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# NOTICE OF MEETING

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The regular meeting of the Incline Village General Improvement District Board of Trustees will be held starting at 6:00 p.m. on June 29, 2022 in the **Boardroom, 893 Southwood Boulevard**, Incline Village, Nevada.

Public comment is allowed and the public is welcome to make their public comment via telephone (the telephone number will be posted to our website on the day of the meeting). The meeting will be available for viewing at <https://livestream.com/accounts/3411104>.

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- A. PLEDGE OF ALLEGIANCE\*
- B. ROLL CALL OF TRUSTEES\*
- C. INITIAL PUBLIC COMMENTS\* - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*
- D. APPROVAL OF AGENDA (*for possible action*)

*The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.*

**-OR-**

*The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.*

- E. REPORTS TO THE BOARD\* - Reports are intended to inform the Board and/or the public.
  - 1. North Lake Tahoe Fire Protection District Fire Chief Sommers - Verbal Update regarding defensible space and other related topics relevant to the community
  - 2. District General Manager's Report – **pages 5 - 10**
- F. REVIEW OF THE LONG RANGE CALENDAR (*for possible action*) – **pages 11 - 12**
- G. CONSENT CALENDAR (*for possible action*)
  - 1. **SUBJECT:** Approve an agreement for media buying services for Fiscal Year 2022/23; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$215,250 in paid media spending, \$40,000 in trade media spending, and up to \$53,000 in agency fees – a grand total of up to \$308,250. (Requesting Staff Member: Marketing Manager Paul Raymore) – **pages 13 - 24**

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## Incline Village General Improvement District

*Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.*

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

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# NOTICE OF MEETING

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Agenda for the Board Meeting of June 29, 2022 - Page 2

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2. **SUBJECT:** Approve a Change Order to the contract with CORE Construction (Burnt Cedar Swimming Pool and Site Improvements Project) in the amount of \$44,872 and authorize the reallocation of \$44,872 of available funding within the Burnt Cedar Pool and Site Improvements Project (CIP3972BD1301) to the Aquatics Fund 390-39-850-7415 for the purchase of new pool furniture. (Requesting Staff Member: Director of Public Works Brad Underwood) – *pages 25 - 30*
3. **SUBJECT:** Approve Amendment No. 5 for the Effluent Pond Lining Project in the amount of \$216,000 – 2599SS2010 - Fund: Utilities; Division: Sewer; Vendor: Jacobs Engineering Group Inc. (Jacobs) and authorize Staff to execute the Amendment (Requesting Staff Member: Director of Public Works Brad Underwood) – *pages 31 - 47*

## H. GENERAL BUSINESS (*for possible action*)

1. **SUBJECT:** Review, discuss, and possibly approve the 30% Schematic Design of the Recreation Center Expansion Project; the award of the H&K contract, the award of the Exline & Co. contract, the award of the CMAR pre-construction contract with CORE West, Inc., and acknowledge the development of and intent to enter into a Progressive Grant Agreement with the Duffield Foundation. (Requesting Staff Member: District General Manager Indra Winquest with support from Director of Public Works Brad Underwood) – *pages 48 - 165*

*Recommendation for Action:* That the Board of Trustees make a motion to (1) Approve the 30% Schematic Design for the Recreation Center Expansion Project; (2) Approve the contract with H+K Architects for Recreation Center Expansion for 100% Construction Documents through permitting and bidding for \$2,025,000; (3) Approve the contract with H+K Architects for the Recreation Center Tenant Improvements, which are non-reimbursed, for 100% Construction Documents through permitting and bidding, for \$110,000; (4) Approve Exline & Company's contract for entitlement and environmental permitting for an amount not to exceed \$150,000; (5) Approve CORE West, Inc. as the Construction Manager at Risk (CMAR), for a contract including the fixed fee pre-construction services of \$125,000 and (6) Direct staff to proceed with the development of a Progressive Grant Agreement through the design and bid process with the David and Cheryl Duffield Foundation, which will be brought to the July 27 Board of Trustees meeting for approval

2. **SUBJECT:** Reimbursement Agreement for replacement of a section of water main within Ponderosa Ranch Road (Requesting Staff Member: Director of Public Works Brad Underwood) – *pages 166 - 173*

*Recommendation for Action:* That the Board of Trustees makes a motion to approve a Reimbursement Agreement for replacement of a section of waterline within Ponderosa Ranch Road; Fund: 200 Utility; Vendor: Nevada Pacific Consulting, in the amount of \$47,702.50, plus a \$2,000 contingency; authorize amending the current FY 21-22 CIP budget, establishment of a new project within Fund: 200 Utility in the amount of \$49,702.50; and authorize Staff to execute the Reimbursement Agreement based on a review by General Counsel.

3. **SUBJECT:** Diamond Peak Ski Education Foundation – District Agreement (Requesting Staff Member: General Manager Diamond Peak Ski Resort) – *pages 174 - 281*

*Recommendation for Action:* That the Board of Trustees makes a motion to approve an agreement between the Incline Village General Improvement District and the Diamond Peak Ski Education Foundation to operate ski education programs at the Districts Diamond Peak Ski Resort for the period beginning July 1, 2022 through June 30, 2027 and authorize Staff to execute all agreement documents based on a review by General Counsel. General Counsel has reviewed the clean agreement.

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# NOTICE OF MEETING

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Agenda for the Board Meeting of June 29, 2022 - Page 3

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4. **SUBJECT:** Consideration of Draft Purchasing Policy (Management Partners) (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 282 - 311**

*Recommendation for Action:* It is recommended that the Board of Trustees review, discuss and provide feedback on drafts of proposed District Purchasing Policies related to a) goods and services and b) Public Works Contracts, and direct staff to return to the Board with updated policy documents for consideration and approval via Board Resolution at the July 27<sup>th</sup> meeting.

5. **SUBJECT:** Status Report on Implementation of Recommendations from the three Reports issued by Moss Adams, LLC related to a) Construction Advisory Services, b) Evaluation of Certain Accounting and Reporting Matters, and c) Board Policies and Practices. (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 312 - 347**

*Recommendation for Action:* Staff recommends that the Board of Trustees receive a report on management's implementation of recommendations offered by Moss Adams through the course of various consulting engagements, and review, discuss and provide feedback on a draft update to Board Policy 12.1.0, consolidating existing Board Policies 12.1 and 13.1 and Board Practice 13.2, and incorporating recommendations contained in Moss Adams' most recent report related to review of Board Policies and Practices, as presented to the Board of Trustees at their meeting of January 12, 2022.

6. **SUBJECT:** 5-Year CIP Approval (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 348 - 359**

*Recommendation for Action:* It is recommended that the Board of Trustees review and provide feedback to the updated Five-Year Capital Improvement Plan developed through the FY2022/23 Budget Process for preparation of Form 4411LGF to be submitted to the Department of Taxation.

7. **SUBJECT:** Review, discuss and potentially provide amendments to Policy 15.1.0 to modify the term of Audit Committee appointments to expire in February and to discuss potential additional amendments for future approval regarding Audit Committee eligibility (Requesting Trustee: Trustee Sara Schmitz with support from District General Counsel Joshua Nelson) – **pages 360 - 379**

*Recommendation for Action:* It is recommended that the Board of Trustees review, discuss, and potentially approve amendments to Policy 15.1.0 to modify the term of Audit Committee appointments to expire in February instead of June. The Board of Trustees may further wish to discuss potential additional amendments regarding Audit Committee eligibility for approval at a future meeting.

8. **SUBJECT:** Case No. CV18-01564 Mark E. Smith v. IVGID -Review, discuss and possibly approve a settlement agreement with the plaintiff – **pages 380 - 381**

*Recommendation for Action:* That the Board of Trustees makes a motion to approve the settlement agreement with the plaintiff in Mark E. Smith v. IVGID, Case No. CV18-01564

9. **SUBJECT:** Review, discuss and potentially provide approve Resolution No. 1896 repealing Resolution No. 1575/Policy and Procedure No. 120 (Requesting Staff Member: District General Manager Indra Winquest) – **pages 382 - 383**

*Recommendation for Action:* It is recommended that the Board of Trustees review, discuss, and potentially approve Resolution No. 1896 repealing Resolution No. 1575/Policy and Procedure No. 120.

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# NOTICE OF MEETING

Agenda for the Board Meeting of June 29, 2022 - Page 4

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I. MEETING MINUTES (for possible action)

1. Meeting of May 26, 2022 – *pages 384 - 463*

J. FINAL PUBLIC COMMENTS\* - Limited to a maximum of three (3) minutes in duration.

K. ADJOURNMENT (*for possible action*)

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## CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, June 24, 2022 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of June 29, 2022) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

1. IVGID Anne Vorderbruggen Building (893 Southwood Boulevard, Incline Village, Nevada; Administrative Offices)
2. IVGID's website ([www.yourtahoeplace.com/Board of Trustees/Meetings and Agendas](http://www.yourtahoeplace.com/Board of Trustees/Meetings and Agendas))
3. State of Nevada public noticing website (<https://notice.nv.gov/>)

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

District Clerk (e-mail: [sah@ivgid.org](mailto:sah@ivgid.org)/phone # 775-832-1207)

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**Board of Trustees:** *Tim Callicrate - Chairman, Matthew Dent, Sara Schmitz, Kendra Wong, and Michaela Tonking.*

**Notes:** *Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (\*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. IVGID'S agenda packets are available at IVGID's website, [www.yourtahoeplace.com](http://www.yourtahoeplace.com); go to "Board Meetings and Agendas".*



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Review, Discuss and Provide Feedback on Draft Purchasing Policies for a) Goods and Services, and b) Public Works Contracts

**DATE:** June 29, 2022

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### **I. RECOMMENDATION**

It is recommended that the Board of Trustees:

- 1) Review, discuss and provide feedback on drafts of proposed District Purchasing Policies related to a) goods and services and b) Public Works Contracts, and
- 2) Direct staff to return to the Board with updated policy documents for consideration and approval at the July 27<sup>th</sup> meeting.

### **II. BACKGROUND**

The District currently lacks a formal Board-approved Purchasing Policy. Rather, District procurement of goods and services is effectively governed by provisions of Nevada Revised Statutes Chapter 332, cited as the Local Government Purchasing Act. Similarly, procurement of Public Works contracts (as defined) is governed by Nevada Revised Statutes Chapter 338 – Public Works Projects.

While conformity with applicable provisions of the NRS meets the legal procurement requirements imposed by the State of Nevada, best practices suggest that the local government entities adopt formal agency-specific purchasing policies. The benefits of the District adopting formal purchasing policies include:

- 1) Improved clarity and transparency related to applicable provisions of the Nevada Revised Statutes (currently cited by reference in District's internal Purchasing Procedure documents), and
- 2) The ability of the District to establish procurement policies that are more stringent than certain provisions of the NRS, if doing so advances Board goals and objectives related to procurement of goods, services or Public Works contracts and, by extension, the expenditure of District resources.

As part of the District's overall effort to review, update and enhance its internal controls related to management of fiscal resources and assets, in January of this year Management Partners, Inc., was engaged on a project to assist with updating the District's Finance and Accounting Procedures documents, to include existing purchasing procedures, last updated in January, 2015.

The scope of services for the Management Partners engagement included:

- Review of Purchasing Policies and Procedures
  - Interview District staff and selected Board Trustees to determine major areas of focus for updated policies and procedures.
  - Review existing purchasing policies and procedures to ensure they reflect industry best practices and compliance with Nevada Revised Statutes.
  - Prepare a PowerPoint of observations and preliminary recommendations for policy and procedural updates and review with District staff.
  - Using the existing purchasing and accounts payable procedural documentation, prepare a concise draft purchasing policy document and a purchasing procedures manual.
- Reviewing Other Finance and Accounting Policies and Procedures (Finance and Accounting Manual)
- Present Recommended Purchasing Policies and Procedures to Board of Trustees

This agenda item serves to present to the Board of Trustees recommendations from Management Partners related to establishment of formal District purchasing policies, as incorporated in draft policy documents.

The current draft policies have been reviewed with management and legal counsel. Following review, discussion and feedback from the Board of Trustees revisions to the proposed documents will be incorporated into final drafts to be

presented to the Board of Trustees for consideration and approval at the Board meeting of July 27<sup>th</sup>.

### **III. DISCUSSION**

Management is recommending that the Board consider adopting formal District Purchasing Policies consistent with applicable provisions of the Nevada Revised Statutes and management best practices in this area.

While the District currently lacks a formal Board-approved Purchasing Policy, procurement activity is conducted pursuant to the provisions of NRS 332, the Local Government Procurement Act, and NRS 338, related to Public Works contracts. These statutory provisions are cited, by reference in internal purchasing procedures (most recently updated in January of 2015), and can be accessed via the following links:

<https://www.leg.state.nv.us/nrs/nrs-332.html>

<https://www.leg.state.nv.us/nrs/nrs-338.html>

In addition, there are provisions related to aspects of the procurement process found in selected existing Board Policies (for example Board Policy 3.1.0 – Conduct Meetings of the Board of Trustees, establishing the General Manager’s contract award authority).

As part of the District’s overall effort to review, update and enhance internal controls a review of existing purchasing procedures, in relation to management best practice, was conducted by the consulting firm of Management Partners and has led to the development of proposed District purchasing policies.

Presented herein, for Board review, discussion and feedback are a draft set of companion Purchasing Policies related to the procurement of a) goods and services and b) Public Works contracts.

A representative from Management Partners will assist in the presentation of their review of the District’s internal purchasing procedures, summarize current industry best practices, and highlight specific policy recommendations that have been incorporated in the draft policies presented for Board review.

Among the specific recommendations offered by Management Partners are:

- Adopt formal Board-approved District Purchasing Policies, to include:
  - Purchasing Policy related to procurement of Goods and Services

- Purchasing Policy related to procurement of Public Works Contracts
- Incorporate definitions to provide clarification on interpretation of NRS definitions and requirements and District procedures, where appropriate.
  - Example – defining and explaining the difference between contract amendments, contract change orders, and contract contingencies
- Increase the General Manager’s contract award authority to \$100,000 (*currently set at \$50,000 via Board Policy 3.1.0*).
- Specify roles and responsibilities of the GM and department directors.
- Provide clarity on contract award authority and delegation thereof.
- Limit flexibility provided by NRS 332
  - Example - establishing presumption of competitive solicitation for selected contracts that are exempted from competitive solicitation pursuant to NRS 332.115
- Establish requirements for entering into a District contract via a purchasing consortium or otherwise via a competitive solicitation undertaken by another public agency.
- Include budget appropriation requirements for contract awards.

#### IV. **CONCLUSION**

It is recommended that the Board of Trustees:

- 1) Review, discuss and provide feedback on drafts of proposed District Purchasing Policies related to a) goods and services and b) Public Works Contracts, and
- 2) Direct staff to return with updated policy documents for consideration and approval at the July 27<sup>th</sup> Board meeting.

#### **Attachments:**

- 1) Draft Purchasing Policy – Goods and Services
- 2) Draft Purchasing Policy – Public Works Contracts
- 3) Current Purchasing Procedures (2015) – Bid Process (excerpt)
- 4) Management Partners – Scope of Services

# Incline Village General Improvement District **DRAFT** Purchasing Policy

June 2022



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# 1 General Provisions

## 1.1 Title. *Incline Village General Improvement District Purchasing Policy*

This policy is cited as the “Incline Village General Improvement District Purchasing Policy” and is hereafter referred to as the “Purchasing Policy” or “policy.”

## 1.2 Purpose

The purposes of the Purchasing Policy (policy) are to define the purchasing system that is used for the procurement of goods and services as authorized by the Nevada Revised Statutes; to provide for the fair and equitable treatment of all persons involved in the purchasing process; to obtain the highest possible value in exchange for public funds; to exercise positive financial control over purchases; and to safeguard the quality and integrity of the purchasing system.

## 1.3 Enabling Statute(s)

The Purchasing Policy is adopted pursuant to Chapter 332 of the Nevada Revised Statutes (NRS), cited as the Local Government Purchasing Act. Any purchase of goods and/or services as defined herein shall be made in compliance with the Local Government Purchasing Act or more restrictive requirements as may be adopted by the Incline Village General Improvement District Board of Trustees.

For goods and services purchases that utilize federal grant funding, the procurement standards required by Title 2, Subtitle A, Chapter II, Part 200, Subpart D, sections 200.318 to 327 (2 CFR 200.318 to 327) shall apply.

Unless otherwise specifically stated herein, this policy shall not apply to the procurement of public works construction projects, which shall be governed by the Incline Village General Improvement District (IVGID or District) Purchasing Policy for Public Works Construction pursuant to NRS Chapter 338.

## 1.4 Definitions

For the purposes of this policy and implementing administrative procedures, the following definitions shall apply:

- A. Authorized representative. Unless otherwise designated, the authorized representative is the person/position designated by the Board of Trustees (governing body) to be responsible for purchasing functions described or referenced herein. The authorized representative of the District is the General Manager, who may delegate purchasing roles and responsibilities as allowed by and in accordance with this policy.
- B. Awarding body. The awarding body is the Board of Trustees or its authorized representative as defined and prescribed herein.
- C. Competitive solicitation. A written statement that sets forth the requirements and specifications of a required purchase that can include an invitation to bid, request for proposals, request for statement of qualifications, request for quotations, or other acceptable methods in compliance with NRS Chapter 332.

- D. Contract. A mutual, written understanding between two or more competent parties, whereby one party agrees to perform as defined in the contract and the other party agrees to compensation for the performance rendered in accordance with the contract conditions. Contract and agreement may be used synonymously, and a purchase order can be a legally binding contract if issued with the terms and conditions of a purchase transaction.
- E. Contract amendment. An agreed upon modification to an existing and properly awarded contract. Contract amendments shall be approved by the appropriate awarding body based on the aggregate total of the contract, i.e., the initial contract plus each amendment.
- F. Contract change order. A modification to an existing contract to add or deduct work or materials that does not increase the approved contract amount.
- G. Contract contingency. A percentage amount, typically ten percent, that is recommended for approval to the awarding body at the time of contract award that is reserved for unforeseen conditions encountered during project delivery. A contract contingency cannot be used to increase the scope of a project (see contract amendment).
- H. General services. Work performed or services rendered by independent contractors such as custodial services; building, equipment or other maintenance not classified as a public work; and machinery and equipment rental. General services are typically associated with operational work and involved physical skills.
- I. Goods. Equipment, materials and supplies to be furnished or used by any department of the District, including items to be purchased by the District and furnished to contractors for use in public works projects.
- J. Governing body. The governing body shall be the Board of Trustees.
- K. Implementing administrative procedures. Written instructions and procedures approved by the General Manager that implement the prescriptions and requirements of this policy.
- L. Lowest responsive and responsible bidder. A responsible bidder/proposer who submits a bid/proposal that is responsive to the solicitation requirements.
- M. Professional services. Services performed by a person or firm engaged in a profession based on highly specialized and/or technical knowledge or skill such as accountants, attorneys, architects, engineers, and physicians. Professional services are most closely associated with consultants who produce reports, studies and plans/specifications.
- N. Surplus Personal Property. Equipment, materials and supplies that is no longer used or has become obsolete, to be sold, exchanged or donated in accordance with NRS Chapter 332.

## ***1.5 Procurement Responsibilities***

This section sets forth procurement responsibilities of Incline Village General Improvement District (IVGID or District) staff members.

### **1.5.1 General Manager**

The General Manager, as the Board of Trustee's authorized representative, is responsible for the following procurement activities and functions:

- A. Adopting and keeping current administrative procedures that implement this purchasing policy and subsequent updates for consistency with NRS Chapter 332, or other changes in the law or revisions desired by the Board of Trustees.
- B. Overseeing and facilitating compliance with this policy, including:
  - a. Exercising positive financial control over purchase transactions.

- b. Conducting competitive bidding and other forms of solicitation in the manner prescribed by [Article 2, Competitive Solicitation Requirements](#) of this policy.
  - c. Awarding, recommending the award, and executing contracts in the manner prescribed by [Section 1.6, Contract Award Authority](#) of this policy.
  - d. Staying informed of public procurement and market trends for effective procurement management.
  - e. Prescribing and maintaining such forms as are necessary to conduct procurement processes compliant with this policy.
  - f. Recommending updates to the purchasing policy for Board approval, as needed.
  - g. Maintaining purchasing records and tracking expenditures associated with centralized goods and services purchases.
  - h. Approve the sale, donation, or trade-in of surplus personal property as prescribed in NRS Chapter 332.
- C. Ensuring compliance with the Purchasing Policy for Public Works Construction.

### 1.5.2 Department Directors

Each department director shall be responsible for ensuring that all departmental purchases, including those associated with public works construction, are made in compliance with District policy and implementing administrative procedures, including:

- A. Preparing competitive solicitations appropriate to the procurement.
- B. Developing a good faith cost estimate of each procurement, planned or otherwise, to determine the appropriate solicitation procedure(s) whether competitively bid or sourced.
- C. Ensuring that the proper solicitation method is followed.
- D. Evaluating bids, proposals or price quotations received in accordance with the selection procedures appropriate to the method of solicitation.
- E. Ensuring that any contract or purchase order resulting from a solicitation process is approved and executed by the appropriate Awarding Body as defined herein.
- F. Ensuring that sufficient funds are appropriated to pay for a purchase.
- G. Ensuring that a contractor, consultant or vendor has met all District requirements pertinent to the purchase before goods are provided or services rendered. Such requirements include, but may not be limited to:
  - a. Payment and/or performance bonds,
  - b. Insurance certificates listing IVGID as an additional insured with incorporated endorsement pages, or
  - c. Appropriate permits and/or licenses.
- H. Inspecting goods received to determine conformance with product specifications.
- I. Monitoring the performance of contractors, consultants and vendors to ensure compliance with contract requirements.
- J. Recommending and preparing contract amendments and change orders as necessary, and ensuring that such instruments are approved by the appropriate Awarding Body and that sufficient funds are appropriated to pay for the contract modification.
- K. Ensuring that due diligence is performed before determining that a purchase can proceed without a competitive solicitation process, provided that:
  - a. The exception to a competitive solicitation is allowable under NRS Chapter 332 and is not otherwise excluded from exception by this policy.
  - b. The exception is properly documented and approved by the authorized representative.

- c. A resultant contract or purchase order is appropriately funded and approved by the appropriate awarding body.
- L. Keeping sufficient records of all departmental procurement process documentation, contracts and expenditures thereof, and ensuring that documentation is properly stored and filed in accordance with required recordkeeping procedures.
- M. Recommend the disposal of surplus personal property in accordance with NRS Chapter 332.

## **1.6 Contract Award Authority**

The authority to approve and execute contracts that legally bind IVGID to the purchase of goods and/or services shall be vested in the Board of Trustees, or its authorized representative, as prescribed in this policy, subject to mandatory requirements of NRS Chapter 332 that may be adopted and which supersede IVGID policy prescription.

### **1.6.1 Board of Trustees**

The Board of Trustees shall be the awarding body for any purchase of goods and/or services. For operational effectiveness and efficiency, business necessity or other purpose, the Board of Trustees, in its capacity as the governing body, may delegate the authority to award and execute contracts of any amount to the authorized representative. Such authority shall only be delegated as prescribed by this policy.

Until such time that economic conditions or other factors require a modification, the Board of Trustees shall approve any purchase for which the single transaction as defined herein exceeds \$100,000.

### **1.6.2 Delegation of Contract Award Authority**

The following subsections establish the dollar threshold amounts and other requirements associated with the delegation of contract award authority.

#### **1.6.2.1 Delegation by the Board of Trustees to the General Manager**

To ensure efficient and effective business operation of the District, the General Manager, as the authorized representative of governing body, may award and execute contracts for the purchase of goods and/or services for which a single transaction does not exceed \$100,000.

Nothing in this section shall preclude the General Manager from requesting Board approval for contracts below this amount if deemed to be in the best interest of the District.

#### **1.6.2.2 Delegation by the General Manager to District Staff Members**

To ensure the efficient and effective business operation of the District, the General Manager may delegate contract award and/or execution authority granted by the Board of Trustees to the authorized representative. Such delegation shall be in writing and shall be reported to the Board of Trustees as an information item at the next regularly scheduled Board meeting.

#### **1.6.2.3 Award Authority Determined by Single Transaction**

For the purpose of determining the appropriate award authority, contract amounts shall be defined by what constitutes a single, or one transaction, as follows:

- A. One-time Purchase. Each discrete, one-time purchase that will not be duplicated in a fiscal year or fiscal years is a single transaction.
- B. As-needed or On-call Contracts. The contract term of an as-needed or on-call contract that may be required for recurring goods or services throughout a fiscal year, coupled with the total estimated value to be spent during the contract term, shall be considered a single transaction.
- C. Contract Amendments. A single transaction associated with a contract amendment shall be the sum total of the original contract amount of the amendment.
- D. Multi-year Contracts. A single transaction associated with a contract awarded for more than one year shall be the estimated sum total of the contract term, subject to the annual budget appropriation required specified in subsection 1.6.2.4.

#### **1.6.2.4 Annual Budget Appropriation Required**

For the purpose of complying with this policy, no contract for goods and/or services needed for operations shall be awarded unless there exists an underlying operating budget appropriation in the fiscal year in which the contract is awarded.

Contracts awarded in a fiscal year that are anticipated to extend into a subsequent fiscal year or years may be awarded by the appropriate awarding authority but shall be subject to the appropriation requirement specified herein. The appropriation requirements specified herein shall be incorporated in District contract templates.

For construction projects adopted pursuant to IVGID's five-year capital improvement program (CIP), annual appropriations shall be presumed for the anticipated duration of a project.

## **2 Competitive Solicitation Requirements**

### **2.1 Competitive Solicitation Requirements**

Any competitive solicitation required by this policy shall follow the requirements contained and referenced in this section.

#### **2.1.1 Required Contents**

Each competitive solicitation issued by IVGID shall include the following content:

- A. The minimum requirements that a successful responding offeror must meet for contract award.
- B. The method by which a contract will be awarded, i.e., to the lowest responsive and responsible bidder or based on factors in addition to price.
- C. Notice of the written certification required pursuant to subsection 4 of NRS 332.065 (Boycott of Israel), if applicable (see [Subsection 2.2.6.1, Additional Solicitation Requirements When Using an Invitation to Bid](#)).
- D. The period during which a notice of protest of a contract award may be submitted, if applicable (see [Subsection 2.2.6.1, Additional Solicitation Requirements When Using an Invitation to Bid](#)).



