and spending less time on administrative tasks. Harris states that she and Maxwell maintain the Asset Management Plan. Ellison states that probably Rob goes thru the Asset Management Plan at budget time and updates the costs of all of the assets. The fewer number of assets you have in the Asset Management Plan the better. Harris states yes, that Maxwell goes in and updates the Plan and that there is a 3% inflation rate built into the system. Harris states that she totally agrees that it needs to be kept simple. The Asset Management Plan was a new system and we had to put all the information in with pictures. Now that all the data is in and moving forward there won't be the amount of time and effort put into it as before. I will look closer at the components in the Asset Management Plan and try to narrow the scope a bit. Dressel state that if he understands what Ellison is saying is don't worry about the nickels and dimes. Dressel asks if we have a wish list. Harris states that what the 5 year CIP is. When the locker room remodel is done, those components will end up on the asset management plan. All of these documents are a work in progress.

#### **Public Comment:**

**4. Discussion Only. Discussion on Districts Cost Recovery Percentage.**

Chairman Hardie introduced item. Hardie states he wants to give a little history on the cost recovery percentage. A couple of years ago the board voted to have a goal of 33% cost recovery. What this means is that we will fund our operations 67 cent out of every dollar we receive. We have come pretty close but haven't hit it yet. The reason this is on the agenda is to bring everybody up to speed on it. We had a discussion on budget and one option would be to raise fees if we couldn't make budget, another one would be to lower the cost recovery percentage. That would require a vote of the board. Shannon states that she has a great article and will scan it and send to each trustee after the meeting. Hardie states that attached is a history of cost recovery from 1990-present and Ellison has provided a projected cost recovery. Dressel states he can see the drop from 2005, was that caused by major improvements? Hardie states that was caused by overstaffing. Hardie states that we started climbing back up in 2017 and 2018 looks good. Ellison stated that the cost recovery percentage goal approved in a resolution by the board in 2015 is to be used as a directive for the director in preparing the budget. It is then up to the board to hold the director accountable for achieving the budget. The director can propose to raise fees, reduce costs, or both. Ellison states that since the cost recovery percentage goal was approved by the board by resolution, then accepting the next budget with a reduced goal should include a detailed review of proposed fee increases, cost reductions, or a combination of both and why each would be unacceptable. Robbins states that he is in favor of small increases in fees every year instead of a large increase. Dressel states he is also in favor of small increases every year. Ellison states that one of the purposes of a cost recovery goal, it is a goal to force decisions that management then has to prioritize. It also guides the creation of the budget. There are a couple of drivers such as employee costs that tend to go up every year. There are some options such as raising fees, looking at staffing, everything should be looked at. These are all management decisions. These annual costs have to be considered. Dressel states the whole environment is changing. I would suggest we just wait and see how things pan out. We have a great facility here.

**No Public Comment**

**5. For Possible Action. Discussion on proposed agenda items for the December 12<sup>th</sup>, 2018 meeting.**

CIP Report  
Swim Center Director Report

Upon motion made by Ellison and second by Rigdon, meeting was adjourned by unanimously approval.

Meeting was adjourned at 9:05 AM