## **2.1.2 Advertisement of Solicitation Opportunity**

When required by this policy, the advertisement of a solicitation opportunity shall be published as follows:

- A. In a newspaper of general circulation in Washoe County at least once and not less than 7 days before the due date and time of the solicitation response.
- B. Posted on a secure website every day for not less than 7 days before the due date and time of the solicitation response, as applicable and required.

The advertisement must state:

- A. The nature of the contract to be awarded.
- B. Where plans and specifications are available, if any.
- C. The date and time which responses must be received by and opened, as applicable.
- D. Whether the written certification required by subsection 4 of NRS 332.065 is applicable.
- E. Other information pertinent to a contract to be awarded.

## **2.2 Competitive Solicitation Methods**

Competitive solicitation authorization and methods required by this policy are established as follows.

### **2.2.1 Authorization to Issue Competitive Solicitations**

The General Manager, as the District's authorized representative, shall be responsible for conducting competitive solicitations and ensuring compliance with the procurement methods required by this policy.

To ensure efficient and effective business operations, the General Manager may assign responsibilities associated with competitive solicitations to subordinate staff members. Depending on the complexity and/or the sensitivity of the procurement, the General Manager may request approval of the solicitation by the Board of Trustees prior to issuance, when in the best interests of the District.

### **2.2.2 Competitive Solicitation Dollar Thresholds**

The Local Government Purchasing Act does not establish competitive solicitation thresholds below \$50,000. As a matter of prudence and best practice, this policy establishes such requirements in subsections 2.2.3 and 2.2.4 below.

### **2.2.3 Purchase of Goods and General Services Up To \$10,000**

A competitive solicitation process is not required for the purchase of goods and/or general services estimated to cost \$10,000 or less in a single transaction. However, nothing shall preclude District staff members from conducting price comparisons to ensure the best overall value is obtained.

## **2.2.4 Purchase of Goods and General Services Between \$10,000.01 and \$50,000.00 (Informal Solicitation Methods)**

The purchase of goods and/or general services estimated to cost between \$10,000.01 and \$50,000.00 in a single transaction may be procured by soliciting a minimum of two price quotations from sources capable of meeting the District's requirements under a resultant contract, unless a more formalized method such as the use of a standard bidding template is prescribed by the General Manager or designated authorized representative.

### **2.2.4.1 Less Than Two Price Quotations Received in Response to Informal Solicitation**

If at least two price quotations are solicited, and only one is received, the authorized representative may recommend approval of the purchase to the awarding body provided that appropriate written documentation is presented with the purchase request that justifies the selection.

### **2.2.4.2 No Preclusion for Advertisement of Solicitation Opportunity**

Nothing in this section shall preclude the authorized representative from advertising a competitive solicitation opportunity for a goods and/or services purchase within the dollar thresholds specified in this section if in the best interest of the District to do so.

## **2.2.5 Purchase of Goods and/or General Services Between \$50,000.01 and \$100,000.00 (Formal Solicitation Methods)**

A competitive solicitation for goods and/or services anticipated to cost between \$50,000.01 and \$100,000.00 shall be solicited as follows:

- A. Responses must be solicited from two or more prospective sources capable of providing the required goods and/or services under a resultant contract.
- B. The solicitation may be advertised in the manner prescribed in [Section 2.1.2, Advertisement of Solicitation Opportunity](#).

## **2.2.6 Purchase of Goods and/or General Services Greater Than \$100,000 (Formal Solicitation Methods)**

A competitive solicitation for goods and/or services anticipated to cost more than \$100,000 shall be solicited as follows:

- A. The solicitation must be advertised in the manner prescribed in [Section 2.1.2, Advertisement of Solicitation Opportunity](#).
- C. Responses may be solicited from two or more prospective sources capable of providing the required goods and/or services under a resultant contract.

### **2.2.6.1 Additional Solicitation Requirements When Using an Invitation to Bid**

If an invitation to bid is the solicitation method used to procure goods and/or services anticipated to cost more than \$100,000, the following requirements shall apply.

- A. The contract must be awarded to the lowest responsive and responsible bidder. Such determination shall be made in accordance with the determining factors specific in NRS 332.065(2).

- B. An awarded contract must include a notice of written certification required pursuant to and in the manner prescribed by subsection 4 of NRS 332.065 (Boycott of Israel).
- C. The District shall give preference to the use of recycled products, as applicable and as specified in NRS 332.066.

#### **2.2.6.2 Use of Solicitation Methods Other Than an Invitation to Bid**

A competitive solicitation method other than an invitation may be used so long as the minimum requirements for a responding offeror are met ([Subsection 2.1.1, Required Contents](#)) are met.

#### **2.2.6.3 Protest of Contract Award**

A person or company who has submitted a response to a solicitation may submit a notice of protest regarding the award of contract in accordance with the requirements prescribed in NRS 332.068 or a successor provision or provisions. The General Manager, as the District's authorized representative, shall develop procedures for evaluating and responding to the protest of a contract award.

#### **2.2.6.4 Rejection of Response(s) Received**

A response to a competitive solicitation may be rejected if it is determined that any of the following circumstances apply:

- A. A submittal is non-responsive, or a responding offeror is non-responsive.
- B. The quality of goods or services offered does not conform to District requirements.
- C. The public interest would be served by such rejection.

The General Manager, as the District's authorized representative, shall be responsible for determining whether to reject a response or responses to a competitive solicitation in accordance with NRS 332.075 or successor provision(s). Depending on the nature of the rejection(s), the General Manager, in consultation with District counsel, may request Board authorization to reject a submittal or submittals.

### **2.2.7 Purchase of Professional Services**

Contracts for professional services where highly specialized knowledge or technical know-how is required are not always adapted to award by competitive solicitation.

District staff shall evaluate each purchase of professional services to determine whether a competitive solicitation process would serve the best interests of IVGID or whether such a process would be impractical.

#### **2.2.7.1 Professional Services Procured Through a Competitive Solicitation Process**

Professional services procured through a competitive solicitation process may be conducted by request for proposals, request for statement of qualifications, or other method allowable by NRS Chapter 332, so long as responding offerors are evaluated on their qualifications, experience and demonstrated competence.

Competitive solicitations for professional services shall be conducted in a manner prescribed by the General Manager in the implementing administrative procedures. Such procedures shall be guided by the competitive solicitation and contract award thresholds prescribed in this policy.

### **2.2.7.2 Professional Services Procures Without a Competitive Solicitation Process**

Professional services procured without a competitive solicitation process shall follow the requirements set forth in [Subsection 3.2.1, Documentation and Approval Requirements for Purchases Excepted from Competitive Solicitation](#).

## **2.2.8 No Responses Received to Competitive Solicitation**

If a competitive solicitation process is conducted and no responsible responses are received, the authorized representative may let a contract without a competitive solicitation provided that:

- A. A notice is published for not less than 7 days stating that no responses were received and that the contract may be awarded without further solicitation.
- B. The authorized representative considers any response received during the noticing period.
- C. The contract is awarded by the appropriate awarding authority.

# **3 Exceptions to Competitive Solicitation Requirements**

## **3.1 Exceptions to Competitive Solicitation Requirements**

As defined in NRS Chapter 332, certain contracts by their nature are not adapted to award by a competitive solicitation. Such contracts can only be exempted from a competitive solicitation in accordance with the requirements prescribed in this section.

Contracts that the District may exempt from a competitive solicitation include:

- A. Emergency contracts required to mitigate or prevent the imminent loss of life or property, or the imminent disruption of business operations.
- B. Sole source purchases, as defined.
- C. Contracts not adapted to award by competitive solicitation including:
  - a. Professional services as prescribed herein.
  - b. Repair and maintenance of equipment that may be more efficiently serviced by a certain person.
  - c. Instances where compatibility with existing equipment is an overriding consideration.
  - d. Perishable goods.
  - e. Standardized computer hardware and peripheral devices and software, and the maintenance and support thereof.
  - f. Insurance.
  - g. Computer hardware and associated peripheral equipment and devices; and software.
  - h. Goods or services available pursuant to an agreement between a vendor and the General Services Administration (GSA) or other federal government agency.
  - i. Items for resale through a retail outlet operated in state by a local government or the State of Nevada.

- D. Contracts awarded pursuant to solicitation by other government entities or cooperative purchasing organizations.
- E. Personal safety equipment as determined by the authorized representative.
- F. Contracts with carriers.
- G. Purchase or acquisition at auction, closeout and bankruptcy sales.
- H. Failure to receive responses to a competitive solicitation as prescribed in [Subsection 2.2.8, No Responses Received to Competitive Solicitation](#).
- I. Other exceptions authorized by NRS Chapter 332 with approval of the awarding body.

### ***3.2 Presumption of Competitive Solicitation***

In order to demonstrate the District's commitment to fair and open competition, it shall be presumed that competitive solicitations will be conducted whenever possible for goods or services that are otherwise exempt from bidding under NRS 332.

#### **3.2.1 Documentation and Approval Requirements for Purchases Excepted from Competitive Solicitation**

Pre-approval by the authorized representative is required before any goods or services can be procured without a competitive solicitation process. Such authorization shall be prescribed in the implementing administrative procedures.

## **4 Prohibitions and Associated Penalties**

### ***4.1 Overview***

To assure and maintain public confidence in the integrity of the IVGID purchasing system, the following prohibitions and associated penalties are adopted that apply to any District elected official or employee involved in procurement processes.

#### **4.1.1 Prohibition on Financial Interest in Contracts**

As included in Board of Trustees Policy 3.1.0, the District and its Board shall operate according to NRS 281A, Ethics in Government, except as otherwise provided in NRS 332.800 (Interest of member of governing body or evaluator in contract prohibited) or excepted therefrom.

### ***4.2 Prohibition on Splitting***

Purchases of goods and services cannot, under any circumstances, be split or separated into smaller components to avoid the District's competitive solicitation or contract award requirements.

# Incline Village General Improvement District **DRAFT** Purchasing Policy for Public Works Construction

June 2022





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# 1 Public Works Construction Contracts Summary

## 1.1 Purpose

The purpose of this section is to summarize IVGID policy requirements for competitively bidding and awarding contracts solely for the purpose of constructing public works.

## 1.2 Enabling Statute(s)

This section of the Purchasing Policy is adopted pursuant to Chapter 338 of the Nevada Revised Statutes (NRS 338), cited as Public Works. All contracts awarded for the construction of public works shall be made in compliance with NRS 338 or more restrictive requirements as may be adopted by the Incline Village General Improvement District Board of Trustees.

## 1.3 Public Works Defined

Any project for the new construction, repair, or reconstruction of a project financed with public money in whole or in part for public:

- Buildings,
- Highways, roads, streets and alleys,
- Utilities, water mains and sewers,
- Parks and playgrounds,
- Convention facilities, and

All other publicly owned works and property.

## 1.4 Applicability of Purchasing Policy Provisions

The following sections of the Purchasing Policy shall apply to this Purchasing Policy for Public Works Construction.

- Applicable definitions contained in Section 1.4, Definitions.
- Referenced provisions in Section 1.5, Procurement Responsibilities.
- Section 1.6, Contract Award Authority.

## 1.5 General Provisions

In addition to any other requirements established in NRS 338, the following general provisions apply to procurements related to public works construction.

### 1.5.1 Inapplicability of Policy to Contracts for Maintenance or Emergencies

The requirements of this section and NRS 338 do not apply to the following procurements:

- A. Contracts awarded in compliance with NRS 332 that are directly related to the **normal operation** of the District or the **normal maintenance** of IVGID property.

- B. Contracts awarded to meet an **emergency** which results from a natural or artificially created disaster that threatens the health, safety, or welfare of the public.

If the Board or its authorized representative determines that an emergency exists, a contract or contracts necessary to address the emergency may be let without complying with the competitive bidding requirements of NRS 338 unless otherwise required for federal or state reimbursement funding.

If such emergency action is taken by the authorized representative, the authorized representative shall report the contract or contracts to the Board at its next regularly scheduled meeting.

### **1.5.2 Prevailing Wage Required**

The payment of prevailing wages, in the manner specified in NRS 338, is required for all contracts for public works construction that exceed \$100,000.

### **1.5.3 Use of Recycled Materials**

Public works projects associated with the construction, reconstruction, improvement, maintenance or repair of a public road or public highway must provide for the use of recycled aggregate, recycled bituminous pavement and recycled rubber from tires. Such provision shall be included in the project bidding documents.

The District must ensure that such recycled products are specified in the construction contract unless use of such products is scientifically proven to compromise the soundness of the project.

## ***1.6 General Requirements by Dollar Threshold***

The following requirements apply to all public works construction projects and contracts, unless otherwise specified.

### **1.6.1 Construction Projects Greater Than \$100,000**

Construction projects estimated to be greater than \$100,000 shall adhere to all applicable provisions of NRS 338 and as specified below.

- A. Projects shall not be divided into segments to avoid competitive bidding or contract award requirements.
- B. Solicitations must be advertised in a newspaper of general circulation.
- C. Plans and specifications must be on file by the date of advertisement and available to all interested parties.
- D. The advertisement must indicate how to obtain the plans and specifications, and the date, place and time bids will due/opened.
- E. The advertisement must include a provision that sets forth contractor qualification requirements.
- F. Contracts up to \$250,000 must be awarded to the lowest responsive and responsible bidder.
- G. Contracts greater than \$250,000 shall be awarded to the contractor that submits the best bid.

- H. Contractors and subcontractors must be appropriately licensed by the State of Nevada.
- I. Bids shall be submitted with a 10% bid bond.
- J. Contracts shall be awarded by the Board of Trustees.
- K. NRS 338 quarterly reporting requirements must be followed.

### **1.6.2 Construction Projects \$100,000 or Less**

Construction projects estimated to be **\$100,000 or less** shall adhere to all applicable provisions of NRS 338 and as specified below.

- A. Bids may be advertised in accordance with required procedures.
- B. Bids must be solicited from at least three properly licensed contractors for projects estimated to be greater than \$25,000.
- C. If the estimated cost is \$25,000 or less, at least one bid from a properly licensed contractor must be solicited.
- D. Contracts must be awarded to the lowest responsive and responsible bidder.
- E. Contractors and subcontractors must be appropriately licensed by the State of Nevada.
- F. Bids shall be submitted with a 10% bid bond.
- G. Contracts shall be awarded by the General Manager.
- H. NRS 338 quarterly reporting requirements must be followed.

#### **1.6.2.1 Construction Projects Performed by District Forces**

Construction projects estimated to **\$100,000 or less** may be performed by District staff members under the following conditions:

- A. If bids were submitted and then rejected in accordance with Section 1.5.3 below, the District may proceed with constructing a public work itself.
- B. If constructing a public work itself, the District must adhere to the attestation requirements contained in NRS 338.

### **1.6.3 Bid Rejection**

Any bids received in response to an advertisement or direct solicitation may be rejected by the Board of Trustees or its authorized representative if it is determined that:

- A bidder is not qualified pursuant to NRS 338.
- A bid is non-responsive.
- A bidder is not responsible.
- The quality of the services, materials, equipment, or labor offered does not conform to the approved plans or specifications.
- The public interest would be served by such a rejection.

## 1.6.4 Bid Protests

A contractor that submits a bid in response to a solicitation may file a notice of protest of contract award in accordance with this section and applicable provisions of NRS 338.

### 1.6.4.1 Protest Submittal Requirements

A contractor that submits a bid in response to a solicitation who wishes to file a notice of protest must do so within five business days after the date of District issuance of the intent to award a contract.

The notice of protest must include a written statement setting forth the specific reasons for the protest, including the relevant provisions of NRS 338 or other provisions in law purported to be violated.

### 1.6.4.2 Authorized Representative to Consider Initial Bid Protest

The General Manager, as the authorized representative of the Board of Trustees, shall receive and evaluate a properly filed protest submitted by a bidding contractor.

To ensure the efficient and effective business operation of the District, the General Manager may delegate the authority to receive and evaluate bid protests to other IVGID staff members in accordance with the delegation procedures specified in Subsection 1.6.2.2 of the Purchasing Policy (Delegation by the General Manager to District Staff Members).

### 1.6.4.3 Final Determination of Bid Protest

The authorized representative shall evaluate the protest and make a recommendation to the awarding body to uphold or deny the protest. A contract cannot be awarded until the awarding body makes its determination.

## 1.7 Contractor Qualification and Preference Requirements

In constructing any public work, the District must comply with all applicable contractor qualification and contractor preference requirements specified in NRS 338.

## 1.8 Alternative Bidding Methods

Pursuant to NRS 338, the District may use bidding methods to award construction contracts to **qualified** contractors based on best value rather than lowest responsive and responsible bid, including **Construction Managers at Risk** and **Design-Build** methods. These bidding methods are used for large construction projects that present unique and complex construction challenges.

### 1.8.1 Construction Managers At Risk

Use of the construction managers at risk method requires entering into separate contracts with the selected contractor for preconstruction services and for constructing the public work.

A construction manager at risk must meet the qualification requirements specified in NRS 338.

### **1.8.1.1 Competitive Solicitation, Selection and Contracting Methods**

Construction managers at risk contracts require the use of a request for proposals (RFP) process in strict accordance with the solicitation, evaluation, selection and contract award provisions specified in NRS 338.

### **1.8.2 Design-Build Teams**

Contracts for construction projects where the estimated cost of design *and* construction exceeds \$5,000,000 may be let using the design-build method. Use of the design-build method requires a two-step RFP process in strict accordance with the solicitation, evaluation, selection and contract award provisions specified in NRS 338.

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## Purchasing Procedures for IVGID

### Bid Processes

There are 2 types of bidding processes to consider for local governments:

1. **Purchasing Bids:** Adhere to the laws detailed in NRS 332 Purchasing: Local Government.
  - A. If bid/contract is over \$25,000 but less than \$50,000 then 1) requests must be submitted to 2 or more persons capable of performing the contract or providing equipment, supplies or goods; and 2) Records of all requests for bids received must be kept for at least 7 years after the date of execution of contract.
  - B. Must advertise all contracts for which the estimated amount required to perform the contract exceeds \$50,000 annually. Publication of notice to bid must be 1) published at least once and not less than 7 days before the opening of bids in a newspaper having general circulation in Washoe County 2) be posted on the IVGID internet site every day for not less than 7 days before the opening of bids.
    - 1) Maintain a record of all requests for bids and all bids received for at least 7 years after the date of execution of the contract.
    - 2) The notice must state the nature, character or object of the contract; if plans and specifications are to constitute part of the contract, where the plans and specifications may be viewed. The time and place where bids will be received and opened must also be included in the notice.
    - 3) On-line bidding is allowable – see Statue on requirements (NRS 332.047).
    - 4) Exceptions to requirements for competitive bidding (NRS 332.115) include: items which may only be contracted from a sole source; professional services such as consulting, legal, etc.; additions to and repairs and maintenance of equipment which may be more efficiently added to, repaired or maintained by a certain person; equipment which by reason of the training of the personnel or of an inventory of replacement parts, maintained by the local government is compatible with existing equipment; perishable goods; insurance; hardware and associated peripheral equipment and devices for computers; software for computers; supplies, materials or equipment that are available from contracts with the General Services Administration or another



## Purchasing Procedures for IVGID

governmental agency in the regular course of its business; items for resale through a retail outlet operated in this state by a local government or the State of Nevada.

- 5) Procedures to follow for failure to receive responsive bids are defined in NRS 332.148.
- 6) Contract requirements for "Performance Contracts for Operating Cost-Savings Measures" are defined in NRS 332.330-332.440.
- 7) May "join" or use the contracts of local governments located within or outside of State with the authorization of the contracting vendor. This option also applies to contracts of the State of Nevada or another state. (NRS 332.195)
- 8) IVGID Board of Trustees must approve contracts awarded under the bid.

### 2. **Public Works Construction (CIP) Contracts:** Adhere to the laws detailed in NRS 338. May not divide a project/CIP into segments to avoid public bidding.

1. For all IVGID CIP project budgets exceeding \$100,000 the Engineering Department should be consulted during the planning, design and construction phases of the project.
2. Progress Checklist sheets must be completed.
3. A quarterly report detailing items in NRS 338.1444, Item 3, must be generated on contracts over \$25,000.
4. Projects funded with Federal dollars might result in additional requirements for contracts as specified in the executed grant agreement.
5. Constructability Review is required on projects over \$10,000,000 for projects with new plans and specs per NRS 338.1435.
6. Contracts involving Construction Managers at Risk or Design Build teams have further requirements as detailed in NRS 338.169 and 338.1711 respectively.
7. Public Works projects which involve "Design, Construction, Renovation and Demolition of Public Works" have further requirements as detailed in NRS 338.177 thru 338.200.
8. Projects for "Energy and Environmental Design Requirements" are detailed in NRS 338.1905 thru 338.1908.



## Purchasing Procedures for IVGID

### A. Construction Projects over \$100,000:

1. Must advertise in a newspaper of general circulation no less than 21 days before bids are to be submitted in Washoe County. (North Lake Tahoe Bonanza is fine).
2. Must have plans and specifications on file by the date of advertisement.
3. Plans and specifications must be available to all interested parties.
4. Place, date, and time of where plans and specifications are available must be advertised.
5. Date, place, and time of when and where the bids will be opened must be advertised.
6. Contract will be subject to Nevada Prevailing Wage requirements through the Labor Commissioner's office.
7. Contract must be awarded to contractor who submits the best responsible and responsive bid.
8. Best bid is not necessarily the lowest; but IVGID must have compelling reasons to award to a higher bidder. As a reference, refer to Case No CV01-05346, Second Judicial Court, and Washoe County (American General Development vs. Washoe Co School District).
9. Contractor must be licensed in Nevada with the appropriate classification and monetary limit.
10. Contractor must be in good standing with Nevada Labor Commissioner's office.
11. 10% bid bond or cashier check in 10% of bid amount is required.
12. Nevada Preference applies on projects exceeding \$250,000 as detailed in NRS 338.
13. IVGID Board of Trustees must award contract for the work.

### B. Construction Projects between \$25,000 and \$100,000:

1. Advertising is not required.
2. Must maintain a list of qualified contractors.
3. Solicit bids from at least three properly licensed contractors.
4. May request bids by direct mail, fax or e-mail from the qualified contractors.
5. Contractor must be licensed in Nevada with the appropriate classification and monetary limit.



### Purchasing Procedures for IVGID

6. IVGID Board of Trustees must award work.

#### C. **Construction Projects under \$25,000:**

1. Advertising is not required.
2. Solicit quotes from at least three properly licensed Contractors.
3. May request quotes by direct mail, fax or e-mail from the qualified Contractors.
4. At least two quotes need to be received in order to evaluate the contract pricing received, but contract should be assigned to the most responsive and responsible Contractor, which may not be based solely on pricing.
5. Contractor must be licensed in Nevada with the appropriate classification and monetary limit.

**3. Emergency Bidding not required:** If an emergency exists that may lead to impairment of the health, safety or welfare of the public if not immediately attended to, then the bidding process is not required. Emergency will be validated by General Manager, Public Works Director or the Director of Finance. Contracts awarded under emergency conditions must be reported to the Board of Trustees at their next scheduled meeting.

## EXHIBIT A

### SCOPE OF SERVICES

Based on our experience with financial organization reviews and our understanding of District's needs, Management Partners has prepared a plan of work to achieve the District's goals, which include an in-depth review of the District's purchasing policies and procedures. We understand that a review of the District's purchasing policies and procedures is a priority for the department as well as executive staff and policymakers.

#### **Activity 1 – Start Project**

Management Partners will begin this project with a careful learning phase, starting with a planning meeting with the project team. The purpose of the meeting is to ensure the plan of work and schedule are precisely tailored to the needs of the District. Throughout the project we will keep you informed of our progress, observations, and initial recommendations.

The project start-up activity forms the foundation of the relationship between Management Partners' team and District leaders. We know that the work associated with this review is in addition to the normal work of the organization. Our goal is to integrate our activities in a manner that is thoughtful and minimizes disruption to operations. However, the cooperation of staff in providing requested data and giving meaningful feedback is crucial to a successful project.

We will provide a document request prior to the kickoff meeting and will review the material collected by staff to identify any other informational needs.

#### **Activity 2 – Review Finance and Accounting Policies and Procedures**

During this activity Management Partners will perform the following tasks to familiarize ourselves with the District's current finance and accounting and purchasing documentation. They include:

- **Reviewing Purchasing Policies and Procedures**
  - Interview District staff and selected Board Trustees to determine major areas of focus for updated policies and procedures.
  - Review existing purchasing policies and procedures to ensure they reflect industry best practices and compliance with Nevada Revised Statutes.
  - Prepare a PowerPoint of observations and preliminary recommendations for policy and procedural updates and review with District staff.
  - Using the existing purchasing and accounts payable procedural documentation, prepare a concise draft purchasing policy document and a purchasing procedures manual.
- **Reviewing Other Finance and Accounting Policies and Procedures (Finance and Accounting Manual)**
  - Using the documentation provided by the District, organize the existing finance and accounting documentation into an electronic format for ease of revising and updating.
  - Interview District staff to review the document and obtain direction regarding priority areas to be addressed.

- Based on these priorities, review existing documentation for finance and accounting policies and procedures compared with industry best practices to determine those that should be revised and updated by District staff.
- Meet with staff to clarify policy and procedural requirements.
- Identify documentation gaps and process clarifications that may be needed based on best practices, and/or opportunities to optimize efficiency. This will necessarily also be influenced by implementation of the new financial software system.
- Provide comments in a structured format to District staff for areas that should be updated, revised or clarified.

### **Activity 3 – Present Recommended Purchasing Policies and Procedures to Board of Trustees**

Following completion of revisions to the District’s purchasing policies and procedures, we will prepare a presentation to the Board of Trustee’s regarding proposed changes and updates.

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra S. Winqest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Status Report on Implementation of Recommendations from the three Reports issued by Moss Adams, LLC related to a) Construction Advisory Services, b) Evaluation of Certain Accounting and Reporting Matters, and c) Board Policies and Practices. (Requesting Staff Member: Director of Finance Paul Navazio)

### **STRATEGIC**

**PLAN REFERENCE(S):** Long Range Principle #2 Finance

**DATE:** June 29, 2022

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees:

- 1) Receive a report on management's implementation of recommendations offered by Moss Adams through the course of various consulting engagements, and
- 2) Review, discuss and provide feedback on a draft update to Board Policy 12.1.0, consolidating existing Board Policies 12.1 and 13.1 and Board Practice 13.2, and incorporating recommendations contained in Moss Adams' most recent report related to review of Board Policies and Practices, as presented to the Board of Trustees at their meeting of January 12, 2022.

### **II. BACKGROUND**

Over the past 24 months, the District has engaged the consulting firm of Moss Adams, LLC to review and provide recommendations on a number of topics and specific issues related to District policies, procedures, internal controls and interpretation of accounting standards related to financial reporting.

Specifically, three separate Moss Adams engagements were undertaken, as follows:

<b>Engagement</b>	<b>Final Report to BOT</b>
#1) Construction Advisory Services	January 13, 2021 <i>Management Reponses: March 3, 2021</i>
#2) Evaluation of Certain Accounting and Reporting Matters	January 28, 2021 <i>Progress Report on Recommendations: October 26, 2021 (Audit Committee)</i>
#3) Board Policies and Practices Assessment	January 12, 2022 Draft Policy Update to BOT: June 29, 2022

**III. DISCUSSION**

This report has been prepared to summarize the key recommendations from each of the Moss Adams reports and provide the Board of Trustees with an update on the status of management’s implementing of recommendations.

For the first two Moss Adams engagements, this report will highlight any additional steps taken related to specific recommendations since the last update(s) received by the Board of Trustees. (See Exhibits 1 and 2, with supporting documents provided in Attachments A through F).

With respect to the third report, (Board Policies and Practices) this agenda item includes, for Board review, discussion and feedback, a draft update to Board Policy 12.1.0, related to Multi-Year Capital Planning and Budgeting, consistent with the recommendations and “next steps” shared with the Board upon presentation of the final report in January. (See Exhibit 3).

**IV. CONCLUSION**

The series of Moss Adams engagements have been useful in assisting the District in the review of a broad range of topics impacting policies, practices and procedures related to long-term capital planning, roles and responsibilities for effective delivery of capital projects, financial reporting, and improved internal controls and transparency.

While work in these areas is ongoing, the District has diligently implemented most, if not all, of the key recommendations provided by Moss Adams in their various reports, with the remaining items subject of separate agenda items on the Board’s agenda for the meeting of June 29, 2022. These include review and update of Board Policy 12.1, 13.1 and Board Practice 13.2, as well as incorporating relevant recommendations in the draft Purchasing Policy documents.



Exhibits:

- 1) Moss Adams #1 – Construction Advisory Services
- 2) Moss Adams #2 – Evaluation of Certain Accounting and Financial Report Matters
- 3) Moss Adams #3 – Board Policies and Practices
  - 3A) DRAFT Board Policy 12.1.0 – Multi-Year Capital Planning, Capital Project Budgeting, Project Delivery and Reporting (*Supersedes existing Board Policy 12.1, 13.1 and Board Practice 13.2*)
  - 3B) Roles and Responsibilities Matrix

Attachments:

- A) Summary Recommendations – Moss Adams: “Construction Advisory” Report
- B) Construction Contract Checklist(s)
- C) Professional Services Contract Checklist
- D) Summary Recommendations – Moss Adams: “Evaluation of Certain Accounting and Reporting Matters” Report
- E) Topics for Potential Expanded Scope of Work – re “Moss Adams: Evaluation of Certain Accounting and Reporting Matters” Report (unpublished)
- F) Summary of Recommendations – Moss Adams: “Board Policies and Practices Report.”

**EXHIBIT 1**

**Moss Adams #1 – Construction Advisory Services**

*Subject: Review of policies, procedures and internal controls related to management of professional services contracts and construction contracts*

BOT Contract Authorized:	June 1, 2020
	Not-to-Exceed: \$38,000
Contract Award:	June 19, 2020
Final Report Completed:	December 21, 2020
Presented to BOT:	January 13, 2021
Management Responses to BOT:	March 3, 2021

*Scope: Review of Selected Professional Services and Construction Contracts:*  
*PICA – 4/13/14 (Effluent Pipeline)*  
*HDR – 4/30/14 (Effluent Pipeline)*  
*Jacobs Engineering – 12/12/19 (Wastewater Resource Recovery Facility)*  
*Huston-Smith – 8/14/19 (Mountain Golf Clubhouse Renovation)*

*Summary of Recommendations – See Attachment 1*

*Status of Implementation Steps since the Last Board Update:*

- *#3 – Procurement of new technology to formalize, streamline and improve contract administration controls and reporting capabilities*

District's new Tyler Munis Financial System, being implemented July 1, 2022 includes a contract management module that will support this recommendation.

- *#4 – As a best practice, the District should implement policies and procedures for the competitive solicitation of professional services*

While NRS 332.115 exempts professional service from competitive solicitation, the draft Purchasing Policy being presented to BOT on 6/29/22 includes sections specifically focused on this recommendation.

- *#6 – As a best practice, the District should establish more robust change order reporting within key capital program reporting*

Staff is developing a new "Major Capital Project Status Report" template as well as a formal "Capital Project Close-out Report" with the start of the new fiscal year 7/1/22. These reports will supplement the existing Quarterly CIP Popular Status report.

- *#11 – The District should implement and formalize project close-out procedures for professional services contracts.*

Completed. (See Attachment 2, Sample Professional Services Close-out Template).

Most recently, the Board of Trustees authorized the Audit Committee to execute a supplemental engagement with Davis Farr, the District's independent auditor, to review District practices related to purchasing and contract management for conformity with Board policies.

## EXHIBIT 2

### **Moss Adams #2 0 – Evaluation of Certain Accounting and Financial Reporting Matters**

*Subject: Review of selected District Accounting and financial reporting issues:  
GAASB Compliance related to:*

Contract Executed:	September 21, 2020 (Audit Committee) Not-to-Exceed: \$28,410
Start of Engagement	June 8, 2021
Final Report Completed:	January 14, 2021
Presented to BOT:	January 28, 2021
Progress Report on Recommendations:	October 26, 2021 (Audit Committee)

Scope: Review District policies and practices related to the following areas for consistency with GAAP/GASB:

- 1) Enterprise vs Special Revenue Fund Accounting for Community Services and Beach activities.
- 2) Central Services Cost Allocation Plan (charged to Special Revenue Funds)
- 3) Punch Card Accounting
- 4) Evaluate the District's capitalization practices for compliance with GAAP/GASB

*Summary of Recommendations – See Attachment 3*

- *Special Revenue Fund Accounting – Moss Adams concluded that the GAAP/GASB does not require Enterprise Fund Accounting for Community Services and Beach Activities; however the report recommended that this is a policy decision and recommended that the District would be well-served by transitioning back to Enterprise Fund accounting*

The District transitioned back to Enterprise Fund accounting for Community Services and Beach Activities for fiscal year 2021/22.

- *Central Services Cost Allocations Plan – Moss Adams concluded that the application of Central Services Cost Allocations to Enterprise Funds is consistent with GAAP/GASB and is not prohibited by the NRS. The report recommended that the District review its Central Services Cost Allocation Plan and provide additional explanations for the methodology and basis for the cost allocations.*

The District has incorporated a discussion of the methodology used to develop and administer its Central Services Cost Allocation Plan, and this information was included in the materials provided to the Board of Trustees in approving the Central Services Cost Allocation for the FY2022/23 budget (see Board packet of May 26, 2022).

- *Punch Card Accounting - Moss Adams concluded that the Districts accounting for Punch Cards does not violate GAAP/GASB; however, the report noted that the accounting practice is confusing and recommended ceasing contra-revenue accounting (related to adjustments between Community Services and Beach Funds*

The District ceased the practice of adjusting contra-revenue accounting entries related to use of Punch Cards between the Community Services and Beach Funds. Additionally, as the District continues to evaluate the existing use of Punch Cards as part of the broader policy discussion related to Ordinance 7, management will continue to review and update the accounting treatment related to Punch Cards, accordingly..

- *Capitalization Practices – the Moss Adams report concluded that, while “there is relatively little material in the accounting standards to provide guidance on when it is appropriate an expenditure as capital,” the District’s past practices related to capitalization of feasibility studies and certain maintenance and repairs activities did not conform to accounting practices. The report recommended that the District update its capitalization policy to provided clearer direction on capitalization criteria.*

As a result of this recommendation, the District entered into a follow-up engagement with Moss Adams (see Moss Adams #3) to include consultation on the update of the District’s capitalization policies. A new capitalization policy was approved by the Board of Trustees in January, 2022.

As it relates to questions and concerns related to specific items that were capitalized in prior years, management reviewed a number of items that were written-off as expense items during the preparation of both the FY2019/20 and FY2020/21 ACFR. Consistent with recommendations included in the Moss Adams report, management’s review of capitalized items was conducted in consultation with the District’s independent auditors.

Most recently, the Board authorized the Audit Committee to execute a supplemental engagement with Davis Farr, the District’s current independent auditor, to review compliance of capitalization practices with applicable Board policies.

**EXHIBIT 3**

**Moss Adams #3 – Board Policies and Practices**

**Summary of Recommendations**

Subject: Review of Board Policies and Practices related to

- a) Multi-Year Capital Planning (Policy 12.1.0), Capital Project Budgeting (Policy 13.1.0) and Capital Expenditures (Practice 13.1.0)
- b) Capitalization Thresholds (Policy 8.1.0), Useful Life of Capital Assets (Policy 9.1.0 and Practice 2.9.0)

Contract Executed:	August 13, 2021 (General Manager) Not-to-Exceed: \$40,000
Final Report Completed:	January 6, 2022
Presented to BOT:	January 12, 2022
Management Report Next Steps:	January 12, 2022

*Summary of Recommendations – See Attachment 4*

- Capitalization Policy:

Management worked to develop a new Capitalization Policy with input from Moss Adams. The new policy 8.1.0 was approved by the Board of Trustees in January 2022 and supersedes former policies 8.1.0 and 9.1.0 as well as former practice 2.9.0)

- *Multi-Year Capital Planning (Policy 12.1.0), Capital Budgeting (Policy 13.1.0) and Capital Expenditures (Practice 13.2.0):*

Consistent with the recommendations contained in this report, staff has developed a draft update to Policy 12.1.0 that, if approved, would superseded existing Board Policies and Practices. The draft policy, presented here for Board review and comment also incorporates the recommended best practices as cited in the Moss Adams report recommendations.

One of the recommendations included in this Moss Adams report is for the District to consider establishing an advisory committee to act as a liaison between the Board of Trustees and District management as well as to serve as to encourage community engagement in the capital planning process.

Management supports this recommendation and anticipates engaging the Board in a discussion regarding structure and role for this new committee in the coming months, with the goal of potentially establishing a Capital Planning Advisory Committee by the end of the year, to coincide with the next cycle for review and update of the District's Master Plans and Five-Year Capital Improvement Plan.



**Capital Planning**  
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**POLICY.**

**Multi-Year Capital Planning.** The District will prepare, adopt and periodically review/update master plans and comprehensive multi-year capital plans to ensure effective management of capital assets.

- A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs.
- The capital plan should cover a period of at least five years, preferably ten or more.

**Annual Capital Budget.** The District will prepare and adopt a formal capital budget as part of their annual budget process.

- The capital budget will be directly linked to, and flow from, the Multi-Year Capital Improvement Plan.
- It may be necessary to modify projects approved in the capital plan before adopting them in a capital budget. Modifications may be necessary based on changes in project scope, funding requirements, or other issues. If these modifications are material, the District will consider the impacts these may have on its multi-year capital and financial plans.
- The capital budget should be adopted by formal action of the Board of Trustees, either as a component of the operating budget or as a separate capital budget. It will comply with all state and local legal requirements.

**Capital Project Delivery.** Decision-making responsibilities and duties to execute on capital projects shall be derived from specific authority provided by the Board of Trustees to the allocated by the General Manager.

- This Board policy will specify roles and responsibilities applicable to each phase of a capital project's life-cycle.
- Authority granted by the Board of Trustees to the General Manager may be delegated to specific members of the IVGID staff as provided herein.



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- The staff member so assigned may delegate “duties” to another, but shall remain “responsible” for their actions pertaining to the project.

**Capital Project Reporting.** The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget.

- Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects.
- Periodic reports will be issued routinely on all ongoing capital projects. The reports will compare actual expenditures to the original budget, identify level of completion of the project, and enumerate any changes in the scope of the project, and alert management to any concerns with completion of the project on time or on schedule.

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**Multi-Year Capital Planning.**

**1.0 Identify needs.** The first step in the District’s capital planning is identifying needs. The District has a commitment to the maintenance of its existing infrastructure. The District’s Multi-Year Capital Plan will use information including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes to identify present and future service needs that require capital infrastructure or equipment. In this process, attention will be given to:

- 1.1 Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years.
- 1.2 Infrastructure improvements needed to support new development or redevelopment.
- 1.3 Projects with revenue-generating potential.
- 1.4 Improvements that support economic development.
- 1.5 Changes in policy or community needs.



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**2.0 Determine costs.** The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:

- 2.1 The scope and timing of a planned project should be well defined in the early stages of the planning process.
- 2.2 The District should identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues.
- 2.3 For projects programmed beyond the first year of the plan, the District should consider cost projections based on anticipated inflation.
- 2.4 The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified.
- 2.5 A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, pre-design, design, and construction or acquisition, contingency and post-construction costs.
- 2.6 Recognize the non-financial impacts of the project (e.g., environmental) on the community.

**3.0 Prioritize capital requests.** The District continually faces extensive capital needs and limited financial resources. Therefore, prioritizing capital project requests is a critical step in the capital plan preparation process. When evaluating projects the District will:

3.1 Categorize each submittal under Project Types:

3.1.1 Major Projects

- A non-recurring project with scope and management complexity with a project budget greater than \$1,000,000 and a 25-year minimum asset life.

3.1.1.1 New Initiatives





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- A project that creates a new amenity or significantly expands an existing facility with new programming, operations or capacities.

3.1.1.2 Existing Facilities

- A project that maintains, renews, and re-invests in existing facilities without significantly adding new programming, operations or capacities.

3.1.2 Capital Improvement

- A non-recurring project with some scope and management complexity with a project budget generally less than \$1,000,000.

3.1.2.1 New Initiatives

3.1.2.2 Existing Facilities

3.1.3 Capital Maintenance

- A generally recurring project at an existing facility with limited scope and management complexity and a project budget less than \$1,000,000.

3.1.4 Rolling Stock

- On-going projects for the replacement of vehicles, heavy and light duty wheeled and tracked machinery, tractors, mowers, trailers, etc.

3.1.5 Equipment & Software

- On-going replacement of non-rolling stock and non-building system equipment (kitchen, ski rental, uniforms, furniture, service-ware, etc.), information technology hardware and software.



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- 3.2 Prioritize Projects under these criteria:
  - 3.2.1 Priority 1 are projects that address Existing Facilities or replace existing assets via Capital Maintenance, Rolling Stock, or Equipment & Software projects that have reached or are near the end of useful life and are necessary to meet existing programming, operations, or capacities that the community wants, needs and uses.
  - 3.2.2 Priority 2 are New Initiative projects that address existing facilities and assets that have reached or are near the end of useful life in order to expand existing programming, operations, or capacities to meet the community's wants, needs and uses.
  - 3.2.3 Priority 3 are New Initiative projects that create new amenities that are wanted by the community and will be funded by new sources.
  - 3.2.4 Priority 4 are New Initiative projects that create new amenities that are wanted by the community and will be funded by existing sources.
- 3.3 Ongoing consideration of Project Types and Prioritization by District Staff will consider:
  - 3.3.1 Reflect the relationship of project submittals to financial and governing policies, plans, and studies.
  - 3.3.2 Allow venues to provide a prioritization recommendation.
  - 3.3.3 Incorporate input and participation from major stakeholders and the general public.
  - 3.3.4 The condition assessment of existing assets as it relates to asset life-cycle, industry best practices,



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manufacturer's guidelines, safety, and the aesthetic character of the facility.

- 3.3.5 Adhere to legal and regulatory requirements and/or mandates.
- 3.3.6 Anticipate the operations and operating budget impacts resulting from capital projects.
- 3.3.7 Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., return on service, payback period, cost-benefit analysis, cash flow modeling).
- 3.3.8 Re-evaluate capital projects approved in previous multi-year capital plans.
- 3.3.9 The availability of outside funding (e.g. grants, direct community contribution, in-kind contribution, public private partnership) to support completion of a capital project.

**4.0 Develop financing strategies.** The District recognizes the importance of establishing a viable financing approach for supporting the multi-year capital plan. Financing strategies should align with expected project requirements while sustaining the financial health of the District. The capital financing plan should:

- 4.1 Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans.
- 4.2 Prepare a flow of resources projection of the amount and timing of the capital financing and expenditure
- 4.3 Continue compliance with all established financial policies.
- 4.4 Recognize appropriate legal constraints.
- 4.5 Consider and estimate funding amounts from all appropriate funding alternatives.



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- 4.6 Ensure reliability and stability of identified funding sources.
- 4.7 Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others.

**Annual Capital Budget.**

- 5.0 Preparing and Adopting the Capital Budget. The capital budget will include the following information:
  - 5.1 A definition of capital expenditure for the District.
  - 5.2 Summary information of capital projects by fund, function, venue/service or activity.
  - 5.3 A schedule for completion of the project, including specific phases of a project, estimated funding requirements for the upcoming year(s), and planned timing for acquisition, pre-design, design, and construction or acquisition activities and transition to complete operation.
  - 5.4 Descriptions of the general scope of the project, including expected service and financial benefits to the District.
  - 5.5 A description of any impact the project will have on the current or future operating budget.
  - 5.6 Estimated costs of the project, based on recent and accurate sources of information.
  - 5.7 Identified funding sources for all aspects of the project, specifically referencing any financing requirements for the upcoming fiscal year.
  - 5.8 Funding authority based either on total estimated project cost, or estimated project costs for the upcoming fiscal year. Consideration should be given to carry-forward funding for projects previously authorized.
  - 5.9 Any analytical information deemed helpful for setting capital priorities.

The District needs a greater level of detail and information for non-routine capital projects than for routine projects. For non-routine projects, the capital



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budget should thoroughly describe the impact on the operating budget, number of additional positions required, tax or fee implications, and other financial or service impacts.

6.0 Reporting on the Capital Budget. The District recognizes the importance of timely and accurate reporting on projects adopted in the capital budget. Management, Trustees, and citizens should all have the ability to review the status and expected completion of approved capital projects. Periodic reports will be issued routinely on all ongoing capital projects.

6.1 CIP Popular Status Report. In conjunction with publishing the District's Quarterly Budget Update(s), a CIP Popular Status Report shall be prepared that provides a comparison of actual capital project expenditures to the original and amended project budget for each capital project included in the current year capital budget.

6.2 Major Project Status Report. On a quarterly basis, a Major Project Status report will be presented to the Board. This report will include all "major" projects as well as any Board priority projects identified for inclusion. The report will identify the level of completion of the project, completed and pending project milestones, and enumerate any changes in the scope of the project, or issues that may impact the completion of the project on time, or on schedule.

6.3. Capital Project Close-out Report. For "major" projects, or any project identified as a priority project by the Board, a Capital Project Close-out Report will be presented to the Board at the completion of the project. This report will include information related to actual project expenditures in relation to original and amended project budget; explain any significant variance in project completion schedule; list all change orders and/or contract amendments executed during the delivery of the project; and, where appropriate; include a summary of



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unforeseen circumstances or “lessons learned” that will assist the District in developing scope, budget and schedules for future capital projects.

**Capital Project Delivery.**

**7.0 AUTHORITY**

Decision-making responsibilities and duties on capital projects shall be allocated by the General Manager to specific members of the IVGID staff as provided herein. A Project Manager will usually be a representative of the IVGID department which will acquire or construct the project. The staff member so assigned may delegate “duties” to another, but shall remain “responsible” for their actions pertaining to the project.

**8.0 CAPTIAL PROJECT FINANCING RESOURCES**

Financial management of capital projects is controlled through the Board-Approved Multi-Year Capital Improvement Plan and each fiscal year’s Capital Improvement Project Budget. The ability to pay for the costs of a project will be based on appropriated, identifiable and predictable financing resources at the time of acquisition.

**8.1 Establishment.** A capital project’s financing resources are established by action of the Board of Trustees through the adoption of a annual Capital Project Improvement Budget. Financing resources may be established for each fund; for each program; or for each project or group of projects.

**8.2 Interest.** For any project where part of the financing resources came from bond proceeds, the investment earnings must be attached to the project in order to determine and comply with IRS arbitrage regulations.



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**8.3 Expenditures.** Funds identified as financing resources may only be expended consistent with appropriation authority provided by the Board of Trustees the District's approved, or amended, Capital Improvement Project Budget. Projects carrying over from one fiscal year to another are expected to be identified during the annual budget process to extend spending authority and facilitate completion of the construction or acquisition of the capital assets.

The General Manager has the authority to redirect the design or specifications affecting up to an aggregate of \$50,000 if it does not exceed the total approved cost of the project.

**8.4 Exclusivity.** All financing resources identified for a project, are considered exclusively for expenditures related to that project. No expenditures or obligations shall be made related to that project which cumulatively exceeds the available appropriations authorized by the Board of Trustees, based upon identifiable and predictable financing resources.

**8.5 Changes.** The amount of funds in identifiable and predictable financing resources may be increased or decreased by action of the Board of Trustees, provided that no decrease shall occur which causes the unexpended financing resources for any project to fall below the cumulative total of obligations outstanding pertaining to the project.

**8.6 Close-out.** Upon completion or termination of a project, the unexpended financing resources for that project may be closed out by the General Manager, except for an action of the Board of Trustees, designating where the unexpended, if any, shall be transferred.

**9.0 PROJECT LIFE CYCLE**



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Projects shall be managed in relation to the following typical project life cycle:

- 9.1 Definition.** The process of developing a document which describes a specific project, in terms of location, function, cost, and other parameters.
- 9.2 Feasibility.** The process of analyzing the practicality of a project, in terms of capital financing and cost, operating revenue and cost, environmental and permit conditions, and other factors.
- 9.3 Planning / Scheduling.** The process of developing documents which identify the location and function of projects, in relation to other projects and existing facilities, as well as identifying the cost, timing and financing of the capital project.

All capital project expenditures shall be evaluated through a Multi-Year Capital Improvement Plan, to include a supporting Financing Plan and authorized for expenditure through a specific fiscal year's Capital Budget. Inclusion of a project within an approved Multi-Year Capital Improvement Plan means the project has been "*planned and scheduled*".

- 9.4 Funding.** The process by which funds are identified to support capital project costs. Inclusion of a project with funding included in the Multi-year Capital Plan means that project funding has been *identified*; when resources are appropriated through the annual Capital Improvement Project budget, a project is considered "*funded*."
- 9.5 Design/Specification.** The process of determining the size, specifications, acquisition/construction methods, and other factors prerequisite to construction or acquisition, including the selection of the designers. A project is deemed "designed" upon approval of final design.





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**9.6 Construction/Acquisition.** The process entails constructing or acquiring a project's assets, including the selection of contractors or vendors. A project is deemed "*completed*" upon approval of final payment and acceptance of the project by the District.

**10.0 PROJECT DELIVERY/EXECUTION**

All projects may not be subject to all phases, or be phased in the same order. However, all capital projects shall be defined, planned/scheduled and funding sources identified to proceeding to design/specification. All construction projects shall be planned. Progress in completing all capital projects will be documented a "Capital Project Status Report" presented to the Board of Trustees no less than quarterly.

**10.1 Roles and Responsibilities.**

To facilitate effective delivery of capital projects, it is important to clearly define roles and responsibilities throughout the project life cycle.

Roles and responsibilities for defining, analyzing, planning/scheduling, funding, design, construction/acquisition and project close-out are defined in Exhibit      to this policy.

**CAPITAL PROJECT DELIVERY**  
*Authority / Roles / Responsibilities*  
 Board Policy 12.1.0

Project Phase:	CIP Capital Program Review Committee				
	Board of Trustees	General Manager	Department Head	Project Manager	Staff
<b>Definition</b>	<i>Process of developing a document which describes a specific project, in terms of location, function, cost, and other parameters.</i>				
	Receive project definitions as part of capital Improvement Project Budget submittal	Approve Capital project definitions		Prepare initial Capital Project Data Sheet.	
<b>Feasibility</b>	<i>Process of analyzing the practicality of a project, in terms of capital financing and cost, operating revenue and cost, environmental and permit conditions, and other factors.</i>				
	Ensure feasibility of capital improvement projects prior to design and construction. 1) Determine when a feasibility study is needed 2) Award and execute consulting contracts exceeding GM procurement authority. 3) Review and accept final "CIP Budget"	1) Review and approve study scope 2) Authorize consultant contracts within GM procurement authority	1) Approve RFP on consulting contracts 2) Approve study methods and team	1) Define specific objectives, criteria and scope 2) Prepare RFP and solicitation process 3) Recommend approval of study contracts	
<b>Planning / Scheduling</b>	<i>Developing documents that identify location and function of projects, in relation to other projects and existing facilities, as well as identifying the cost, timing and financing of the capital project.</i>				
	1) Define general goals, constraints and direction. 2) Award and execute planning contracts exceeding GM procurement authority 3) Review and approve Multi-Year Capital Improvement Plan 4) Approve project amendments and substitutions, according to District purchasing policies.	Ensure plans are coordinated with Multi-year Capital Improvement Plan 1) Approve planning scope 2) Authorize planning contracts within GM procurement authority 3) Validate scheduling in terms of sound financial planning. 4) Review, and revise recommended capital improvement projects to the Board.	1) Approve RFP's 2) Approve planning methods and team 3) Recommend capital improvement projects to the GM 4) Recommend approval of planning contracts 5) Review and approve progress reports 6) Recommend preferred alternatives and final plans to GM and Board	1) Define specific objectives, criteria and scope 2) Prepare RFP and solicitation process 3) Coordinate project with public, staff and GM 4) Prepare progress reports 5) Make substantive and procedural decisions during the planning process 6) Recommend preferred alternatives and final plans to Department Head 7) Analyze alternative financing methodologies and prepare capital financing program coordinated with CIP budget and Multi-Year Capital Plan	
<b>Funding</b>	<i>The process by which funds are identified to support capital project costs.</i>				
	Establish availability of appropriate, identifiable predictable financing resources. 1) Approve annual Capital Improvement Project Budget	Approve recommendations for project to proceed and increases in project financing resources beyond levels identified in Capital Project Report.	1) Review recommended actions to establish, increase, decrease or close-out financing resources. 2) Review impact of capital project on CIP budget and Multi-Year Plan.	Administration of project finances. 1) Produce periodic report on capital project financing resources, obligations and expenditures. 2) Recommend periodic action to establish, increase, decrease or close-out financing resources. 3) Consider impact of capital project on CIP budget and Multi-Year Plan.	

## CAPITAL PROJECT DELIVERY

*Authority / Roles / Responsibilities  
Board Policy 12.1.0*

Project Phase:	CIP Capital Program Review Committee				
	Board of Trustees	General Manager	Department Head	Project Manager	Staff
<b>Design / Specifications</b>	<i>The process of determining the size, specifications, acquisition/construction methods, and other factors prerequisite to construction or acquisition, including the selection of the designers.</i>				
	General oversight of design. 1) Award and execute design contracts exceeding GM procurement authority. 2) Accept regulatory permit conditions on projects over \$50,000.	1) Award and execute desing contracts within GM procurement authority. 2) Review and accept regulatory permit conditions under \$50,000.	1) Approve design methods and team 2) Provide guidance to proeject manager during design. 3) Review and approve final design/specs on projects. 4) Provide direction to on major design alternatives and issues.	1) Prepare scope of services and requests for proposals for design services, and administer selection process for design team. 2) Prepare design contracts; recommend for award and execute design contracts. 3) Assemble cost estimates; prepare project budget and budget revisions; prepare project schedule and schedule revisions. 4) Coordinate activities of designers with the balance of the technical team, and operating staff. 5) Present major desing alternatives and issues. 6) Assemble and submit regulatory permit applications and coordinate regulatory process. 7) Approve all requests for payment.	
<b>Construction/ Acquisition</b>	<i>The process entails constructing or acquiring a project's assets, including the selection of contractors or vendors. A project is deemed "completed" upon approval of final payment and acceptance of the project by the District.</i>				
	General oversight of contract awards, major payments and acceptance of capital assets constructed or acquired  1) Award and execute construction/acquisition contracts in excess of GM authority  2) Approve change orders authority designated to staff. 3) Approve amendments (increase and decrease) to Capital Improvement Project budgets, including re-allocation of available resources among projects.	Ensure contracts and request for majorpayments submitted to the Board for approval meet requirements of CIP budget.	1) Approve change orders within authority limitations. 2) Upon substantial completion, approve release of retention for construction projects.	1) Recommend award and execute construction/acquisition contracts. 2) Recommend approval of change orders 3) Recommend release of retention to GM. 4) Recommend approval of final payment. 5) Coordinate final contract preparation 6) Establish and administer inspection and testing. 7) Supervise Construction or Construction Representative. 8) Serve as District's representative to contractor. 9) Approve all shop drawings; 10) Approvel all requests for equals; 11) Approve all certificates of payment.	
<b>Close-Out</b>					
	1) Formal acceptance of capital projects exceeding GM procurement authority.	1) Formal acceptance of capital projects within GM procurement authority. 2) Recommend formal project acceptance to BOT for projects exceeding GM procurement authority.	1) Review recommendation for project acceptance. 2) Authorize final payment, including retention amounts 3) Review and approve project close-out report.	1) Ensure all project deliverables have been met and documented. 2) Recommend "acceptance" of project 3) Finalize file with all project documents and required approvals 4) Complete capital project close-out checklist and prepare project close-out report.	

**Attachments:**

- A) Summary Recommendations – Moss Adams: “Construction Advisory” Report
- B) Construction Contract Checklist(s)
- C) Professional Services Contract Checklist
- D) Summary Recommendations – Moss Adams: “Evaluation of Certain Accounting and Reporting Matters” Report
- E) Topics for Potential Expanded Scope of Work – re “Moss Adams: Evaluation of Certain Accounting and Reporting Matters” Report (unpublished)
- F) Summary of Recommendations – Moss Adams: “Board Policies and Practices Report.”

SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES

Rec. #	Key Improvement Opportunities	Category	Management Response	Planned Resolution Date
1	As a best practice, IVGID should finalize policies and procedures defining processes for master planning, reporting, and communication efforts, including when to utilize these procedures (e.g., thresholds), who is responsible for each activity, and procedures for final approval.	Contract Administration Management and Controls	Capital project planning, management and reporting will be facilitated by implementation of annual capital program planning workshop(s), detailed budgets for specific projects and/or phases, regular quarterly capital program status reports and individual project close-out reports for priority CIP Projects	Regular Quarterly CIP Updates – FY2020/21 Q1 presented 10/27/20 CIP Planning Workshop (Feb 2021) Capital Budget Details – FY2021/22 Budget Process (Winter/Spring 2021) Project Close-out Reports – on-going
2	As a best practice, the District should consolidate all Public Works and Contract Administration policies, procedures, and resolutions into one document to ensure effective controls and communication of the policies and procedures and obtain Board approval.	Contract Administration Management and Controls	Existing internal control policies and procedures, including those related to construction contracts and professional services contracts administration are being reviewed, evaluated and updated. These include Board policies and practices, Accounting and Finance policies and procedures, as well as application of applicable NRS requirements. Policies and procedures will be evaluated on a regular schedule as well as upon changes in District staffing and periodic updates to the NRS.	Update to District staff delegated spending authority (1/1/21) Review of contract procurement procedures and thresholds (Jan 2021) Invoice Processing and Payment procedures (Jan 2021) Update to Board Policies to provide explicit thresholds and authorities (per NRS) – (Feb 2021)
3	The District should consider procuring and implementing new technology and tools to formalize, streamline, and improve contract administration controls and reporting capabilities.	Contract Administration Management and Controls	Management concurs that existing and best-of-breed technology can greatly improve and streamline contract administration, internal controls and reporting.	Contract administration process review (Dec 2020 -Mar 2021) Updated procedures (July 2021) Tyler Finance and Accounting ERP / Capital Budgeting (July 2022)
4	As best practice, the District should implement policy and procedures for the competitive solicitation of professional services, including format and threshold considerations.	Bid and Procurement Management and Controls	The District is follows requirements established by NRS 332, the Local Government Procurement Act, as the highest authority for procedures related to local government purchases, including professional services contracts. NRS 332.115.1(b) specifically provides that professional services are “not adapted to award by competitive solicitation.	Agendize for Board discussion and direction (TBD) <b>Draft Purchasing Policy to BOT 6/29/22</b>
5	As best practice, the District should ensure appropriate documentation and execution of any modification to contractual agreements, including change in scope, responsibilities, conditions, or deliverables.	Change Order and Scope Management and Controls Application	Change orders for professional services contracts are generally handled through Additional Services Addendum or separate Task Order, as well as corresponding increase to the Purchase Order established with each contract. Supporting documentation is provided to Accounting. These changes are reviewed for consistency with Board authorization prior to payment of invoices.	Approval process and documentation for change orders to construction contracts will be included as part of overall policy and process documentation effort (See #'s 2,5, and 6).
6	As a best practice, IVGID should establish more robust change order reporting within key capital program reporting to ensure end users understand change order impact and assigned responsibility.	Change Order and Scope Management and Controls Application	Management supports enhancing capital project reporting to include documentation of approved change orders.	Quarterly CIP Popular Status Reports – (Feb 2021) <b>Major Project Status Reports – FY22/23</b> <b>CIP Project Close-out Reports – FY22/23</b>
7	As best practice, the District should implement formal contract amendment and change order approval and document control and retention processes within procedural documents.	Change Order and Scope Management and Controls Application	Staff believes all change order documentation has been provided.	<i>Approval process and documentation for change orders to construction contracts will be included as part of overall policy and process documentation effort (See #'s 2,5, and 6). - <b>COMPLETED</b></i>
8	The District should ensure all payment processing procedures are completed and reviewed/signed off on prior to payment approval	Expenditure Management and Controls	Management concurs with the recommendation that all payment processing procedures are completed and reviewed prior to payment approval, consistent with current policy and procedures ( <i>Accounting and Financial Procedures – Purchasing and Accounts Payable Cycles</i> ).	N/A - Current Policies and Procedures in place.
9	The District should evaluate the appropriateness of current invoice processing policy or ensure the establishment of invoice control procedures by requiring vendors to send all final invoices and statements directly to the District Accounting Department.	Expenditure Management and Controls	Management concurs with the need to review current invoice processing procedures to ensure efficient processing while maintaining effective internal controls related to vendor and contractor payments.	Invoice Processing and Payment procedures (Jan 2021) (See Recommendation #2)
10	The District should produce ongoing project-level budget-to-actual expenditure reporting, including key details such as budget, expenditures, committed/encumbrances, and forecasted expenditures.	Design and Construction Budget Management and Controls	See Recommendation #1, above).	See Recommendation #1, above).

**SUMMARY OF RECOMMENDATIONS AND MANAGEMENT RESPONSES**

Rec. #	Key Improvement Opportunities	Category	Management Response	Planned Resolution Date
11	The District should implement and formalize project close-out procedures for professional services.	Project Close-Out Controls	Management concurs with this recommendation and will formalize project close-out checklists and procedures for professional services contracts.	Formal Project Close-Out Checklist/Procedures – <b>COMPLETED</b>
12	The District should formally implement the already developed and informally utilized close-out checklists into required project close-out procedures.	Project Close-Out Controls	See Recommendation #11, above.	See Recommendation #11, above.

PROJECT TOTALING UNDER \$25,000

<p>What is a Public Works Project?                  "Public work" means any project for the new construction, repair or reconstruction a project financed in whole or in part from public money for all publicly owned works and property. <b>**All IVGID projects are Public Works Projects**</b></p> <p>A project is anything that is not usual and customary for your business. The project cost includes the purchase of any equipment and materials for the project even it is purchased separately.</p>			
<b>PROJECT#</b>	<b>NAME OF CONTRACTOR</b>	<b>CONTRACT PRICE: \$</b>	
<i>Project Name</i>			
	<b>DESCRIPTION OF TASKS</b>	<b>COMPLETED?</b>	<b>COMMENTS</b>
	<ul style="list-style-type: none"> <li>Submit for required permits (Washoe County and TRPA).</li> </ul>		
	<b>SET UP BID FILE</b>		
	<ul style="list-style-type: none"> <li>A bid must be solicited from at least one properly licensed contractor.</li> <li>Send letters/invitations to bidders from list of contractors that PM chooses.</li> <li>Receive and Evaluate bids.</li> <li>Award Contract to Lowest Responsible Bidder, under \$25K DPW approves.</li> <li>Determine that low bidder is properly licensed with Nevada State Contractors Board.</li> <li>Determine if contractor is on the Nevada Labor Commissioners Disqualified Contractors list.</li> </ul>		
	<b>SET UP FINANCIAL FILE</b>		
	<ul style="list-style-type: none"> <li>After Award of Contract create contract document and email to contractor for signature.</li> <li>Once contract is back signed by Contractor, email to DPW or Engineering Mgr. for signature.</li> <li>Email fully-signed contract back to Contractor for their file.</li> <li>Verify vendor is set-up in Accounting; if not, send out vendor set-up forms.</li> <li>Need evidence of District required liability &amp; auto insurance with \$1,000,000 of coverage each.</li> <li>Need evidence of workman's comp insurance (SIIS) with \$250,000 of coverage each.</li> </ul>		
	<b>AFTER SIGN-OFF OF THE CONTRACT DOCUMENTS:</b>		
	<ul style="list-style-type: none"> <li>Generate a PO.</li> <li>Track Invoices or Pay Applications and Change Orders in financial file.</li> </ul>		
	<b>UPON COMPLETION</b>		
	<ul style="list-style-type: none"> <li>Check with PM to see if all as-builts &amp; warranty items are turned in and accounted for.</li> <li>Check with PM and/or Utility Front Desk to see if hydrant meter has been returned, if applicable.</li> <li>Final Payment to the Contractor.</li> </ul>		

**PROJECT OVER \$25,000 BUT UNDER \$100,000**

What is a Public Works Project?

“Public work” means any project for the new construction, repair or reconstruction a project financed in whole or in part from public money for all publicly owned works and property. **\*\*All IVGID projects are Public Works Projects\*\***

A project is anything that is not usual and customary for your business. The project cost includes the purchase of any equipment and materials for the project even if these are purchased separately.

NOTE: As of 9/2020, the IVGID Board requires all projects \$50K or above be approved by the Board.

**PROJECT# 4884FF1502** **Bruce Purves Construction** **CONTRACT PRICE: \$111,673**  
*Repairs to the Rec Center Deck, Stairs & Railings*

DESCRIPTION OF TASKS	COMPLETED?	COMMENTS
Set up project directory if not already done. “YYYY CIP# Project Name”		
Put together Contract “front ends” and edit for project name and CIP number – footers, etc.		
Project Manager will solicit bids from at least three properly licensed contractors. NRS 338.1386		
Record all contractors solicited, and all resulting bids, in the “Informal Bid Data” spreadsheet.		
<b>BID OPENING:</b>		
Scan complete copies of all bids to project’s bidding file.		
<i>Determine that low bidder is properly licensed with Nevada State Contractors Board.</i>		
Award Contract to lowest responsible bidder.		
Update the “Contracts Under 25K” quarterly report.		
<b>FOR PROJECT FILE:</b>		
Create short form contract documents for vendor and email to vendor for signature.		
When returned from vendor, email contract to DPW or Engineering Mgr for signature.		
Email fully-signed contract back to vendor for their file.		
Verify vendor is set-up in Accounting, if not send out vendor set-up forms.		
Need evidence of District required insurance as spelled out in SFA.		
Generate a PO, and attach a copy of the fully signed SFA to the PO. <i>Holding retention? Click the “Retention” button in Innoprise!</i>		
Send Notice to Proceed on all jobs over \$25,000.		
Scan Invoices or Pay Applications and Change Orders to Contractor file.		
<b>UPON COMPLETION</b>		
Check with PM to see if all as-builts & warranty items are turned in and accounted for.		
Check with PM and/or Utility Front Desk to see if hydrant meter has been returned, if applicable.		
Final Payment to the Contractor.		
Move Contractor file into Project file. Move Project file to Completed Projects or STREETS file.		



**PROJECTS TOTALING \$100,000 AND OVER  
(Requiring Prevailing Wages)**

PROJECT #CIP/PWP #s	CONTRACTOR NAME	CONTRACT PRICE: \$XX +10%	
PROJECT: Name	BOARD AWARDED: Date		
DESCRIPTION OF TASKS		COMPLETED	COMMENTS
<b>SET UP BID FILE</b>			
Obtain public works project (PWP) number from Labor Commissioner (done online). Add # to Bid Documents.			
NOTE: As of 9/2020, the IVGID Board requires all projects \$50K or above be approved by the Board.			
Assist Project Manager by creating new "front ends" in the bid documents directory. Edit all footers and CIP info.			
Publish Invitation to Bid as a legal ad no less than 7 (21 recommended) days before bid opening date.			
Place PDF copy of published Invitation/affidavit from paper in project's Bidding file.			
Set up bid in PlanetBids, keep as Draft until Bid Publication date.			
Have IT add Invitation to Bid to "Bidding Opportunities" website page.			NRS 338.1385
Add pre-bid conference & bid opening dates to Engineering & Front Office staff calendars.			
On Federally-funded projects: 10 days prior to bid opening check for updates to Davis Bacon rates.			
<b>BID OPENING:</b>			
Scan complete copies of all bids, including bid bonds, to project's Bid file.			
If project is Unit Price bid, prepare Bid Tabulation spreadsheet and send to project manager(s)			
Determine if low bidder is properly licensed with Nevada State Contractors Board.			
Determine if contractor is on the Nevada Labor Commissioner's Disqualified Contractors list.			NRS 338.017
Return Bid Security to those bidders without a reasonable chance of award within 7 days of bid opening.			
Determine that the low bidder is qualified to bond for the cost of the project.			
Have IT remove Invitation to Bid from "Bidding Opportunities" website page.			
<b>UPON BOARD AWARD:</b>			
Send Notice of Award to the Contractor (our form) and to the Labor Commissioner (their form).			
Create conformed contract documents from winning bid and email to contractor for review and electronic signature.			
Return Bid Security to all other bidders (including awarded bidder) within 7 days of award of project.			
When Contractor returns signed pdf of contracts, send to DPW for signature.			
Send PDF of completed contract to Legal Counsel for review – via email, "High Importance."			
When DPW has signed contracts, print out the book and send to Susan Herron for Board and Legal signatures.			
Verify vendor is set-up in Accounting. If not, send out vendor set-up forms.			
Obtain all insurance information required per Supplementary Conditions.			
Review P&P bonds for correct \$ amounts, signatures, etc.; scan to Contractor file and insert into contract docs.			
Obtain a construction schedule (always requested).			
If a lump sum contract obtain a Schedule of Values.			
<b>AFTER CONTRACT DOCS ARE SIGNED:</b>			
Generate a PO. Attach copy of CIP data sheet to PO. <i>Remember to click on the "Retention" button in Innoprise.</i>		PO #:	
Scan copy of signed contract to Contractor's file, and FedEx one to the Contractor. Susan will keep one copy for her files.			
Keep our signed copy in desk rack throughout duration of project, for reference purposes.			
Set up the Project and Contractor in LCPTracker, assign prevailing wages and Contractor to project.			
Track Pay Applications and Change Orders.			
Copy ALL change orders to Accounting and to Legal Counsel.			
Obtain certified payroll records via LCPTracker software program. File monthly report in Construction file.			
Contractor should be notifying Labor Commissioner and IVGID within 10 days of new subcontractor.			NRS 338.013
Track lien notices in Contractor file.			
<b>UPON COMPLETION:</b>			
Prepare Substantial Completion and send to Contractor.			
Check with PM to see if all as-builts & warranty items are turned in and accounted for.			
Check with Billing Office to see if water meter has been returned, if applicable.			
Record Notice of Completion; send recorded copy to contractor and all lien holders <b>via certified mail.</b>			
<b>IMPORTANT: Contractor and all lien holders must receive a NOC within 10 days after the recording date – no later.</b>			NRS 108.228
Request contractor provide <u>Unconditional</u> Releases of Lien from all lien holders of record.			
Complete review of Apprentice Hours and send determination of compliance to Labor Commissioner.			
Complete and email the Labor Commissioner their Notice of Completion form.			
Process Final Payment: Within 30 days from date of occupancy, or recording date of NofC, unless Labor Commissioner has contacted us with labor related issues on the project.			NRS 338.520
On Projects over \$250k, where NV Preference was used to award contract, submit written report by July 31st			NRS 338.0117
Scan everything to project file and recycle hard copy of contract; no paper!			

**PROFESSIONAL SERVICES  
 Deliverables Report**

Task #	Description of Deliverable	Criteria for Acceptance	Task Total	Remaining Balance	Phase Tracking Dates			
					In Progress	Delivered	Reviewed	Accepted
1	Summary memo outlining the study objectives, issues and concerns.		\$ 2,770.00	\$ 2,495.00	X			
	Face-to-face meeting	Completed via Online Meeting			X	10/14/2021	N/A	N/A
2	An initial written data request to IVGID and identification of data constraints.		\$ 1,580.00	\$ 590.00	X	X	X	
	Documentation of data received and outstanding data needs.				X	X	X	
3	A review of IVGID's existing written financial/rate setting policies.		\$ 1,250.00	\$ (1,509.00)	X	X	X	
	Review of other relevant financing and planning documents.				X	X	X	
	A summary memo confirming current policies and noting additional policies for IVGID to consider.							
4	A water and sewer revenue requirement analysis	For a projected 10-year period, with the focus on the first 5 years, that considers the necessary operating and capital needs of each utility.	\$ 17,500.00	\$ 662.50	X	X	X	
	A capital financing plan within the revenue requirement analysis	Utilizes IVGID's capital improvement plans which attempt to maximize capital expenditures while minimizing the rate impacts to customers over time.			X	X	X	
	If needed, a rate transition plan to "phase in" needed rate adjustments.				X	X	X	
	Recommendations regarding key financial indicators.	Debt service coverage, capital funding & replacement through rates, reserve levels, etc.			X	X	X	
	One 3-4 hour meeting to review draft results of the revenue requirements.	Completed via Online Meeting			X	10/27/2021 10/28/2021 11/1/2021	N/A	N/A
5	An equitable allocation of IVGID's test period water and sewer revenue requirements		\$ 12,900.00	\$ (9,760.00)	X	X	X	
	Average unit costs (\$/customer/month, \$/1,000 gallons, \$/lb TSS and BOD.				X	X	X	
	Meeting/video conference to review the draft final cost of service summary and recommendations.	Hold meeting			X	X	X	
6	Review of IVGID's current water and sewer rates, along with billing policies and practices.		\$ 9,850.00	\$ (3,486.25)	X	X	X	
	Development of proposed water and sewer rates for a 5-year period (annual adjustments)				X	X	X	
	Collaborate with District staff on compatibility of rate design alternatives with the District's current billing system.				X	X	X	
	Bill comparisons and graphs for the developed rate design alternatives.				X	X	X	
	Bill comparisons to neighboring utilities.				X	X	X	
	Review Ordinance language regarding utility rates and provide suggested markup language for the proposed rates.				X	X	X	
7	Provide recommendations on the appropriateness and approach to establishing the current misc. fees.		\$ 5,990.00	\$ 5,165.00	X	X	X	
	Discuss the current industry policies and trends related to the misc. fees.				X	X	X	
8	A draft final and final written water and sewer report, in both Word and pdf.		\$ 5,660.00	\$ 1,390.00	X	X	X	
9	Up to two public presentations to present the finding, conclusions and recommendations of the study.	First completed via Online Meeting Second completed via Online Meeting Third completed via Online Meeting Fourth Meeting pending in April	\$ 7,240.00	\$ 960.71	X	11/10/2021 & 2/9/2022 & 3/9/2022 & 4/27/2022	N/A	N/A
10	A copy of the computer spreadsheet model(s) used to develop the study.		\$ 1,580.00	\$ 1,580.00				
11	Monthly progress reports.		\$ 5,300.00	\$ 3,698.75	X			
	QA/QC review process for the study and technical analyses.				X			

Labor \$ 71,620.00 \$ 1,786.71  
 Expenses \$ 3,315.00 \$ 3,315.00  
**Total Labor and Expense Cost Estimate \$ 74,935.00 \$ 5,101.71**

**Original Contract \$ 74,935.00**  
 Invoice 1 - 10/24/21-11/20/21 \$ 27,443.75  
**Remaining \$ 47,491.25**  
 Invoice 2 - 11/21/21-12/25/21 \$ 6,875.54  
**Remaining \$ 40,615.71**  
 Invoice 3 - 12/26/21-1/29/22 \$ 20,909.00  
**Remaining \$ 19,706.71**  
 Invoice 4 - 1/30/22-2/26/22 \$ 8,911.25  
**Remaining \$ 10,795.46**  
 Invoice 5 - 2/27/22-3/26/22 \$ 5,693.75  
**Remaining \$ 5,101.71**

**Enterprise Fund Accounting***Executive Summary:*

While governmental fund reporting can be supported with the District's current circumstances, the District should report these activities through the use of Enterprise Funds to achieve the benefits of the full accrual basis of accounting. These activities generally meet the GAAP definition of 'business-type' activities and are better suited for reporting within enterprise funds that use the full accrual basis of accounting to provide stakeholders with a better understanding of the sufficiency of the rates charged to users in covering all costs incurred including the use of capital assets and debt service. See additional observations and recommendations in the body of this report.

*Additional Recommendations:*

- 1 The District should use the full accrual basis of accounting through the use of enterprise funds for the recreational activities reported within Community Services and Beach. The full accrual basis of accounting will allow the District to determine what portion of its operating costs, including the use of capital assets and interest incurred on debt, are recovered from the rates it charges for these activities.
- 2 Should the District decide to continue the use of governmental funds for the reporting its recreational activities within Community Services and Beach, the District should consider adopting a separate resolution with wording that clearly establishes its intent to commit the Facility Fees to the activities within Community Services and Beach as provided by the applicable accounting standards. Further, the District would need to commit additional resources reported within Community Services and Beach in order to meet the spirit and intent of GAAP to use special revenue funds. In the absence of a substantial portion of resources Incline Village General Improvement District | 9 either restricted or committed as defined in GAAP, the Community Services and Beach funds would need to be combined with the General Fund for external financial reporting purposes.
- 3 Should the decision be made to report Community Services and Beach as enterprise funds, the District could consider the use of separate budgetary funds for purposes of tracking and monitoring resources designated for specific purposes like acquisition of capital assets or repayment of debt that are combined with the enterprise funds for external financial reporting purposes, or otherwise tracking resources within the enterprise funds with constraints separately through the chart of accounts and related separate line items in the budgetary forms used for State budget compliance purposes.

**Overhead Cost Allocations***Executive Summary:*

If the current method of reporting expenditures initially within the General Fund is maintained, the expenditures and reporting of the related income as a negative expenditure should be removed from the General Fund and only reported as expenses or expenditures in the reimbursing funds. See additional observations and recommendations in the body of this report.

*Additional Recommendations:*

- 1 Costs initially incurred and paid by the General Fund that ultimately benefit activities reported within, and reimbursed by, the other District funds, should not be reported in the General Fund's financial statements. They should be reported as transactions within the fund benefiting from the services provided.
- 2 While the allocation of costs incurred by the General Fund and charged to other funds is in conformance with GAAP, it is more common to report costs that benefit multiple funds within Internal Service Funds similar to how the District accounts for and reports for its fleet, engineering, and building maintenance services. The District should consider the accounting for administrative costs that benefit multiple activities and funds within Internal Service Funds and charge the activities and funds that benefit from the underlying services.
- 3 The District could improve the transparency of its central service cost allocations by providing the detail of line items included in the budget that make up the total central service costs that ultimately are allocated to the District's various activities.
- 4 The District should consider revising Policies and Practices to include the methodology to be used to allocate central service costs. The methodology should allow for different bases for different types of costs incurred to better match amounts allocated with the drivers of those costs to the activities responsible for paying for them.
- 5 The District should consider adjusting amounts charged to the various activities at year-end to match actual costs incurred, or alternatively, revise ensuing year allocations by prior year over or under charges compared to actual costs incurred so that reimbursements over time approximate the actual costs incurred.

**Punch Card Accounting***Executive Summary:*

We find the contra revenue accounting associated with the value of punch card usage to be consistent with annual budgets adopted by the Board and approved by the State, and in compliance with governmental accounting standards. That said, we recommend the District discontinue the use of contrarevenue accounting for the utilization of punch cards for the reasons noted above. See additional observations and recommendations in the body of this report.

*Additional Recommendations:*

- 1 While we find there is a reasonable purpose behind the contra revenue methodology that is not inconsistent with GAAP and the budget requirements of the State, we recommend ceasing the use of the current accounting methodology. This methodology complicates revenue estimates to use for budget purposes, is confusing to stakeholders, and requires a significant amount of staff time during the year to administer. The time, cost, and complexity involved appears to outweigh the benefits perceived to be achieved.
- 2 The District should record revenues from charges for services and Facility Fees within the different activities and funds according to the net cash collected from rates charged and the allocation of Facility Fees determined by the Board at the time of the budget adoption
- 3 Whether the District continues to report its recreational activities within governmental funds or switches to enterprise funds, its policy on the Incline Village General Improvement District | 21 classification of the Facility Fee revenue should be disclosed in the notes to the financial statements. We recommend the District stick to the non-exchange classification of the Facility fees, and if the decision is to switch to enterprise fund reporting, to report the fees within the nonoperating section in the statement of revenues and expenses and the non-capital related financing activities section in the statement of cash flows.

**Accounting for Capital Expenditures***Executive Summary:*

The District is in need of developing more robust capitalization policies that provide for the different stages of a capital project, how to handle costs incurred in each stage, clarification on the nature of expenditures that increase the service capacity and therefore appropriate to capitalize, and the nature of expenditures that are repairs and maintenance and therefore should be expensed as incurred. See additional observations and recommendations in the body of this report.

*Additional Recommendations:*

- 1 The District's practices and policies should be revised to acknowledge different stages to a project, definition of costs incurred in each stage, and how to account for the expenditures incurred in each stage, consistent with established and accepted governmental accounting practices.
- 2 In most cases, the District should expense expenditures for feasibility studies and master plans. Policies should be revised to address the few circumstances where preliminary engineering, architectural, or design costs are actually utilized in a capital project and eligible for capitalization.
- 3 Board policies and practices should be revised to provide for capitalization of expenditures that truly increase service capacity, and further, that provide the criteria to be followed in making the increased service capacity decision on expenditures by nature or function of the different asset types versus expenditures that should be expensed.

Incline Village General Improvement District  
 Classification of accounting/reporting issues raised

	Suggested for expanded SOW	To be addressed in future CAFRs with the District's future audit firm	Issue is immaterial to the financial statements	Addressed in MA consulting report	Comments	Management Comments - FY 2020/21 CAFR Preparation
1	Improper switch from enterprise funds to use of special revenue funds for Community Services and Beach			X	Our recommendation is to switch back to enterprise fund reporting, and we understand the District is planning to make this change.	Does not apply to 2020/21 financial statements. (Transition back to Enterprise Funds for Community Services and Beach funds for FY2021/22 Budget)
2	Improper capitalization of effluent pipe repairs and condition assessments	X			We understand the projects in question have some elements of extension of useful life and likely some elements that would not meet capitalization criteria. We understand management already has plans to perform a more detailed analysis, and we believe the project will require more evaluation and judgement. Further, the evaluation necessary will be enhanced by development of more robust capitalization policies yet to be developed as we recommended in our report. <b>We believe this to be better addressed in the District's work with its external auditor and once the dollar amount of any necessary adjustments is determined the reporting implications can be determined at that time.</b>	Under review by District's external auditor; recommended expensing of assets previously capitalized are being done in accordance to auditor recommendations.
3	Improper capitalization of feasibility studies and master plans			X	We understand management has already identified amounts capitalized incorrectly and has made adjustments to the 19/20 financial statements.	Substantially addressed in 19/20 financials; additional items being expensed in 20/21 based on review by external auditor.
4	Improper use of punch card contra-revenue accounting			X	This issue was addressed in our report with a recommendation to cease the use of punch card accounting. We understand management is already making plans to cease use of this methodology.	Partially implemented; Punch Card contra-revenues are no longer adjusted based on ration of Recreation / Beach Facility Fee; Punch card utilization was changed in 20/21 to remain within Community Services or Beach funds, based on venue.
5	Improper allocation of administrative and overhead costs from the GF	X		X	This issue was addressed in our report. Changes were noted as necessary in the financial statement for both reimbursements between funds and how internal service fund activity is reported in the government-wide financial statements that can be revised in future CAFRs since neither issue has a bearing on total net position or fund balance of any individual fund.	Issue addressed in 19/20 financials
6	Incorrect revenue recognition for utility base rate charges in periods prior to delivery of service	X	X		The amount in question is immaterial to the utility fund financial statements. <b>This issue would best be discussed with the District's external audit firm with any revisions made in future CAFRs.</b>	Under review by District's external auditor.
7	Indadequate disclosure of construction commitments and lack of classifying related amounts of fund balance as committed for capital projects	X			There is adequate accounting guidance for disclosure requirements of construction and other commitments as well as classifying fund balance among the different levels of constraints. <b>This can be worked out with the District's external audit firm with any revisions made in future CAFRs.</b>	Note to Financial Statement is being updated for 20/21 to reflect complete list of (material) construction contract commitments.
8	Improper classification/reporting of Facility Fees and GF admin and overhead charges in the Statement of Activities	X			This has to do with the placement of Facility Fee revenues in the Statement of Activities, and the 'netting' vs. 'gross' reporting of expenditures and reimbursement revenues within the Statement of Revenues and Expenditures for the General Fund, and does not impact net position or fund balances of individual funds. <b>Therefore, this can best be addressed in future CAFRs.</b>	Under review by District's external auditor. (See document request list)

Incline Village General Improvement District  
 Classification of accounting/reporting issues raised

	Suggested for expanded SOW	To be addressed in future CAFRs with the District's future audit firm	Issue is immaterial to the financial statements	Addressed in MA consulting report	Comments	Management Comments - FY 2020/21 CAFR Preparation
Potential for error in the period of recognition of a grant obtained for the 9 Incline Park ball fields		X			We understand a grant was obtained and as of 6/30/20, was completely or nearly completely received and expended. We understand the budget contained estimated resources and expenditures in the year(s) cash was expected to be received and expenditures made. <b>If the grant is an 'expenditure-driven' grant, it is likely the timing of revenue recognition in past CAFRs have been correct.</b> If the grant is not an expenditure-driven grant - there is a chance revenue should have been recognized sooner and in the year all eligibility requirements were met securing the District's right to the grant resources. Given this is a timing issue in the year(s) grant revenues are to be recognized, we would not recommend restating prior year financial statements for this item absent a request by the grantor, federal or state regulator, or some other reason for which the District would deem the benefit of the restatement effort to be greater than people and financial resources required.	Under review by District's external auditor. (See document request list)
Improper capitalization of \$150,751 of repairs to Mountain Golf Course Clubhouse 10 addressing fire damage		X	X		An evaluation of all costs incurred in the year of the fire and in future years, incurred specifically to address the fire damage and bring the facility back to its condition prior to the fire, should have been compared to any insurance proceeds received with a resulting gain or loss recognized in the year of the fire. <b>The amount noted is immaterial to the Community Service financial statements and any expenditures incurred for the renovation of the Clubhouse can best be evaluated annually as they occur and discussed with the District's external auditor.</b>	Under review by District's external auditor.
Indadequate disclosure of lease commitments with US Dept of Agriculture 11 and Parasol Foundation		X			Current accounting standards issued require footnote disclosure of significant lease commitments, and GASB 87 which can be implemented by the District at any time now and no later than its fiscal year beginning July 1, 2021 will significantly change how leases are reported within the financial statements. <b>We suggest the evaluation of the significance of these leases and related disclosures and the implementation of GASB 87 be discussed with the District's external audit firm and any revisions to the accounting and disclosures be made in future CAFRs.</b>	Under review by District's external auditor. (See document request list)

Incline Village General Improvement District  
 Classification of accounting/reporting issues raised

Suggested for expanded SOW	To be addressed in future CAFRs with the District's future audit firm	Issue is immaterial to the financial statements	Addressed in MA consulting report	Comments	Management Comments - FY 2020/21 CAFR Preparation
12	Inaccurate disclosure of who has authority to create assigned fund balance	X		Any remaining positive fund balance amounts in governmental funds outside of the General Fund are appropriately reported as 'assigned' as specified in GASB 54. In essence, the fact the Board is accounting for certain resources in governmental funds, GASB deems the resource to be 'assigned' if it is not otherwise non-spendable, restricted, or committed - by definition. Local governments can establish who has the authority to establish assigned resources in the General Fund and it is common for that authority to be given to certain members of management. It is a best practice to memorialize who has the authority and what action and documentation is required to establish an assignment. This is something that can be addressed in a review and enhancements to Board policies in the future to memorialize the Board's decision on who can create an assignment and how, and the reporting in the financial statements can be discussed with the District's external auditor and any revisions made to future CAFRs.	
13	Lack of classification of certain amounts as 'fund balance committed for capital projects' for commitments on executed construction contracts	X		The mere fact the Board and management have remaining commitments for capital projects at any year-end does not result in a requirement for a portion of fund balance in governmental funds to be reported as 'restricted' or 'committed', or net position in any enterprise fund to be reported as 'restricted'. Such a classification would only be required for an externally created restriction on a resource for any fund or an internally created commitment by the Board for governmental funds related to unspent resources at year-end. <b>We suggest this issue is best addressed with the District's external auditor and if any revisions are found to be necessary, that they are made to future CAFRs.</b>	Under review by District's external auditor. (See document request list)
14	Inconsistent references to note titles	X		We find it to be a best practice to use consistent titles throughout the financial statements. This is something best addressed in future CAFRs.	Notes reviewed for consistency (ongoing).
15	Incorrect reporting in the notes of 'segment information' for Community Services and Beach funds that is not applicable only to enterprise funds	X		Segment information is only required in certain circumstances for enterprise funds that include multiple activities. It is not appropriate for governmental funds. This is something that can be revised in future CAFRs.	Under review - applies to Supplemental information

Incline Village General Improvement District  
 Classification of accounting/reporting issues raised

	Suggested for expanded SOW	To be addressed in future CAFRs with the District's future audit firm	Issue is immaterial to the financial statements	Addressed in MA consulting report	Comments	Management Comments - FY 2020/21 CAFR Preparation
16	FYE 6/30/19 CAFR under-reporting of Facility Fees and Beach Fees the Board intended for capital projects and debt service	X			To the extent the Board is in agreement with the findings in our report that Facility Fees in general and portions assessed for capital projects and debt service specifically meet the criteria for 'committed' resources, to the extent any Facility Fees committed to capital projects or debt services remain unspent at the end of the year, the calculated amount should be reported as 'committed for capital projects' or 'committed for debt service' within the governmental funds to which they relate. In discussing this with management and review of prior CAFRs, it appeared greater amounts have been spent on capital projects than the allocation of the Facility Fees to capital projects. So it is not clear if any change would need to be made to the classifications of ending fund balance at this time. <b>Since this relates to a reclassification of existing fund balance amounts, if a revision is necessary, this could be addressed in future CAFRs.</b>	Facility Fee revenues are budgeted and reported within Special Revenue, Capital and Debt funds in FY20/21 financials.
17	Improper reporting of fund balance classifications in Community Services and Beach funds between committed, assigned, and unassigned	X			This appears to be the same issue noted in #12 and #16 above which we suggest can be addressed in future CAFRs.	Under review by District's external auditor. (See document request list)
18	Inadequate capital asset policy disclosure in the notes to the financial statements	X			<b>This is a disclosure issue we believe can be addressed with the District's external auditor and any revisions made in future CAFRs.</b>	Note disclosure to be updated
19	Lack of disclosure of minimum fund balance policies	X			<b>This is a disclosure issue we believe can be addressed with the District's external auditor and any revisions made in future CAFRs.</b>	Note disclosure to be updated
20	\$198,135 of proceeds from land sales between 2016 to 2019 were innappropriately recorded in Community Services special revenue fund instead of the related capital project fund.		X		The amount involved is immaterial to the financial statements.	No action needed.
21	Missallocation of Facilities Fees the Board allocated to Capital Projects and Debt Service of Community Services and Beach to the CS and Beach special revenue funds.	X			This appears to be the same issue noted in #16 above.	
22	Innappropriate classification of effluent pipe special assessments in the Statement of Revenues and Expenses as operating revenues	X			The issue noted here addresses the location/classification of the special assessment amounts for the effluent pipe replacement project within the Statement of Revenues and Expenses for the Utility fund. The proper classification is dependent on how the special assessment is calculated, how it is assessed, and how it relates to what was represented to the community at the time of its assessment. <b>Given it does not impact the total net position of the Utility fund, we suggest this can be addressed with the District's external auditor in future CAFRs.</b>	The amounts being collected from customers for the Effluent Pipeline project are not, technically, a special assesment! rather, it is included in the Capital Project charge in both the Sewer Rate ordinance and on the utility bills. The Board has designated a portion of the capital charge for a specific project, but it is being collected and accounted consistent with the other rate revenues collected by the utility.



Incline Village General Improvement District  
 Classification of accounting/reporting issues raised

	Suggested for expanded SOW	To be addressed in future CAFRs with the District's future audit firm	Issue is immaterial to the financial statements	Addressed in MA consulting report	Comments	Management Comments - FY 2020/21 CAFR Preparation
Interest earned on unspent effluent pipe replacement special assessments should be limited in use to the effluent pipe replacement project to comply with Board Policy 13.1.0 and Board Practice 13.2.0		X	X		The amount involved is immaterial to the Utility fund. That said, the amount could be significant and involves the application of a written Board practice. We believe a calculation can easily be performed of interest deemed to be associated with average actual unspent special assessments annually and cumulatively and a balance of unspent special assessment amounts plus unspent interest earnings can be disclosed in the footnotes for Board designations in future CAFRs.	Note has been updated to include interest earnings applied to Effluent Export Pipeline set-aside
\$119,497 of costs incurred to assess underground piping, potential leaks, and other pool related issues were capitalized that should have been expensed			X		Amounts are immaterial fo the financial statements.	No action needed.

*GFOA Best Practices*

- 1 Update and expand Board Policy 12.1.0 and 13.1.0, and Board Practice 13.2.0, to address how the District will implement GFOA best practices including defining key specific roles and responsibilities.

*Roles and Reporting*

- 2 We recommend that the District update the policy and practice documents to clearly detail the role of the Board of Trustees and District management as well as consider consolidating the policy and practice documents so that all information related to capital planning and budgeting can be found in one location and easily implemented.

*Master Planning and Advisory Committee*

- 3 The District should update the existing policy and practice documents to include specific processes and procedures related to phased and detailed master planning and consider implementing an advisory committee (see Recommendation No. 3) to act as a liaison between the Board of Trustees and District management as well as encourage community involvement.

*Review of Draft Policy 8.1.0, Capitalization of Fixed Assets*

- 4 Based on our review of the updated Board Policy 8.1.0, the District has consolidated Board Policy 8.1.0, Board Policy 9.1.0, and Board Practice 2.9.0 into one more in-depth policy document. This approach is consistent with the recommendation provided in Observation No. 2 above. Additionally, the updated policy appears to have incorporated the applicable GFOA best practices and GASB Codification.

The current draft of the policy discusses the classification of capital assets, capitalization thresholds, cost basis and useful lives, and the criteria for capitalization; however, it does not discuss the accumulated depreciation of capital asset additions and disposals. Additionally, while the updated Board Policy 8.1.0 is significantly improved, it lacks specific details around defining the process for capitalization, including who is responsible for each activity, including not specifically outlining who is responsible for completing capitalization of fixed assets, who reviews additions and disposal of fixed assets, and whether any reporting is prepared and presented to District management and/or the Board of Trustees. The District should review the current draft policy and compare it to other capitalization policies (examples to be provided) when making final updates to the draft.

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Five-Year Capital Improvement Plan – FY22/23 Update

**DATE:** June 29, 2022

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### **I. Recommendation**

It is recommended that the Board of Trustees review and provide feedback to the updated Five-Year Capital Improvement Plan developed through the FY2022/23 Budget Process for preparation of Form 4411LGF, for formal Board approval on July 27<sup>th</sup>, prior to submittal to the Department of Taxation.

### **II. BACKGROUND**

Pursuant to NRS 350.103 and 354.5945, all entities are required to file a Five-Year Capital Improvement Plan with the Department of Taxation by August 1<sup>st</sup>. Board approval of the Forms 4411LGF (Capital Improvement Plan) and 4410LGF (Indebtedness Report) is scheduled for the Board meeting of July 27<sup>th</sup>.

This agenda item has been prepared to provide the Board with the most recent update(s) to the District's Five-Year Capital Plan developed through the FY2022/23 budget process. Board feedback at the June 29<sup>th</sup> meeting will inform any final updates that will be incorporated into the District's Five-Year Capital Plan to be filed with the Nevada Department of Taxation.

### **III. DISCUSSION**

The District maintains a Five-Year Capital Plan to guide planned capital investments in support of the District's venues, operations and programs. The Five-Year Capital Plan is a flexible planning document that is regularly updated based on Board and community priorities, funding availability and ongoing review of available financing options.

The Five-Year Capital Plan is formally updated through the annual budget process. The resulting update capital plan for Year 1 is, in turn, incorporated into the Board's actions approving the annual Final fiscal year budget, effective July 1<sup>st</sup>.

For FY2022-23, the initial update to the Five-Year Capital Plan was presented to the Board at a Budget Workshop held on March 1<sup>st</sup>. This workshop reviewed existing Board Policies related to the development of the District's Multi-Year Capital Plan, Board Priority Projects, and a review of the financing plan supporting the District's capital investments through FY2026-27.

Following the Board's capital planning workshop, updates to the multi-year capital plan were discussed at the Board meeting of March 30<sup>th</sup>, as part of the presentation of the Tentative Budget on April 13<sup>th</sup>, and again as a component of the Board agenda item constituting formal actions approving the FY2022-23 Final Budget on May 26<sup>th</sup>.

As discussed throughout the budget development process, the Five-Year Capital Plan includes one or more projects that may be financed through future debt obligations. These include the Export Effluent Pipeline Project, various Diamond Peak improvements (Snowflake Lodge, Ski Way, etc.) and priority Beach improvement projects (Incline Beach House, Access/Egress Improvements, etc.).

Significantly, approval of the capital plan documents to be filed with Forms 4410LGF and 4411 LGF does not commit the District, nor does it represent Board authorization for projects beyond those included and funded as part of the FY2022-23 approved budget, as adopted by the Board of Trustees on May 26, 2022.

#### Updates to the District's Five-Year Capital Plan

The proposed Five-Year Capital Plan presented via this agenda item reflects two significant revisions to the plan presented to the Board with the FY2022/23 Final Budget on May 26, 2022, as follows:

Effluent Pond Lining / Storage Facility - The project cost estimate has been increased from \$4.55 million to \$6.80 million consistent with staff recommendation related to project alternatives presented to the Board of Trustees at their meeting of June 8<sup>th</sup>. Specifically, additional funding of \$2.25 million has been included in FY2023/24 for this project. (*Staff is continuing to pursue federal funding support through the Army Corps of Engineers for up to 75% of project costs*).

Incline Beach House Project – The updated multi-year capital plan includes \$3.25 million to redesign/renovate the Incline Beach House. Planning funds are included in the current year (FY2021-22 budget) and are expected to be carried over to

FY2022-23. The multi-year plan contemplated design funding (\$250,000) in FY2023/34 and construction funding (\$3.0 million) in FY2024-25. Given the priority of this project and based on an assessment of staff capacity available to advance this project, the \$3.0 million in construction funding is proposed to be moved up to FY2023/24.

**IV. FINANCIAL IMPACT**

There is no direct short-term fiscal impact of the information presented in this agenda item. While this the report provides information related to the updated Five-Year Capital Improvement Plan, the Year 1 capital funding allocations are consistent with the FY2022/23 capital budget approved by the Board of Trustees at their meeting of May 26, 2022.

As presented herein, the District’s updated Five-Year Capital Improvement Plan contemplates capital investments totaling \$119,206,085 (excluding carry-forwards), through FY2026-27, with \$44,633,400 having been approved as part of the FY2022-23 budget:

<b>Five-Year Capital Improvement Plan</b>						
<b>FY2022/23 UPDATE</b>						
<b>CAPITAL IMPROVEMENT PLAN PROJECT SUMMARY</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>Total</b>
General Fund	\$ 518,000	\$ 195,000	\$ 350,000	\$ 105,000	\$ 157,500	\$ 1,325,500
Utility Fund						
Shared	143,700	398,000	428,000	770,700	980,320	2,720,720
Water	1,695,000	1,026,000	995,000	2,270,000	970,000	6,956,000
Sewer	13,750,000	13,165,000	10,790,000	12,073,000	745,000	50,523,000
Sub-Total Utility Fund	\$ 15,588,700	\$ 14,589,000	\$ 12,213,000	\$ 15,113,700	\$ 2,695,320	\$ 60,199,720
Community Services Fund						
Golf - Championship	334,700	449,900	929,300	554,880	575,270	2,844,050
Golf - Mountain	1,138,000	723,200	322,500	-	-	2,183,700
Facilities	10,000	12,000	75,000	80,875	81,620	259,495
Ski	823,000	2,268,900	5,333,500	5,541,100	668,800	14,635,300
Recreation	25,606,000	70,000	1,007,200	139,820	273,000	27,096,020
CS Admin	-	64,000	-	-	-	64,000
Parks	130,000	1,683,500	499,000	210,000	362,100	2,884,600
Tennis	-	23,000	10,000	-	36,000	69,000
Sub-Total Community Services Fund	\$ 28,041,700	\$ 5,294,500	\$ 8,176,500	\$ 6,526,675	\$ 1,996,790	\$ 50,036,165
Beaches	485,000	5,272,500	529,000	1,185,000	35,000	7,506,500
Internal Services						
Fleet	-	12,000	42,000	18,000	-	72,000
Buildings	-	-	21,200	45,000	-	66,200
Sub-Total Internal Services Fund	\$ -	\$ 12,000	\$ 63,200	\$ 63,000	\$ -	\$ 138,200
<b>TOTAL CAPITAL IMPROVEMENT PLAN PROJECTS</b>	<b>\$ 44,633,400</b>	<b>\$ 25,363,000</b>	<b>\$ 21,331,700</b>	<b>\$ 22,993,375</b>	<b>\$ 4,884,610</b>	<b>\$ 119,206,085</b>

Significant projects included within the Five-Year Capital Plan include:

**Utility Fund:**

Effluent Pipeline Project -	\$40.00 million (excl. carry-forward)
Effluent Pond/Lining / Storage	\$ 5.25 million (excl. carry-forward)

**Community Services:**

Snowflake Lodge Improvements	\$ 4.25 million
Ski Way / Diamond Peak Parking	\$ 3.60 million
Recreation Center Expansion	\$25.44 million

**Beaches**

Incline Beach House Replacement	\$ 3.25 million
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Other Board-Priority Projects identified through the plan update process include:

Mountain Golf Course Cart Path Replacement  
 Installation of RFID System at Diamond Peak  
 IVGID Community Dog Park  
 Skate Park Enhancements  
 Beach Access Improvements  
 Ski Beach Boat Ramp Improvements  
 Lakeview Lift Replacement Project (*identified but not presently in multi-year capital plan*).

Board Policy 13.1.0 establishes criteria for establishing categories and priorities for capital program investments. The following table summarizes the Five-Year Capital Improvement Plan based on the categories established in Board policy:

**Five-Year Capital Improvement Plan***Project Types (per Board Policy 13.1.0)*

Priority	Project Type	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
2,3,4	A - Major Projects - New Initiatives	\$ 25,535,000	\$ 2,075,900	\$ 833,500	\$ 5,598,100	\$ 668,800	\$ 31,285,000
1,2	B - Major Projects - Existing Facilities	13,000,000	32,000	62,000	110,000	56,000	52,265,000
2,3,4	C - Capital Improvement - New Initiatives	-	250,000	4,500,000	-	-	170,000
1,2	D - Capital Improvement - Existing Facilities	3,960,000	4,340,000	1,600,000	1,685,000	1,129,320	12,714,320
1	E - Capital Maintenance	540,700	1,368,500	2,672,000	4,775,000	1,753,300	11,109,500
1	F - Rolling Stock	584,700	1,941,500	1,189,500	2,399,600	1,423,900	7,539,200
1	G - Equipment & Software	1,013,000	963,000	1,185,200	533,775	428,090	4,123,065
1	H - Capital Maintenance - Expense						
1	I - Equipment & Software - Expense						
		\$ 44,633,400	\$ 10,970,900	\$ 12,042,200	\$ 15,101,475	\$ 5,459,410	\$ 119,206,085

**Five-Year Capital Improvement Plan – Financing Plan**

An important component of multi-year capital planning is development of a financing plan that identifies resources available to support the capital investments contemplated in the plan. The following table identifies the resources identified as being reliably available to support the current Five-Year Capital Plan:

## Five-Year Capital Improvement Plan

FY2022/23 UPDATE						
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
<b>CIP FINANCING PLAN</b>	\$ 1,623,900	\$ 1,463,500	\$ 1,315,000	\$ 1,364,500	\$ 1,669,400	\$ 7,436,300
<b>General Fund</b>						
Current Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance	518,000	195,000	350,000	105,000	157,500	1,325,500
Grants						-
Debt						-
Transfer In / (Out)						-
Sub-Total General Fund	\$ 518,000	\$ 195,000	\$ 350,000	\$ 105,000	\$ 157,500	\$ 1,325,500
<b>Utility Fund</b>						
Current Revenues	\$ 831,459	\$ 1,101,500	\$ 13,000	\$ 2,113,700	\$ 2,695,320	\$ 6,754,979
Fund Balance	11,382,241	1,000,000				12,382,241
Grants	3,375,000	1,687,500				5,062,500
Debt		10,800,000	12,200,000	13,000,000		36,000,000
Sub-Total Utility Fund	\$ 15,588,700	\$ 14,589,000	\$ 12,213,000	\$ 15,113,700	\$ 2,695,320	\$ 60,199,720
<b>Community Services Fund</b>						
Current Revenues / Facility Fees	\$ 929,200	\$ 1,908,800	\$ 8,171,500	\$ 6,521,675	\$ 1,991,790	\$ 19,522,965
Fund Balance	1,635,000	2,844,200				4,479,200
Operating Grants	42,500	41,500	5,000	5,000	5,000	99,000
Grants	25,435,000	500,000	-			25,935,000
Debt						-
Transfer In / (Out)						-
Sub-Total Community Services Fund	\$ 28,041,700	\$ 5,294,500	\$ 8,176,500	\$ 6,526,675	\$ 1,996,790	\$ 50,036,165
<b>Beach Fund</b>						
Current Revenues / Facility Fees	\$ 65,000	\$ (27,500)	\$ 529,000	\$ 1,185,000	\$ 35,000	\$ 1,786,500
Fund Balance	420,000	3,800,000				4,220,000
Grants						-
Debt		1,500,000	-			1,500,000
Sub-Total Beach Fund Fund	\$ 485,000	\$ 5,272,500	\$ 529,000	\$ 1,185,000	\$ 35,000	\$ 7,506,500
<b>Internal Service Fund(s)</b>						
Current Revenues	\$ -	\$ 12,000	\$ 63,200	\$ 63,000	\$ -	\$ 138,200
Fund Balance						-
Grants						-
Debt						-
Sub-Total Internal Service Fund	\$ -	\$ 12,000	\$ 63,200	\$ 63,000	\$ -	\$ 138,200
<b>Distrt-Wide - All Funds</b>						
Current Revenues	\$ 1,825,659	\$ 2,994,800	\$ 8,776,700	\$ 9,883,375	\$ 4,722,110	\$ 28,202,644
Fund Balance	13,955,241	7,839,200	350,000	105,000	157,500	22,406,941
Operating Grants	42,500	41,500	5,000	5,000	5,000	99,000
Grants	28,810,000	2,187,500	-	-	-	30,997,500
Debt	-	12,300,000	12,200,000	13,000,000	-	37,500,000
Transfer In / (Out)	-	-	-	-	-	-
Total District-wide - All Funds	\$ 44,633,400	\$ 25,363,000	\$ 21,331,700	\$ 22,993,375	\$ 4,884,610	\$ 119,206,085

Over the course of the five-year plan, current revenues and available fund balances are expected to provide a combined \$50.6 million, or 42% of the required funding for capital plan. Debt financing, including bond financing or loans, are contemplated in the amount of \$37.5 million, largely in support of utility infrastructure projects and potentially Community Services and Beach facility investments. Notably, the plan includes \$31.0 million in projected grant funding, supporting the Recreation Center Expansion Project (private grant) and up to 75% of the Effluent Pond Lining/Storage Project (federal funding being pursued through the Army Corps of Engineers).

As noted, the multi-year capital plan and related financing plan serves as an important tool in identifying needs, setting priorities and establishing resources

required to support investments in the District's capital infrastructure. However, as a planning document, the Five-Year Capital Plan does not commit the District to any specific funding commitments beyond the funding allocated annually within the adopted budget.

## **V. CONCLUSION**

It is recommended that the Board of Trustees review and provide feedback to the updated Five-Year Capital Improvement Plan developed through the FY2022/23 Budget Process for preparation of Form 4411LGF to be submitted to the Department of Taxation.

### Attachments

- Five-Year Capital Improvement Plan Project Summary





### Five-Year Capital Improvement Project Summary Report

Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type
<b>General Fund</b>											
Accounting/Information Systems		1213LV1721	IS&T Pick-up Truck and Cargo Unit	Fleet Superintendent	-	-	-	33,000	-	33,000	F - Rolling Stock
		1213BD2106	Network Closet Updates (HVAC)	Buildings Superintendent	15,000	25,000	25,000	-	-	65,000	G - Equipment & Software
		1213CE1501	Wireless Controller Upgrade	Director of IT	-	-	-	72,000	-	72,000	G - Equipment & Software
		1213CE2101	Power Infrastructure Improvements	Director of IT	38,000	75,000	-	-	27,500	140,500	G - Equipment & Software
		1213CE2102	Network Upgrades - Switches, Controllers, WAP	Director of IT	210,000	95,000	50,000	-	95,000	450,000	G - Equipment & Software
		1213CE2104	Fiber Installation/Replacement	Director of IT	25,000	-	-	-	-	25,000	G - Equipment & Software
		1213CE2105	Security Cameras	Director of IT	100,000	-	-	-	-	100,000	G - Equipment & Software
		1213CO1505	Server Storage and Computing Hardware	Director of IT	-	-	275,000	-	-	275,000	G - Equipment & Software
		<b>Total</b>			<b>388,000</b>	<b>195,000</b>	<b>350,000</b>	<b>105,000</b>	<b>122,500</b>	<b>1,160,500</b>	
General		1099BD1701	Administration Services Building	Engineering Manager	-	-	-	-	-	-	- B - Major Projects - Existing Facilities
		1099OE1401	Admin Printer Copier Replacement - 893 Southwood Administration Building	District Clerk	-	-	-	-	35,000	35,000	G - Equipment & Software
		4378LI2104	IVGID Community Dog Park	-	100,000	-	-	-	-	100,000	
		1099CE2201	Board Meeting - Technology Upgrades	Director of IT	30,000	-	-	-	-	30,000	G - Equipment & Software
		<b>Total</b>			<b>130,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	<b>165,000</b>	
		<b>Total General Fund</b>			<b>518,000</b>	<b>195,000</b>	<b>350,000</b>	<b>105,000</b>	<b>157,500</b>	<b>1,325,500</b>	
<b>Utilities</b>											
Public Works Shared		2097BD1702	Replace Public Works Front Security Gate	Buildings Superintendent	-	-	-	-	79,320	79,320	D - Capital Improvement - Existing Facilities
		2097LI1701	Pavement Maintenance, Reservoir 3-1 WPS 4-2/5-1	Senior Engineer	90,000	-	-	-	-	90,000	D - Capital Improvement - Existing Facilities
		2097HE1725	Loader Tire Chains - 2 Sets	Fleet Superintendent	-	-	-	20,700	-	20,700	F - Rolling Stock
		2097HE1731	2018 MultiHog MX120 Snowblower #783	Fleet Superintendent	-	-	-	176,000	-	176,000	F - Rolling Stock
		2097HE1750	1997 Forklift #315	Fleet Superintendent	-	36,000	-	-	-	36,000	F - Rolling Stock
		2097HE1751	2013 Trackless Snowblower #687	Fleet Superintendent	-	-	-	-	180,000	180,000	F - Rolling Stock
		2097HE1752	2001 105KW Mobile Generator #313	Fleet Superintendent	-	-	-	-	65,000	65,000	F - Rolling Stock
		2097HV1732	2020 Vac-Con Truck #807	Fleet Superintendent	-	-	-	-	475,000	475,000	F - Rolling Stock
		2097HV1753	2004 Freightliner Vactor Truck #534	Fleet Superintendent	-	-	-	380,000	-	380,000	F - Rolling Stock
		2097HV1755	2001 Peterbilt Bin Truck #468	Fleet Superintendent	-	-	190,000	-	-	190,000	F - Rolling Stock
		2097LE1722	Slurry Liquidator #326	Fleet Superintendent	-	-	-	-	41,000	41,000	F - Rolling Stock
		2097LE1724	2019 Sander/Spreader #808	Fleet Superintendent	-	-	-	10,000	-	10,000	F - Rolling Stock
		2097LE1727	2012 Snowplow #669B	Fleet Superintendent	-	-	72,000	-	-	72,000	F - Rolling Stock
		2097LE1728	2017 Caterpillar 420F2 Backhoe #755	Fleet Superintendent	-	-	-	-	140,000	140,000	F - Rolling Stock
		2097LE2221	Medium Duty Truck Plow	Fleet Superintendent	16,500	-	-	-	-	16,500	F - Rolling Stock
		2097LV1710	2013 Chevy Equinox #691	Fleet Superintendent	-	37,000	-	-	-	37,000	F - Rolling Stock
		2097LV1734	2013 1/2 Ton Pick-Up #677 Treatment	Fleet Superintendent	-	37,000	-	-	-	37,000	F - Rolling Stock
		2097LV1735	2003 GMC 3/4-Ton Pick-up #702	Fleet Superintendent	-	-	-	34,000	-	34,000	F - Rolling Stock
		2097LV1736	2005 Chevy 1/2-Ton Pick-up #553	Fleet Superintendent	-	-	-	32,000	-	32,000	F - Rolling Stock
		2097LV1738	2009 Chevrolet 1/2 Ton Pick-up Truck #631	Fleet Superintendent	-	-	32,000	-	-	32,000	F - Rolling Stock
		2097LV1739	2009 Chevrolet 1/2 Ton Pick-up Truck #632 Engineering Dept.	Fleet Superintendent	-	-	-	32,000	-	32,000	F - Rolling Stock
		2097LV1740	2012 Extend-A-Cab Pick-up #678 Pipeline Dept.	Fleet Superintendent	-	-	-	37,000	-	37,000	F - Rolling Stock
		2097LV1741	2004 3/4-Ton Service Truck w/liftgate & crane #703	Fleet Superintendent	-	-	58,000	-	-	58,000	F - Rolling Stock
		2097LV1743	2013 1-Ton Flatbed #679 Pipeline Dept.	Fleet Superintendent	-	44,000	-	-	-	44,000	F - Rolling Stock
		2097LV1744	2012 1-Ton Service Truck w/ Liftgate #668 Treatment	Fleet Superintendent	-	-	-	47,000	-	47,000	F - Rolling Stock
		2097LV1745	2013 1-Ton Service Truck #680 Utilities Electrician	Fleet Superintendent	-	44,000	-	-	-	44,000	F - Rolling Stock
		2097LV1748	2008 Chevrolet Service Truck #680	Fleet Superintendent	-	-	-	49,000	-	49,000	F - Rolling Stock
		2097LV2220	Chevy 1/2-Ton Pick-up Truck	Fleet Superintendent	37,200	-	-	-	-	37,200	F - Rolling Stock
		2097CO2101	Public Works Billing Software Replacement	Public Works Administrative Manager	-	200,000	-	-	-	200,000	G - Equipment & Software
		2097OE1205	Large Format Printer Replacement	Public Works Contract Administrator	-	-	-	29,000	-	29,000	G - Equipment & Software
		<b>Total</b>			<b>143,700</b>	<b>398,000</b>	<b>428,000</b>	<b>770,700</b>	<b>980,320</b>	<b>2,720,720</b>	
Water		2299DI1702	Water Pump Station 2-1 Improvements	Engineering Manager	-	320,000	-	-	-	320,000	D - Capital Improvement - Existing Facilities
		2299WS1705	Watermain Replacement - Crystal Peak Road	Senior Engineer	1,500,000	-	-	-	-	1,500,000	D - Capital Improvement - Existing Facilities
		2299WS1802	Watermain Replacement - Alder Avenue	Senior Engineer	65,000	535,000	-	-	-	600,000	D - Capital Improvement - Existing Facilities
		2299WS1803	Watermain Replacement - Future	Senior Engineer	-	65,000	600,000	600,000	600,000	1,865,000	D - Capital Improvement - Existing Facilities
		2299WS1804	R6-1 Tank Road Construction	Senior Engineer	-	-	125,000	-	-	125,000	D - Capital Improvement - Existing Facilities
		2299DI1102	Water Pumping Station Improvements	Engineering Manager	50,000	50,000	50,000	50,000	70,000	270,000	E - Capital Maintenance



## Five-Year Capital Improvement Project Summary Report

Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type	
		2299D11401	Burnt Cedar Water Disinfection Plant Improvements	Engineering Manager	25,000	25,000	150,000	1,500,000		1,700,000	E - Capital Maintenance	
		2299LV1720	2013 Mid Size Truck #630 Compliance	Fleet Superintendent		31,000				31,000	F - Rolling Stock	
		2299C02101	SCADA Management Servers/Network - BCDP	Director of IT			70,000			70,000	G - Equipment & Software	
		2299C02203	LIMs Software	Lab Manager	55,000					55,000	G - Equipment & Software	
		2299D12205	R2-1 Reservoir Roof Replacement	District Project Manager					300,000	300,000	D - Capital Improvement - Existing Facilities	
		2299D12206	R-2 Interior Tank Rehabilitation	District Project Manager				120,000		120,000	D - Capital Improvement - Existing Facilities	
			<b>Total</b>			1,695,000	1,026,000	995,000	2,270,000	970,000	6,956,000	
Sewer		2524SS1010	Effluent Pipeline Project	Engineering Manager	10,000,000	10,000,000	10,000,000	10,000,000		40,000,000	B - Major Projects - Existing Facilities	
		2599SS2010	Effluent Pond Lining	Engineering Manager	3,000,000	2,250,000				5,250,000	B - Major Projects - Existing Facilities	
		2599D11703	Sewer Pump Station #1 Improvements	Senior Engineer	500,000					500,000	D - Capital Improvement - Existing Facilities	
		2599SS1702	WRRF Biosolids Bins	Utility Superintendent				100,000		100,000	D - Capital Improvement - Existing Facilities	
		2599BD1105	Roof Replacement Water Resource Recovery Facility	Utility Superintendent		325,000				325,000	E - Capital Maintenance	
		2599D11104	Sewer Pumping Station Improvements	Engineering Manager	50,000	50,000	50,000	200,000	70,000	420,000	E - Capital Maintenance	
		2599D11701	Sewer Pumping Station 14 Improvements	Engineering Manager			115,000	300,000		415,000	E - Capital Maintenance	
		2599SS1102	Water Resource Recovery Facility Improvements	Utility Superintendent	100,000	175,000	475,000	400,000	175,000	1,325,000	E - Capital Maintenance	
		2599SS1103	Wetlands Effluent Disposal Facility Improvements	Utility Maintenance Specialist	100,000	100,000	50,000	50,000	200,000	500,000	E - Capital Maintenance	
		2599SS1203	Sewer Main Rehabilitation	Senior Engineer		100,000	100,000	500,000	300,000	1,000,000	E - Capital Maintenance	
		2523HE1723	2001 Sellick Forklift #499	Fleet Superintendent		65,000				65,000	F - Rolling Stock	
		2523HV1721	2006 Kenworth T800 Bin truck #587	Fleet Superintendent				198,000		198,000	F - Rolling Stock	
		2523LE1720	2018 Flail Mower #784	Fleet Superintendent		15,000				15,000	F - Rolling Stock	
		2524HE1725	2008 Chevrolet Camera Truck #615	Fleet Superintendent		85,000				85,000	F - Rolling Stock	
		2599C02105	SCADA Management Servers/Network - WRRF	Director of IT				70,000		70,000	G - Equipment & Software	
		2599D12209	SPS#1 Pump Station & Generator Bldg Roof Replacement	District Project Manager				255,000		255,000	D - Capital Improvement - Existing Facilities	
			<b>Total</b>			13,750,000	13,165,000	10,790,000	12,073,000	745,000	50,523,000	
			<b>Total Utilities</b>			15,588,700	14,589,000	12,213,000	15,113,700	2,695,320	60,199,720	
Internal Service												
Fleet		5197LE1720	Replace 2007 Vehicle/Equipment Trailer #629	Fleet Superintendent		12,000				12,000	F - Rolling Stock	
		5190ME1201	Replacement Shop Tools and Equipment	Fleet Superintendent				18,000		18,000	G - Equipment & Software	
		5197CO1501	Fuel Management Program	Fleet Superintendent			28,000			28,000	G - Equipment & Software	
		5197CO1801	Fleet Software upgrade - manages rolling stock/equip	Fleet Superintendent			14,000			14,000	G - Equipment & Software	
		<b>Total</b>				12,000	42,000	18,000		72,000		
Buildings		5394LE1723	2003 Genie Scissor Lift	Fleet Superintendent			16,000			16,000	F - Rolling Stock	
		5394LE1724	2004 Equipment Trailer (Tilt)	Fleet Superintendent			5,200			5,200	F - Rolling Stock	
		5394LV1720	Replace 2005 Service Truck 4X4 (1-ton) #555	Fleet Superintendent				45,000		45,000	F - Rolling Stock	
		<b>Total</b>					21,200	45,000		66,200		
		<b>Total Internal Service</b>				12,000	63,200	63,000		138,200		
Community Services												
Championship Golf		3144BD2101	Championship Golf Cart Barn Siding Replacement	Engineering Manager			165,000			165,000	B - Major Projects - Existing Facilities	
		3141GC1901	Practice Green Expansion	Grounds Superintendent Golf Courses		30,000	200,000			230,000	D - Capital Improvement - Existing Facilities	
		3141GC1202	Championship Course Bunkers	Grounds Superintendent Golf Courses			160,000	170,000	180,000	510,000	E - Capital Maintenance	
		3141LI1202	Cart Path Replacement - Champ Course	Senior Engineer	55,000	55,000	195,000	187,500	55,000	547,500	E - Capital Maintenance	
		3143GC1202	Driving Range Improvements	Grounds Superintendent Golf Courses		34,000				34,000	E - Capital Maintenance	
		3153BD2001	Recoat Chateau F&B Grill and Catering Kitchen Floors	Buildings Superintendent	39,700				45,500	85,200	E - Capital Maintenance	
		3142LE1722	2001 Shattertine Aerifier #500	Fleet Superintendent			8,000			8,000	F - Rolling Stock	
		3142LE1723	2017 Toro Force Debris Blower #742	Fleet Superintendent					12,000	12,000	F - Rolling Stock	
	3142LE1725	2015 Carryall Club Car #720	Fleet Superintendent			15,000			15,000	F - Rolling Stock		
	3142LE1726	2015 Carryall Club Car #721	Fleet Superintendent			15,000			15,000	F - Rolling Stock		
	3142LE1727	2017 Carryall Club Car #736	Fleet Superintendent					15,300	15,300	F - Rolling Stock		
	3142LE1728	2017 Carryall Club Car #737	Fleet Superintendent					15,300	15,300	F - Rolling Stock		
	3142LE1729	2017 Carryall Club Car #738	Fleet Superintendent					15,300	15,300	F - Rolling Stock		
	3142LE1730	2017 Carryall Club Car #739	Fleet Superintendent					15,300	15,300	F - Rolling Stock		



### Five-Year Capital Improvement Project Summary Report

Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type
		3142LE1731	2017 Carryall Club Car #740	Fleet Superintendent					15,300	15,300	F - Rolling Stock
		3142LE1732	2017 Carryall Club Car #741	Fleet Superintendent					15,300	15,300	F - Rolling Stock
		3142LE1741	2016 Bar Cart #724	Fleet Superintendent	20,000					20,000	F - Rolling Stock
		3142LE1742	2016 Bar Cart #725	Fleet Superintendent	20,000					20,000	F - Rolling Stock
		3142LE1743	2017 Toro Sand Pro 3020 #744	Fleet Superintendent		22,000				22,000	F - Rolling Stock
		3142LE1748	2015 Toro Greensmaster 1600 #711	Fleet Superintendent		11,300				11,300	F - Rolling Stock
		3142LE1749	2015 Toro Greensmaster 1600 #712	Fleet Superintendent		11,300				11,300	F - Rolling Stock
		3142LE1750	2013 JD 3235 Fairway Mower #685	Fleet Superintendent	98,000					98,000	F - Rolling Stock
		3142LE1753	2019 Toro Greensmaster 2120 #797	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1754	2019 Toro Greensmaster 2120 #798	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1755	2019 Toro Greensmaster 2120 #799	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1756	2019 Toro Greensmaster 2120 #800	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1757	2019 Toro Greensmaster 2120 #801	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1758	2019 Toro Greensmaster 2120 #802	Fleet Superintendent		17,000				17,000	F - Rolling Stock
		3142LE1760	Replacement of 2010 John Deere 8500 #641	Fleet Superintendent	92,000					92,000	F - Rolling Stock
		3142LE1861	Toro Greensmaster 1600 #796	Fleet Superintendent		11,300				11,300	F - Rolling Stock
		3197LE1721	2017 Toro Aerator #754	Fleet Superintendent			28,000			28,000	F - Rolling Stock
		3197LE1722	2018 Toro Multi-Pro Sprayer #781	Fleet Superintendent		75,000				75,000	F - Rolling Stock
		3197LE1726	2001 Spiker/Seeder #477	Fleet Superintendent				12,000		12,000	F - Rolling Stock
		3197LE1728	2013 Toro Top Dresser #686	Fleet Superintendent				15,000		15,000	F - Rolling Stock
		3197LE1729	2017 Toro Multi-Pro Spray Rig #746	Fleet Superintendent		41,000				41,000	F - Rolling Stock
		3197LE1731	2008 Planetair HD50 #616	Fleet Superintendent				39,000		39,000	F - Rolling Stock
		3197LE1732	2015 John Deere 1500 Fairway Aerator #716	Fleet Superintendent			32,500			32,500	F - Rolling Stock
		3197LE1733	2008 JD TC125 Core Harvester #621	Fleet Superintendent				14,500		14,500	F - Rolling Stock
		3197LE1734	2008 Bandit Brush Chipper #625	Fleet Superintendent				45,000		45,000	F - Rolling Stock
		3197LE1735	2017 TORO Procore 864 Aerator #747	Fleet Superintendent			32,500			32,500	F - Rolling Stock
		3197LE1736	2017 John Deere Pro Gator #734	Fleet Superintendent				38,000		38,000	F - Rolling Stock
		3197LE1741	2015 Greens Roller #812	Fleet Superintendent				20,000		20,000	F - Rolling Stock
		3197LE1742	2014 Vibratory Greens Roller #811	Fleet Superintendent				20,000		20,000	F - Rolling Stock
		3197LE1744	2017 John Deere 5075E Tractor #761	Fleet Superintendent				42,000		42,000	F - Rolling Stock
		3197LE1747	John Deer 5075E Tractor #697	Fleet Superintendent				50,000		50,000	F - Rolling Stock
		3197LE1752	2017 Deep Tine Aerator #763	Fleet Superintendent			27,800			27,800	F - Rolling Stock
		3197LE1902	Graden Sand Injection Verticutter #827	Fleet Superintendent				20,000		20,000	F - Rolling Stock
		3197LE2003	JD TC125 Core Harvester #661	Fleet Superintendent				14,500		14,500	F - Rolling Stock
		3197LE2004	2017 TORO PROCORE 864 AERATOR #756	Fleet Superintendent			32,500			32,500	F - Rolling Stock
		3197LE2020	2010 JD 4120 Tractor #643	Fleet Superintendent				34,000		34,000	F - Rolling Stock
		3197LE2022	2017 Toro Core Processor #758	Fleet Superintendent			26,000			26,000	F - Rolling Stock
		3144FF1702	Replace Icemaker Championship Golf Course Cart Barn	Buildings Superintendent					11,970	11,970	G - Equipment & Software
		3153FF2604	Gille Patio Table and Chairs	Sales and Events Coordinator				12,380		12,380	G - Equipment & Software
		3197LE1748	Replace Blade Grinding Equipment	Fleet Superintendent		49,000				49,000	G - Equipment & Software
		3199OE1501	Championship Golf Printer Copier Replacement 955 Fairway	Director of IT	10,000					10,000	G - Equipment & Software
		Total			334,700	449,900	929,300	554,880	575,270	2,844,050	
Mountain Golf		3241GC1502	Wash Pad Improvements	Engineering Manager	-	100,000				100,000	D - Capital Improvement - Existing Facilities
		3241LI2001	Mountain Golf Cart Path Replacement - Phase II	Senior Engineer	1,100,000	-				1,100,000	D - Capital Improvement - Existing Facilities
		3299BD2201	Maintenance Bldg. / Torch Down Roof Replacement	Buildings Superintendent		100,000				100,000	D - Capital Improvement - Existing Facilities
		3241GC1404	Irrigation Improvements	Grounds Superintendent Golf Courses	18,000	10,000	12,000			40,000	E - Capital Maintenance
		3241LV1899	Mountain Course 58 Cart Fleet	Director of Golf/Community Services		491,200				491,200	F - Rolling Stock
		3242LE1720	2018 Toro Force Blower #777	Fleet Superintendent			12,000			12,000	F - Rolling Stock
		3242LE1721	2015 Carryall Club Car #713	Fleet Superintendent			15,000			15,000	F - Rolling Stock
		3242LE1722	2015 Carryall Club Car #714	Fleet Superintendent			15,000			15,000	F - Rolling Stock
		3242LE1723	2015 Carryall Club Car #718	Fleet Superintendent			15,000			15,000	F - Rolling Stock
		3242LE1724	2015 Carryall Club Car #719	Fleet Superintendent			15,000			15,000	F - Rolling Stock
		3242LE1726	2016 Bar Cart #726	Fleet Superintendent	20,000					20,000	F - Rolling Stock
		3242LE1729	2015 JD 3235 Fairway Mower #717	Fleet Superintendent			93,000			93,000	F - Rolling Stock
		3242LE1730	2018 Toro Tri-Plex 3250D Mower #779	Fleet Superintendent			45,500			45,500	F - Rolling Stock
		3242LE1731	2017 Toro Sand Pro #745	Fleet Superintendent		22,000				22,000	F - Rolling Stock
		3242LE1732	2018 Toro Tri-Plex Mower #780	Fleet Superintendent			60,000			60,000	F - Rolling Stock



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Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type
		3242LE2002	2019 Toro Tri-Plex Mower #795	Fleet Superintendent			40,000			40,000	F - Rolling Stock
		<b>Total</b>			<b>1,138,000</b>	<b>723,200</b>	<b>322,500</b>	<b>-</b>	<b>-</b>	<b>2,183,700</b>	
Facilities		3350BD1302	Resurface Patio Deck - Chateau	Buildings Superintendent				27,500		27,500	E - Capital Maintenance
		3350BD1808	Chateau Community Room Ceiling and Beam Refurbishing	Buildings Superintendent				25,000		25,000	E - Capital Maintenance
		3351BD1703	Aspen Grove Outdoor Seating BBQ and Landscaping	Parks Superintendent	10,000					10,000	E - Capital Maintenance
		3352LV1720	Replace 2013 Cargo Truck #690	Fleet Superintendent					40,000	40,000	F - Rolling Stock
		3350BD1702	Upgrade Chateau Community Room Lighting Control Module	Buildings Superintendent					25,620	25,620	G - Equipment & Software
		3350FF1603	Portable Bars	Sales and Events Coordinator				18,375		18,375	G - Equipment & Software
		3352FF1003	Catering Ceremony Chairs	Sales and Events Coordinator					16,000	16,000	G - Equipment & Software
		3352FF1104	Replace Banquet Serviceware	Sales and Events Coordinator		12,000	75,000			87,000	G - Equipment & Software
		3352FF1704	Banquet Tables	Sales and Events Coordinator				10,000		10,000	G - Equipment & Software
		<b>Total</b>			<b>10,000</b>	<b>12,000</b>	<b>75,000</b>	<b>80,875</b>	<b>81,620</b>	<b>259,495</b>	
Ski		3469LI1805	Ski Way and Diamond Peak Parking Lot Reconstruction	Engineering Manager				3,600,000		3,600,000	B - Major Projects - Existing Facilities
Up-scooped		3453BD1806	Base Lodge Walk In Cooler and Food Prep (Kitchen) Reconfiguration	Engineering Manager	110,000	800,000				910,000	D - Capital Improvement - Existing Facilities
		3462CE1902	Diamond Peak Fiber Network to Lifts	Director of IT					75,000	75,000	D - Capital Improvement - Existing Facilities
		3464ME1802	Diamond Peak Fuel Storage Facility	Fleet Superintendent			20,000	400,000		420,000	D - Capital Improvement - Existing Facilities
		3462HE1502	Crystal Express Ski Lift Maintenance and Improvements	Mountain Operations Manager		80,000		180,000	40,000	300,000	E - Capital Maintenance
		3462HE1702	Lakeview Ski Lift Maintenance and Improvements	Mountain Operations Manager					190,900	190,900	E - Capital Maintenance
		3462HE1711	Lodgepole Ski Lift Maintenance and Improvements	Mountain Operations Manager	18,000		205,000		144,900	367,900	E - Capital Maintenance
		3462HE1712	Red Fox Ski Lift Maintenance and Improvements	Ski Resort General Manager	75,000	64,000				139,000	E - Capital Maintenance
		3462LE1720	2016 Polaris Ranger Crew #728	Fleet Superintendent		19,000				19,000	F - Rolling Stock
		3463HE1721	2013 Snow blower #689	Fleet Superintendent		165,900				165,900	F - Rolling Stock
		3463HE1722	Loader Tire Chains (1-Set)	Fleet Superintendent				10,000		10,000	F - Rolling Stock
		3463HE1724	Replace 2014 Winch Cat Grooming vehicle # 699	Fleet Superintendent				448,200		448,200	F - Rolling Stock
		3463HE1725	Replace 2014 Grooming vehicle # 700	Fleet Superintendent		448,000				448,000	F - Rolling Stock
		3464HE1908	1983 Case 855C Track Backhoe # 348	Fleet Superintendent				282,000		282,000	F - Rolling Stock
		3464LE1601	Ski Resort Snowmobile Fleet Replacement	Fleet Superintendent	17,000	17,000	17,500	17,500	18,000	87,000	F - Rolling Stock
		3464LE1734	2016 Polaris Ranger Crew #723	Fleet Superintendent	19,000					19,000	F - Rolling Stock
		3464LV1731	2012 Yamaha ATV #683	Fleet Superintendent				18,000		18,000	F - Rolling Stock
		3469HE1739	Replace 2010 Shuttle Bus #635 / 14-passenger Vans (2)	Fleet Superintendent				250,000		250,000	F - Rolling Stock
		3469HE1740	Replace 2010 Shuttle Bus #636 / 14-passenger Vans (2)	Fleet Superintendent	125,000					125,000	F - Rolling Stock
		3469LV1735	2007 Chevy 1-Ton Pick-Up #596	Fleet Superintendent				40,000		40,000	F - Rolling Stock
		3469LV1736	2007 Chevy 1-Ton Pick-Up #597	Fleet Superintendent				40,000		40,000	F - Rolling Stock
		3469LV1737	1991 Ski Passenger Tram #267	Fleet Superintendent				22,700		22,700	F - Rolling Stock
		3469LV1738	1993 Ski Passenger Tram #283	Fleet Superintendent				22,700		22,700	F - Rolling Stock
		3453FF1706	Replace Main Lodge/Snowflake Lodge Dining Furniture and Fixtures	Food and Beverage Manager	49,000					49,000	G - Equipment & Software
		3453FF1707	Replacement of Main and Snowflake Lodge Kitchen Equipment	Food and Beverage Manager			11,000			11,000	G - Equipment & Software
		3464SI1002	Snowmaking Infrastructure Replacement	Mountain Operations		425,000	200,000		200,000	825,000	G - Equipment & Software
		3468RE0002	Replace Ski Rental Equipment	Director of Skier Services			340,000	210,000		550,000	G - Equipment & Software
		3468RE1609	Replace Ski Rental Machinery	Director of Skier Services			40,000			40,000	G - Equipment & Software
		3499CE2201	Installation RFID - Software and Gantries	Ski Resrt Generam Manager	410,000					410,000	G - Equipment & Software
		<b>Total</b>			<b>823,000</b>	<b>2,018,900</b>	<b>833,500</b>	<b>5,541,100</b>	<b>668,800</b>	<b>9,885,300</b>	
Ski Master Plan		3653BD1502	2015 Ski Area Master Plan Implementation - Phase 2 Snowflake Lodge and Activities	Ski Resort General Manager		250,000	4,500,000			4,750,000	A - Major Projects - New Initiatives
		<b>Total</b>			<b>-</b>	<b>250,000</b>	<b>4,500,000</b>	<b>-</b>	<b>-</b>	<b>4,750,000</b>	
Parks		4378LI2104	IVGID Community Dog Park			1,000,000				1,000,000	A - Major Projects - New Initiatives



### Five-Year Capital Improvement Project Summary Report

Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type
		4378RS1501	Replace Playground - Incline Park	Parks Superintendent			20,000		150,000	170,000	C - Capital Improvement - New Initiatives
		4378BD1605	Aspen Grove Flatscape and Retaining Wall Enhancement and Replacement	Parks Superintendent	-	-	250,000			250,000	D - Capital Improvement - Existing Facilities
		4378BD1701	Dumpster enclosure - Incline Park	Parks Superintendent	-	45,000				45,000	D - Capital Improvement - Existing Facilities
		4378BD1710	Storage Container replacement	Parks Superintendent					20,000	20,000	D - Capital Improvement - Existing Facilities
		4378BD1801	Preston Field Retaining Wall Replacement	Engineering Manager		430,000	-			430,000	D - Capital Improvement - Existing Facilities
		4378BD2201	Incline Park 2 bleacher replacement	Parks Superintendent					45,000	45,000	D - Capital Improvement - Existing Facilities
		4378BD2202	Skate Park Enhancement	Parks Superintendent	10,000	150,000	20,000	10,000		190,000	D - Capital Improvement - Existing Facilities
		4378ME2203	Central Irrigation Controller Upgrade	Parks Superintendent			60,000			60,000	D - Capital Improvement - Existing Facilities
		4378RS1601	Replace Playgrounds - Preston	Senior Engineer		20,000		200,000		220,000	E - Capital Maintenance
		4378HV1738	2013 1-Ton Dump Truck #692	Fleet Superintendent			43,000			43,000	F - Rolling Stock
		4378LE1720	2013 Surf Rake #684	Fleet Superintendent		26,500				26,500	F - Rolling Stock
		4378LE1722	2017 Toro Rake-O-Vac #735	Fleet Superintendent					37,100	37,100	F - Rolling Stock
		4378LE1725	2008 Landpride Overseeder #622	Fleet Superintendent				17,000		17,000	F - Rolling Stock
		4378LE1726	2018 John Deere UTV #771	Fleet Superintendent				20,000		20,000	F - Rolling Stock
		4378LE1727	2015 John Deere Pro Gator #722	Fleet Superintendent				32,000		32,000	F - Rolling Stock
		4378LE1739	2013 Ball Field Groomer #809	Fleet Superintendent					25,000	25,000	F - Rolling Stock
		4378LE1740	2013 Ball Field Mower / Toro 3500D Groundskeeper #816	Fleet Superintendent					39,000	39,000	F - Rolling Stock
		4378LE1743	2019 Toro 3500D Rotary Mower #792	Fleet Superintendent			37,000			37,000	F - Rolling Stock
		4378LE2220	Toolcat with Bucket and Snowblower	Fleet Superintendent	70,000					70,000	F - Rolling Stock
		4378LV1732	2016 Pick-up Truck 4x4 (1-Ton) #730	Fleet Superintendent					46,000	46,000	F - Rolling Stock
		4378LV1734	2011 Pick-Up with Lift gate #646	Fleet Superintendent	50,000					50,000	F - Rolling Stock
		4378RS2204	GPS Field Stripper	Parks Superintendent		12,000				12,000	G - Equipment & Software
		<b>Total</b>			<b>130,000</b>	<b>1,683,500</b>	<b>499,000</b>	<b>210,000</b>	<b>362,100</b>	<b>2,884,600</b>	
Tennis		4588RS1401	Resurface Tennis Courts 8-9-10-11	Superintendent of Parks and Recreation					19,000	19,000	E - Capital Maintenance
		4588RS1402	Resurface Tennis Courts 3 thru 7	Superintendent of Parks and Recreation		23,000				23,000	E - Capital Maintenance
		4588RS1501	Resurface Tennis Courts 1 and 2	Superintendent of Parks and Recreation			10,000			10,000	E - Capital Maintenance
		4588ME1701	Ball Machines for Tennis Center	Superintendent of Parks and Recreation					17,000	17,000	G - Equipment & Software
		<b>Total</b>			-	23,000	10,000	-	36,000	69,000	
Recreation Center		4884BD2201	Recreation Center Expansion Project	General Manager / Engineering Manager	25,435,000					25,435,000	A - Major Projects - New Initiatives
		4884BD2202	Rec Center Exterior Wall Waterproofing & French Drain	District Project Manager	100,000					100,000	D - Capital Improvement - Existing Facilities
		4884L1102	Recreation Center Parking Lot Reconstruction	Senior Engineer	-	-	950,000			950,000	E - Capital Maintenance
		4884RS1503	Replaster Recreation Center Pool	Buildings Superintendent					200,000	200,000	E - Capital Maintenance
		4885BD1606	Pool Facility Deck/Floor Re-coat	Buildings Superintendent					38,000	38,000	E - Capital Maintenance
		4899LV1721	2012 15-Passenger Van #667	Fleet Superintendent				45,800		45,800	F - Rolling Stock
		4899LV1723	2017 Chevy Compact SUV #751	Fleet Superintendent					35,000	35,000	F - Rolling Stock
		4884BD1702	Replace Bird Netting	Buildings Superintendent				17,720		17,720	G - Equipment & Software
		4884BD1804	Chemtrol System for Recreation Center Pool	Buildings Superintendent	22,000					22,000	G - Equipment & Software
		4886LE0001	Fitness Equipment	Recreation Center Manager	49,000	70,000	57,200	51,300		227,500	G - Equipment & Software
		4899OE1607	Recreation Center Printer Copier Replacement 980 Incline Way	Director of IT				25,000		25,000	G - Equipment & Software
		<b>Total</b>			<b>25,606,000</b>	<b>70,000</b>	<b>1,007,200</b>	<b>139,820</b>	<b>273,000</b>	<b>27,096,020</b>	
Community Services Shared		4999LV1802	2017 Dodge Caravan ADA #769	Fleet Superintendent		64,000				64,000	F - Rolling Stock
		<b>Total</b>			-	64,000	-	-	-	64,000	
		<b>Total Community Services</b>			<b>28,041,700</b>	<b>5,294,500</b>	<b>8,176,500</b>	<b>6,526,675</b>	<b>1,996,790</b>	<b>50,036,165</b>	



### Five-Year Capital Improvement Project Summary Report

Run Date: 6/17/2022

Department Description	Q	Project #	Project Title	Project Manager	Approved FY 2023	Approved FY 2024	Approved FY 2025	Approved FY 2026	Approved FY 2027	Approved 5-YR Total	Project Type
Beaches		3973L11302	Incline Beach Facility Replacement	Senior Engineer		3,250,000	-			3,250,000	B - Major Projects - Existing Facilities
		3972BD1501	Beaches Flatscape and Retaining Wall Enhancement and Replacement	Senior Engineer	55,000	55,000	55,000			165,000	D - Capital Improvement - Existing Facilities
		3972BD2101	Ski Beach Boat Ramp Improvement Project	Engineering Manager	100,000	1,500,000				1,600,000	D - Capital Improvement - Existing Facilities
		3999BD1708	Ski Beach Bridge Replacement	Senior Engineer	120,000					120,000	D - Capital Improvement - Existing Facilities
		3999L11902	Burnt Cedar Beach Eastern Stormwater Improvements	Senior Engineer				190,000		190,000	D - Capital Improvement - Existing Facilities
		3999FF2201	Beach Furnishings	Parks Superintendent	10,000	10,000	10,000	10,000	10,000	50,000	D - Capital Improvement - Existing Facilities
		3999ME2202	Central Irrigation Controller Upgrade	Parks Superintendent			30,000			30,000	D - Capital Improvement - Existing Facilities
		3999BD2203	Third Creek Fence Redesign and Replacement	Parks Superintendent			15,000			15,000	D - Capital Improvement - Existing Facilities
		3999L12204	Ski and Incline Beach Landscape Enhancement	Parks Superintendent			15,000			15,000	D - Capital Improvement - Existing Facilities
		3972BD2102	Beach Access Improvements	Senior Engineer	200,000	200,000	200,000			600,000	D - Capital Improvement - Existing Facilities
		3972BD1301	Reconstruct Pavement - Ski Beach	Senior Engineer		250,000				250,000	E - Capital Maintenance
		3972L11202	Pavement Reconstruction - Burnt Cedar Beach	Senior Engineer				835,000		835,000	E - Capital Maintenance
		3972RS1701	Replace Playgrounds - Beaches	Senior Engineer	-	7,500	150,000	150,000		307,500	E - Capital Maintenance
		3999BD1703	Replace Ski Beach Entrance Gate	Buildings Superintendent		-			25,000	25,000	E - Capital Maintenance
		3972LE1720	2014 John Deere 5075E Tractor #698	Fleet Superintendent			54,000			54,000	F - Rolling Stock
			Total			485,000	5,272,500	529,000	1,185,000	35,000	7,506,500
<b>Grand Total</b>					<b>44,633,400</b>	<b>25,363,000</b>	<b>21,331,700</b>	<b>22,993,375</b>	<b>4,884,610</b>	<b>119,206,085</b>	

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Sara Schmitz  
Board of Trustees

**THROUGH:** Josh Nelson  
District General Counsel

**SUBJECT:** Review, discuss and potentially provide (1) amendments to Policy 15.1.0 to modify the term of Audit Committee appointments to expire in February and (2) direction regarding additional edits to Policy 15.1.0.

**DATE:** June 29, 2022

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### **I. RECOMMENDATION**

It is recommended that the Board of Trustees review, discuss, and potentially approve amendments to Policy 15.1.0 to modify the term of Audit Committee appointments to expire in February instead of June.

### **II. BACKGROUND**

Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee Charter creates and outlines the Audit Committee. The initial implementation date of the revised Audit Committee Charter was July 1, 2020, with the Trustee and At-Large member terms aligned with the fiscal year. After two years of adherence to the revised policy, the timing of the appointments is not ideal in that new members are appointed after the engagement of the external auditor. To better align with the timing of the engagement, the delivery of the ACFR, and the year-end report from the Audit Committee, it is recommended the terms for the At-Large and Trustee appointments expire at the end of February with new terms beginning March 1 of each year.

At its May 26<sup>th</sup> meeting, the Board discussed modifying the expiration of the terms to have terms expire in February with new terms beginning in March. The Board did not take a position on the edits but requested that staff prepare draft redlines for consideration. These redlines are enclosed. If the Board wishes to modify the terms, it can approve these or similar edits to Policy 15.1.0. The Board should note that the draft redlines propose modifying the existing terms by extending them to the next February. The alternative would be to reduce the terms by having them expire in the February of the same year that they are currently set to expire.

In addition to these edits, the Board may also wish to consider additional edits to the eligibility for serving on the Audit Committee. As an example, the Board may wish to require Trustees members of the Audit Committee to have sufficient remaining time in their terms as Trustees to complete their term on the Committee. These edits could be

Review, discuss and potentially provide amendments to Policy 15.1.0 to modify the term of Audit Committee appointments to expire in February and potentially direction regarding additional edits to Policy 15.1.0.

-2-

June 29, 2022

considered and discussed by the Board and potentially direct staff to prepare further amendments to Policy 15.1.0.

### **III. FINANCIAL IMPACT**

There is no direct impact from this item.

### **IV. ALTERNATIVES**

Not modify Policy 15.1.0 as discussed above.





## Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and to provide the highest level of financial accountability and transparency to its parcel owners and other stakeholders (i.e., the State of Nevada).

The Government Finance Officers Association (GFOA) encourages the effective use of an audit committee in the public sector and considers such a committee an integral element of public accountability and governance. An Audit Committee plays a key role with respect to overseeing the integrity of the District's annual financial statements (the "ACFR") by ensuring those responsible for financial management (Management and the Board of Trustees) meet their responsibilities for maintaining an effective system of internal controls over financial reporting. An Audit Committee is a practical means for a governing body to provide much needed independent review and oversight of the District's financial reporting processes, internal controls, and independent auditors.

An Audit Committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an Audit Committee helps to ensure that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.

An Audit Committee should be formally established by the Board of Trustees, be adequately funded, and be subject to a formally approved Audit Committee Charter.

**POLICY:** The Audit Committee (the "Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes (NRS), District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the system of internal controls including the internal audit plans and reports, and the independent auditor's reports within the ACFR.

The Committee shall have open communication with and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and the independent auditor.



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

This Committee shall review the Charter annually with any recommended changes submitted to the Board of Trustees for consideration and possible approval.

**ORGANIZATION:** The Committee shall consist of five (5) voting members. This includes two Board members appointed annually by Trustees and three members appointed by the Trustees to serve as qualified At-Large Members. Any recommendations for expanding the number of voting members will be recommended by the Committee and submitted to the Board of Trustees for possible approval. The Committee may retain financial or other appropriate advisors to attend meetings, provide guidance and training, as needed, and as approved by the Board of Trustees for financial expenditures.

Members of the Committee should have or shall obtain an understanding of accounting, auditing, financial reporting, and internal controls to be able, with the assistance of an advisor if needed, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for periodic training of the Committee members and an outside advisor to assist the Committee with the independent conduct of its work with the approval of the Board of Trustees. Any advisor so engaged should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB) statements, and financial reporting
- Experience either preparing or auditing financial statements
- Experience with internal controls
- An understanding of the function of an audit committee

At-large Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District and at-large members suggested qualifications:

At-Large Committee members shall be expected to comply with all District policies that apply to volunteers. District staff shall be responsible for providing copies of all relevant policies to Committee members.

- Annually, the Board of Trustees will appoint two Trustees to be Committee members. Appointing Trustees to serve successive years increases continuity and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall endeavor to appoint a new



## Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0

member to the Committee within thirty (30) days of the vacancy or the next available regular meeting, whichever is later. In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District.<sup>1</sup>

- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate accounting, auditing, internal controls, and financial reporting expertise. This expertise could include:
  - Hold an active CPA license (preferably in Nevada) or have at least 15 years of progressive financial management experience as evidenced on a resume, CV, or LinkedIn
  - Experience on governing board, either as committee or board member
  - Experience either preparing or auditing financial statements
  - Experience with internal controls
  - An understanding of the function of an audit committee
  
- At-Large Members will serve staggered two-year terms:
  - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
  - For each subsequent appointment the member will serve a two-year term.

• Terms for At-Large and Trustees Members shall commence on March 1<sup>st</sup> and expire on the last day of February of the applicable year. Committee members appointed to terms originally set to expire on June 30<sup>th</sup> shall serve until the last day of February after their term was set to expire. Members appointed to fill a vacancy shall serve for the balance of the initial term.

One member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee

<sup>1</sup> “To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee” Source: GFOA Best Practices, Audit Committee

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**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The Committee members are limited to two 2-year terms, which may be extended with the Board of Trustees approval in the event there are no interested or qualified applicants to fill any future vacancies. In the event of any regular or unexpected vacancies for At Large Members, staff shall conduct a public process to solicit and receive applications from interested community members for consideration by the Board of Trustees. Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy. Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy.

**1.0 Independent auditor reports directly to the Audit Committee**

The independent auditor will be engaged by and report directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required (and related fee impact), beyond the scope of work contained in the engagement letter and the audit plan, to fulfill their responsibilities before any such work is undertaken.

**2.0 Scope of the Committee's Authority and Responsibilities**

It is the responsibility of the Committee to provide independent review, oversight and feedback on:

1. Financial reporting
2. Internal controls
3. The independent audit of the basic financial statements
4. The ACFR

To fulfill these responsibilities, the Committee shall:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.



**Accounting, Auditing, and Financial Reporting  
Audit Committee Charter  
Policy 15.1.0**

- 2.2.1 Review and approve the Request for Proposal (RFP) for an independent auditor to be retained by the District. Such engagement should be for no more than five fiscal years in duration.
  - 2.2.2 Make recommendations on the scope of work.
  - 2.2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an independent auditor.
  - 2.2.4 Review and approve the engagement letter (i.e., contract) between the District and the independent auditor
  - 2.2.5 If deemed necessary, identify and recommend additional audit services to be performed.
  - 2.2.6 By March 31st of each calendar year, the Board of Trustees is to formally designate an external independent auditor and inform the Nevada Department of Taxation. (NRS 354.624 item 3).
  - 2.2.7 When appropriate recommend the replacement of the independent auditor and the initiation of the procurement process (2.2.1).
- 2.3 Facilitate the independent audit process.
- 2.3.1 Review and approve, in consultation with the independent auditor, the annual audit plan, the scope of audit activities and schedules by June of each year
  - 2.3.2 Provide an independent forum for auditors to report findings or difficulties encountered during the audit
  - 2.3.3 Review with the District management and the independent auditor all major issues identified by the independent auditor regarding:
    - 2.3.3.1 Accounting Principles.
    - 2.3.3.2 ACFR presentation.
    - 2.3.3.3 Any significant changes in the selection or application of accounting principles.
    - 2.3.3.4 Significant judgments made in the preparation of the ACFR and basic financial statements.
    - 2.3.3.5 The effect of regulatory initiatives.
    - 2.3.3.6 Off-balance sheet structures.



**Accounting, Auditing, and Financial Reporting  
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- 2.3.3.7 Changes to audit plan of independent auditor as a result of any additional issues identified by the auditor.
- 2.3.3.8 Any restrictions on the scope of the auditor's activities or on access to requested information or managements responses.
- 2.3.4 To review with District management and the independent auditor any material conflicts or disagreements between District management and the independent auditor, whether or not resolved, regarding financial reporting, accounting practices or policies or other matters, that, individually or in the aggregate, could be significant to the District's financial statements or the independent auditors' report, and attempt to help resolve any conflicts or disagreements regarding financial reporting.
- 2.3.5 According to the approved work plan, conduct periodic meetings with the external auditor to review progress, issues identified, concerns and the audit timeline.
- 2.3.6 Review the Management Representation letter by the District's management prior to submittal of the letter to the independent auditor.
- 2.3.7 The Committee shall submit a written report to the District's Board of Trustees in conjunction with the presentation of the ACFR to the Board of Trustees by the end of December.
- 2.4 Post Independent Audit Follow up
  - 2.4.1 Follow-up on any corrective action identified by the independent auditor, if any.
  - 2.4.2 Annually evaluate the work of the independent auditor and lead audit partner based on compliance with work plan and engagement letter.
- 2.5 The Committee may identify a need to engage an external resource to address a specific area of concern.
  - 2.5.1 The Committee shall seek approval from Board of Trustees to obtain appropriate resources.
  - 2.5.2 The Committee shall agree the Scope of Work.



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- 2.5.3 The Committee is responsible for engaging the resource to perform the scope of work.
  - 2.5.4 The external resource shall report findings to the Committee.
  - 2.5.5 The Committee will provide findings to the Board of Trustees and recommend possible implementation of the findings, if any.
  - 2.5.6 Management will have the responsibility for implementation of identified changes or enhancements.
- 2.6 The Committee shall review and provide oversight of the internal controls ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.
- 2.6.1 Management will provide an annual schedule for the review of District Financial Practices (internal control) documents. These documents will be provided to the Audit Committee for their review and oversight.
  - 2.6.2 Review the annual internal control audit plan(s).
  - 2.6.3 Review management's annual assessment of their internal controls for prior year audit plan.
  - 2.6.4 Review management's identification of fraud risks, review the implementation of anti-fraud measures.
- 2.7 Annually review the District's Code of Conduct that promotes honest and ethical conduct; full, fair, accurate, timely disclosures in periodic reports including the ACFR; and compliance with applicable policies and practices to ensure it is adequate and up-to-date.
- 2.8 To annually review and refine as necessary the whistleblower procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud for recommendation to the board of trustees for consideration and possible approval.



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- 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
- 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
- 2.9 Reports to Board of Trustees.
  - 2.9.1 The Committee shall submit an annual report to the Board of Trustees assessing its fulfillment of its duties and responsibilities as described in the Charter

**3.0 Meetings**

- 3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.
- 3.2 The committee will hold meetings up to twice per quarter, unless immediate action is needed and no less than four times per year. All members are expected to attend on a regular basis. Any member missing two consecutive meetings without due cause (i.e., illness) will be reviewed for continued membership on the Committee by the Chairs of the Committee and Board.
- 3.3 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.4 The District's management is to provide to copies of all materials which are to be presented by management to a Committee's public meeting in compliance with NRS 241.
- 3.5 The Committee shall review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.





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- 3.6 The Committee shall review all past correspondence which contains outstanding action items. Ensure responses and/or corrective action is taken in a timely manner.
- 3.7 The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.8 An annual meeting is to be held with the independent auditor, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual basic financial statements including the Comprehensive Annual Financial Report (ACFR) and the auditor's material written communications with the District.

**4.0 Annual Financial Risk Assessment and Risk Management.**

The Committee shall review and discuss with District management and the independent auditor the District's major financial risk exposures, and the steps management has taken to monitor and control those exposures. It is the Board's responsibility to ensure the District has adequate controls and plans for risk mitigation for areas beyond finance.



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

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An Audit Committee also provides a forum separate from management in which auditors and other interested parties can candidly discuss concerns. By effectively carrying out its functions and responsibilities, an Audit Committee helps to ensure that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.

An Audit Committee should be formally established by the Board of Trustees, be adequately funded, and be subject to a formally approved Audit Committee Charter.

**POLICY:** The Audit Committee (the "Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes (NRS), District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the system of internal controls including the internal audit plans and reports, and the independent auditor's reports within the ACFR.

The Committee shall have open communication with and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and the independent auditor.



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

This Committee shall review the Charter annually with any recommended changes submitted to the Board of Trustees for consideration and possible approval.

**ORGANIZATION:** The Committee shall consist of five (5) voting members. This includes two Board members appointed annually by Trustees and three members appointed by the Trustees to serve as qualified At-Large Members. Any recommendations for expanding the number of voting members will be recommended by the Committee and submitted to the Board of Trustees for possible approval. The Committee may retain financial or other appropriate advisors to attend meetings, provide guidance and training, as needed, and as approved by the Board of Trustees for financial expenditures.

Members of the Committee should have or shall obtain an understanding of accounting, auditing, financial reporting, and internal controls to be able, with the assistance of an advisor if needed, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for periodic training of the Committee members and an outside advisor to assist the Committee with the independent conduct of its work with the approval of the Board of Trustees. Any advisor so engaged should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB) statements, and financial reporting
- Experience either preparing or auditing financial statements
- Experience with internal controls
- An understanding of the function of an audit committee

At-large Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District and at-large members suggested qualifications:

At-Large Committee members shall be expected to comply with all District policies that apply to volunteers. District staff shall be responsible for providing copies of all relevant policies to Committee members.

- Annually, the Board of Trustees will appoint two Trustees to be Committee members. Appointing Trustees to serve successive years increases continuity and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall agendaize to appoint a new



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

member to the Committee within thirty (30) days of the vacancy or the next available regular meeting, whichever is later. In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District.<sup>1</sup>

- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate accounting, auditing, internal controls, and financial reporting expertise. This expertise could include:
  - Hold an active CPA license (preferably in Nevada) or have at least 15 years of progressive financial management experience as evidenced on a resume, CV, or LinkedIn
  - Experience on governing board, either as committee or board member
  - Experience either preparing or auditing financial statements
  - Experience with internal controls
  - An understanding of the function of an audit committee
- At-Large Members will serve staggered two-year terms:
  - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
  - For each subsequent appointment the member will serve a two-year term.
- Terms for At-Large and Trustees Members shall commence on March 1<sup>st</sup> and expire on the last day of February of the applicable year. Committee members appointed to terms originally set to expire on June 30<sup>th</sup> shall serve until the last day of February after their term was set to expire. Members appointed to fill a vacancy shall serve for the balance of the initial term.

One member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee

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<sup>1</sup> “To ensure the committee's independence and effectiveness, no governing body member who exercises managerial responsibilities that fall within the scope of the audit should serve as a member of the audit committee” Source: GFOA Best Practices, Audit Committee



## **Accounting, Auditing, and Financial Reporting Audit Committee Charter Policy 15.1.0**

members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The Committee members are limited to two 2-year terms, which may be extended with the Board of Trustees approval in the event there are no interested or qualified applicants to fill any future vacancies. In the event of any regular or unexpected vacancies for At Large Members, staff shall conduct a public process to solicit and receive applications from interested community members for consideration by the Board of Trustees. Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy. Staff shall begin this process with sufficient time to ensure the Board of Trustees can make biannual appointments and within thirty (30) days of any unexpected vacancy.

### **1.0 Independent auditor reports directly to the Audit Committee**

The independent auditor will be engaged by and report directly to the Committee. The Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required (and related fee impact), beyond the scope of work contained in the engagement letter and the audit plan, to fulfill their responsibilities before any such work is undertaken.

### **2.0 Scope of the Committee's Authority and Responsibilities**

It is the responsibility of the Committee to provide independent review, oversight and feedback on:

1. Financial reporting
2. Internal controls
3. The independent audit of the basic financial statements
4. The ACFR

To fulfill these responsibilities, the Committee shall:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.



**Accounting, Auditing, and Financial Reporting  
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Policy 15.1.0**

- 2.2.1 Review and approve the Request for Proposal (RFP) for an independent auditor to be retained by the District. Such engagement should be for no more than five fiscal years in duration.
  - 2.2.2 Make recommendations on the scope of work.
  - 2.2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an independent auditor.
  - 2.2.4 Review and approve the engagement letter (i.e., contract) between the District and the independent auditor
  - 2.2.5 If deemed necessary, identify and recommend additional audit services to be performed.
  - 2.2.6 By March 31st of each calendar year, the Board of Trustees is to formally designate an external independent auditor and inform the Nevada Department of Taxation. (NRS 354.624 item 3).
  - 2.2.7 When appropriate recommend the replacement of the independent auditor and the initiation of the procurement process (2.2.1).
- 2.3 Facilitate the independent audit process.
- 2.3.1 Review and approve, in consultation with the independent auditor, the annual audit plan, the scope of audit activities and schedules by June of each year
  - 2.3.2 Provide an independent forum for auditors to report findings or difficulties encountered during the audit
  - 2.3.3 Review with the District management and the independent auditor all major issues identified by the independent auditor regarding:
    - 2.3.3.1 Accounting Principles.
    - 2.3.3.2 ACFR presentation.
    - 2.3.3.3 Any significant changes in the selection or application of accounting principles.
    - 2.3.3.4 Significant judgments made in the preparation of the ACFR and basic financial statements.
    - 2.3.3.5 The effect of regulatory initiatives.
    - 2.3.3.6 Off-balance sheet structures.



**Accounting, Auditing, and Financial Reporting  
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- 2.3.3.7 Changes to audit plan of independent auditor as a result of any additional issues identified by the auditor.
- 2.3.3.8 Any restrictions on the scope of the auditor's activities or on access to requested information or managements responses.
- 2.3.4 To review with District management and the independent auditor any material conflicts or disagreements between District management and the independent auditor, whether or not resolved, regarding financial reporting, accounting practices or policies or other matters, that, individually or in the aggregate, could be significant to the District's financial statements or the independent auditors' report, and attempt to help resolve any conflicts or disagreements regarding financial reporting.
- 2.3.5 According to the approved work plan, conduct periodic meetings with the external auditor to review progress, issues identified, concerns and the audit timeline.
- 2.3.6 Review the Management Representation letter by the District's management prior to submittal of the letter to the independent auditor.
- 2.3.7 The Committee shall submit a written report to the District's Board of Trustees in conjunction with the presentation of the ACFR to the Board of Trustees by the end of December.
- 2.4 Post Independent Audit Follow up
  - 2.4.1 Follow-up on any corrective action identified by the independent auditor, if any.
  - 2.4.2 Annually evaluate the work of the independent auditor and lead audit partner based on compliance with work plan and engagement letter.
- 2.5 The Committee may identify a need to engage an external resource to address a specific area of concern.
  - 2.5.1 The Committee shall seek approval from Board of Trustees to obtain appropriate resources.
  - 2.5.2 The Committee shall agree the Scope of Work.





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- 2.5.3 The Committee is responsible for engaging the resource to perform the scope of work.
  - 2.5.4 The external resource shall report findings to the Committee.
  - 2.5.5 The Committee will provide findings to the Board of Trustees and recommend possible implementation of the findings, if any.
  - 2.5.6 Management will have the responsibility for implementation of identified changes or enhancements.
- 2.6 The Committee shall review and provide oversight of the internal controls ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.
- 2.6.1 Management will provide an annual schedule for the review of District Financial Practices (internal control) documents. These documents will be provided to the Audit Committee for their review and oversight.
  - 2.6.2 Review the annual internal control audit plan(s).
  - 2.6.3 Review management's annual assessment of their internal controls for prior year audit plan.
  - 2.6.4 Review management's identification of fraud risks, review the implementation of anti-fraud measures.
- 2.7 Annually review the District's Code of Conduct that promotes honest and ethical conduct; full, fair, accurate, timely disclosures in periodic reports including the ACFR; and compliance with applicable policies and practices to ensure it is adequate and up-to-date.
- 2.8 To annually review and refine as necessary the whistleblower procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud for recommendation to the board of trustees for consideration and possible approval.





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- 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
- 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.

2.9 Reports to Board of Trustees.

- 2.9.1 The Committee shall submit an annual report to the Board of Trustees assessing its fulfillment of its duties and responsibilities as described in the Charter

**3.0 Meetings**

- 3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.
- 3.2 The committee will hold meetings up to twice per quarter, unless immediate action is needed and no less than four times per year. All members are expected to attend on a regular basis. Any member missing two consecutive meetings without due cause (i.e., illness) will be reviewed for continued membership on the Committee by the Chairs of the Committee and Board.
- 3.3 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.4 The District's management is to provide to copies of all materials which are to be presented by management to a Committee's public meeting in compliance with NRS 241.
- 3.5 The Committee shall review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.



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- 3.6 The Committee shall review all past correspondence which contains outstanding action items. Ensure responses and/or corrective action is taken in a timely manner.
- 3.7 The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.8 An annual meeting is to be held with the independent auditor, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual basic financial statements including the Comprehensive Annual Financial Report (ACFR) and the auditor's material written communications with the District.

**4.0 Annual Financial Risk Assessment and Risk Management.**

The Committee shall review and discuss with District management and the independent auditor the District's major financial risk exposures, and the steps management has taken to monitor and control those exposures. It is the Board's responsibility to ensure the District has adequate controls and plans for risk mitigation for areas beyond finance.

## M E M O R A N D U M

**TO:** Board of Trustees

**FROM:** Tim Callicrate  
Board Chairman

Josh Nelson  
General Counsel

**SUBJECT:** Case No. CV18-01564 Mark E. Smith v. IVGID  
Review, discuss and possibly approve a settlement agreement  
with the plaintiff

**DATE:** June 29, 2022

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to approve the settlement agreement with the plaintiff in Mark E. Smith v. IVGID, Case No. CV18-01564.

### **II. BACKGROUND**

The parties in Mark E. Smith v. IVGID, Case No. CV18-01564 have engaged in settlement discussions to resolve the case. This item proposes a settlement agreement for the Board of Trustees' consideration. Of note, IVGID agrees to pay plaintiff \$77,457.85. The plaintiff agrees to dismiss the case with prejudice. Both parties agree to release each other from any future related claims, and neither party admits liability.

The settlement agreement has already been signed by plaintiff. If approved by the Board, it will finally resolve the case. If the Board declines to approve the case, the litigation will continue.

An updated breakdown of all fees and costs incurred through the date of this meeting in this case will be provided at the June 29, 2022 meeting. Attached is the recap as of April 2021.

Date	Action	Billing Period	Invoice Amount	Invoice Amount Paid	Amount Authorized by the BOT	Amount remaining in authorization
08/23/2018	Lawsuit served to the District					
09/26/2018	Board advised of pending litigation; see GM's report for 09/26/2018 meeting Trustee Dent, during GM update, asks about authorized funding; GM says he authorized \$50K under his authority					\$50,000.00
10/16/2018	Engagement Contract signed with ETS					
06/10/2019	Invoice 965524	08/07/2018 – 06/07/2019	\$45,608.82	\$45,608.82		\$4,391.18
06/19/2019	Additional funds approved by the BOT				\$10,000	\$14,391.18
10/03/2019	Invoice 967317	06/04/2019 – 10/01/2019	\$25,661.89			
01/22/2020	Invoice 967573	09/11/2019 – 01/21/2020	\$10,603.50			
01/22/2020	Additional funds approved by the BOT				\$7,500	\$21,891.18
04/02/2020	Invoice 967858	12/16/2019 – 04/01/2020	\$6,017.40			
05/14/2020	Invoice 967965	01/23/2020 – 05/12/2020	\$7,739.90			
08/11/2020	Invoice 970825	05/13/2020 – 08/10/2020	\$2,639.45			
09/10/2020	Invoice 970877	08/11/2020 – 09/09/2020	\$82.50			
10/08/2020	Invoice 970906	9/10/2020 – 09/11/2020	\$165.00			
12/08/2020	Invoice 970994	9/12/2020 – 12/04/2020	\$467.50			
12/10/2020	Payment made (approved by the BOT on 12/09/2020)			\$21,891.18	\$21,891.18	
	Balance due to ETS as of December 14, 2020	\$31,485.96				
03/18/2021	Payment made (approved by the BOT on 03/10/2021)			\$20,485.96	\$20,485.96	
	Balance POTENTIAL due to ETS as of March 18, 2021 – charges are in dispute and may be reversed or paid by IVGID or others.	\$11,000.00				
03/31/2021	Authorization for \$10,000 was requested by Staff to the Board of Trustees – it was approved and the retainer check was issued and delivered to ETS.				\$10,000.00	
		TOTALS	\$98,985.96	\$87,985.96	TOTAL AUTHORIZED	\$97,985.96

**Best, Best & Krieger:**

Invoice 874648 \$2974.50, Invoice 877705 \$635.07, Invoice 879678 \$935.00, Invoice 879679 \$990.00, Invoice 886192 \$408., and Invoice 902542 \$413 = TOTAL \$6,356.07

00

Grand total spent to date of this matter: \$103,929.03

**SETTLEMENT AGREEMENT AND GENERAL RELEASE**

This Settlement Agreement and Release (“Settlement Agreement”) is made and entered into this \_\_\_ day of June, 2022, by and between Defendant Incline Village General Improvement District (“District”) and Plaintiff Mark Smith (“Smith”). The District and Smith are collectively referred to as “Parties.” The effective date (“Effective Date”) of this Settlement Agreement shall be the last date that this Settlement Agreement is executed by all of the Parties.

**RECITALS**

WHEREAS, on or about October 19, 2017, Smith submitted a request for records to District under the Nevada Public Records Act; and

WHEREAS, after District asserted that the records were subject to the attorney-client privilege, Smith filed a lawsuit against the District, District’s then Board of Trustees President Kendra Wong and District’s then General Counsel Jason Guinasso in the Second Judicial District Court, Washoe County, case number CV18-01564 (the “Action”); and

WHEREAS, Kendra Wong and Jason Guinasso were previously removed from the Action and District remains the sole defendant;

WHEREAS, Smith and District wish to enter this Settlement Agreement to finally resolve their dispute related to the Action, including all related known or unknown claims.

NOW THEREFORE, in consideration of the foregoing, the Parties intending to be legally bound by this Settlement Agreement agree as follows:

**AGREEMENT**

1. Recitals Incorporated. The Recitals listed above are incorporated into and made a part of this Settlement Agreement.

2. Payment of Settlement Funds. In consideration of this Settlement Agreement, and the promises set forth herein, the District agree to pay Smith the total sum of Seventy-Seven Thousand Four Hundred Fifty-Seven Dollars and Eight-Five Cents (\$77,457.85) (“Settlement Amount”). The District shall pay the Settlement Amount by way of a check made payable to “Mark Smith”, and made available for pick-up by Mark Smith in the IVGID Clerks Office, within ten (10) days of the Effective Date.

3. Dismissal of Action. In further consideration of this Settlement Agreement, and the promises set forth herein, Smith will execute and file with the court a full and complete dismissal of the Action, with prejudice, within five (5) business days of receipt of the Settlement Amount.

4. Release by Parties. Each party hereby releases, acquits, and forever discharges the other party and its respective agents, employees, members, managers, elected and appointed officials, representatives, administrators, attorneys, insurers, lenders, assigns, heirs, and successors in interest, and each of them, from any and all claims, demands, and causes of action, whether known or unknown, suspected or unsuspected, including, but not limited to, claims arising out of, connected with, or incidental to the Action.

5. Representation and Warranty. The Parties and signatories hereby each represent, covenant and warrant that they are authorized to enter into and execute this Settlement Agreement

and they have not previously assigned any claims released or assigned in this Settlement Agreement, in whole or in part, or taken any other steps which would adversely affect the rights that are the subject of this Settlement Agreement.

6. Consultation With Legal Counsel. The Parties represent that they have consulted legal counsel prior to the execution of this Settlement Agreement and have executed this Settlement Agreement with full knowledge of its meaning and effect.

7. Execution of Terms of Agreement. The Parties agree to perform any acts and execute any documents consistent with the terms and conditions of this Settlement Agreement that may be reasonably necessary or appropriate to effectuate the terms, conditions and provisions hereof.

8. Time is of the Essence. Time is of the essence with regard to the performance of the terms and conditions set forth in this Agreement.

9. Attorneys' Fees Incurred in Resolving the Dispute. Except for the enforcement of this Settlement Agreement as set forth in Section 15, the Parties agree that they will each bear their own attorneys' fees, costs and expenses, including any and all expert and consultant fees, incurred in connection with the Action and this Settlement Agreement.

10. Drafting of Agreement. This Settlement Agreement shall not be construed in favor of, or against, any party by reason of the extent to which any party or its counsel participated in the drafting of this Settlement Agreement.

11. Agreement Binding on Successors. This Settlement Agreement, together with the releases, shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, successors-in-interest and assigns of the respective Parties hereto.

12. Entire Agreement. This Settlement Agreement embodies the entire understanding and agreement between the Parties pertaining to the matters described herein and supersedes and cancels all prior oral or written agreements between the Parties as it relates to the Action. Each party acknowledges that no party, agent or representative of the other party has made any promise, representation or warranty, express or implied, not expressly contained in this Settlement Agreement, that induced the other party to sign this document. No modification of this Settlement Agreement shall be valid unless agreed to in writing by the Parties.

13. Counterparts. This Settlement Agreement may be executed in separate counterparts, the whole of which shall constitute a binding agreement. Facsimile and email/PDF signatures, when received, shall have the same force and effect as original signatures for all purposes.

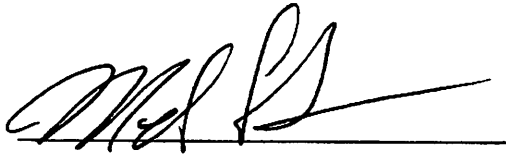
14. Governing Law: Should any Party to this Settlement Agreement bring legal action against the other, the case shall be handled in Washoe County and pursuant to Nevada law, and the party prevailing in such action shall be entitled to reasonable attorneys' fees, which shall be fixed by the judge hearing the case, and such fees shall be included in the judgment, together with all costs.

**IN WITNESS WHEREOF**, the Parties hereto have caused this document to be executed on the last day set forth below.

**INCLINE VILLAGE GENERAL  
IMPROVEMENT DISTRICT**

**MARK SMITH**

By: \_\_\_\_\_  
Indra Winqest  
General Manager



Handwritten signature of Mark Smith over a horizontal line.

Dated: \_\_\_\_\_, 2022

Dated: 11 JUNE, 2022

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Indra Winquest  
District General Manager

**THROUGH:** Josh Nelson  
District General Counsel

**SUBJECT:** Review, discuss and potentially provide approve Resolution No. 1896  
repealing Resolution No. 1575/Policy and Procedure No. 120

**DATE:** June 29, 2022

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### **I. RECOMMENDATION**

It is recommended that the Board of Trustees review, discuss, and potentially approve Resolution No. 1896 repealing Resolution No. 1575/Policy and Procedure No. 120.

### **II. BACKGROUND**

The Board of Trustees recently approved updates to Ordinance No. 7, which regulates the use of IVGID's recreational facilities including its beaches. Resolution No. 1575/Policy and Procedure No. 120 was adopted in 1989 and regulates group uses of the beaches. This resolution is not used by staff and is potentially in conflict with Ordinance No. 7. Moreover, different policies and regulations on the same topic invite future inconsistencies and confusion. For these reasons, Staff recommends that the Board of Trustees approve Resolution No. 1896 repealing Resolution No. 1575/Policy and Procedure No. 120.

### **III. FINANCIAL IMPACT**

There is no direct impact from this item.

### **IV. ALTERNATIVES**

Not repeal Resolution No. 1575/Policy and Procedure No. 120 Policy 15.1.0.





**RESOLUTION NO. 1896**

**A RESOLUTION REPEALING RESOLUTION NO. 1575/POLICY AND PROCEDURE NO. 120 REGARDING GROUP USE OF BEACHES**

**WHEREAS**, the Incline Village General Improvement District (IVGID) previously adopted Resolution No. 1575/Policy and Procedure No. 120 regarding the group use of beaches;

**WHEREAS**, the Board of Trustees recently updated Ordinance No. 7, which governs the use of IVGID recreational facilities including the beaches;

**WHEREAS**, IVGID’s Board of Trustees wishes to repeal Resolution No.1575; and

**THEREFORE, BE IT RESOLVED**, as follows:

- 1. Resolution No. 1896. This Resolution repeals Resolution No. 1575/Policy and Procedure No. 120, which is of no further force or effect.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 29th day of June, 2022, by the following vote:

AYES, and in favor thereof,  
NOES,  
ABSENT,

\_\_\_\_\_  
Susan A. Herron  
District Clerk

Resolution No. 1575

GROUP USE OF BEACHES  
Incline Village General Improvement District

WHEREAS, the Incline Village General Improvement District (IVGID) is receiving increasing requests for use of Incline Village beaches for group functions; and

WHEREAS, it is necessary to establish policies governing the number, scheduling, and character of group beach functions;

NOW THEREFORE, BE IT RESOLVED, BY THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT that it hereby adopts the attached policy statement, and makes it effective, this 25th day of May, 1989.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 25th day of May, 1989, by the following vote:

AYES, and in favor thereof, Trustees: John Bevel, Joe Marson,  
Pam Wight, Bob Wolf

NOES, Trustees: None

ABSENT, Trustees: None

  
Secretary

## Policy Statement

### GROUP USE OF BEACHES Incline Village General Improvement District

#### I. POLICY

It is the policy of the Incline Village General Improvement District (IVGID) that Incline Village beaches are primarily provided for the quiet enjoyment of individual property owners and their guests.

Unreserved Functions. Group functions may occur at the beaches, on an unreserved basis, provided such functions (1) do not interfere with the quiet enjoyment of the beaches by other guests; (2) do not promote or solicit attendance at the function by persons who are not members of the group; (3) do not sell admission to any person or charge any fee for food, beverage, entertainment, or other services; and (4) comply with all rules, including those pertaining to admission.

Reserved Functions. Any group function, which fails to meet all of the standards for an unreserved function, may only occur on a reserved basis. Rules for reserved functions are specified under sections II and III hereof.

Applicability. This policy applies to all recreation facilities owned by IVGID which adjoin Lake Tahoe, with the exception of events sponsored by IVGID and any event held at the Burnt Cedar pool. Scheduling of the pool is subject to separate procedures.

#### II. RESERVED FUNCTIONS

The number of reserved functions shall be limited to six (6) per calendar year, as follows:

1. One function celebrating Independence Day.
2. One function celebrating Labor Day.
3. Four additional functions, scheduled as described below. "Peak Season" is from the Friday before Memorial Day through the Tuesday after Labor Day, inclusive. "Shoulder Season" is the entire year, except the peak season.

Peak Season Functions. Must be scheduled on a weekday (Monday through Friday) and must not occur within seven calendar days of Independence Day or four calendar days of Memorial Day or Labor Day.

Off Season Functions. May occur on a weekday or weekend day.

Each function shall be limited to one day in duration.

The Parks and Recreation Director shall designate a community group to coordinate the Independence Day function, and a community group to coordinate the Labor Day function.

Applications for the remaining four functions shall be submitted to the Parks and Recreation Director by February 1 of each year. Should more than four eligible functions apply in any year, the Parks and Recreation Director shall decide which functions receive approval for reservation, after seven calendar days notice to the IVGID Board of Trustees. Should more than four eligible functions apply in any year, no group shall participate in more than one function.

Should more than four eligible functions apply in successive years, the Parks and Recreation Director shall attempt to rotate functions among different groups. Except for the Independence and Labor Day functions, no function or group shall be considered to have priority over another function or group, by reason of a prior history of holding the function, in earlier years.

Should less than four functions receive reservations in any calendar year, then the Parks and Recreation Director may approve additional functions after February 1, on a first-come, first-served basis.

### **III. RULES**

All reserved group functions shall comply with the following rules:

1. An application must be submitted to the IVGID Parks and Recreation Department office no later than ninety (90) days prior to the date of the requested event.
2. The applicant must be an Incline Village/Crystal Bay group with a non-profit status recognized by the State of Nevada or the federal government.
3. The event must be open to all eligible IVGID Recreation card holders or pass holders and their guests, and no one else (same rules as would apply on any other day that the gates are staffed).

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4. The proceeds of the event must be used for the benefit of the Incline Village/Crystal Bay community and its residents.
5. A use fee of up to \$300 will be charged for each day of use, to cover the cost of any additional personnel necessary to host a large event.
6. Liability insurance coverage, in an amount and form determined appropriate by the IVGID Risk Manager, must be provided by the applicant, naming IVGID as an additional insured.
7. Any and all food and beverage items brought onto the premises by the applicant will be sold or supplied at an area designated by the District, without interfering with the District's food and beverage operation.
8. The applicant will provide two portable toilets and one 4-yard dumpster for every five hundred (500) participants.
9. The District may require the applicant to provide additional personnel to work with the District's contracted security service to patrol the areas of use for crowd and traffic control.
10. All proper licensing for the event is the responsibility of the applicant.
11. All cleanup of the facility is the responsibility of the applicant and must be completed immediately after the event or, in the case of a night event, it must be completed prior to 8:00 a.m. of the morning after the event.
12. The event shall not unreasonably restrict or interfere with the right of guests not participating in group functions to use the beaches.
13. The event shall comply with such additional precautions as may be determined appropriate by the Parks and Recreation Director.

#### **IV. ADMINISTRATION**

The Parks and Recreation Director shall interpret, administer, and enforce this policy. The Parks and Recreation Director shall

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Policy Statement  
Group Use of Beaches  
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establish additional rules, consistent with the intent of this policy statement, which may apply to any or all events, as necessary to protect IVGID, the interests of individual beach guests, or any other lawful purpose.

## MINUTES

### **REGULAR MEETING OF MAY 26, 2022** Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Chairman Tim Callicrate on Thursday, May 26, 2022 at 6:01 p.m. at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

#### **A. PLEDGE OF ALLEGIANCE\***

The pledge of allegiance was recited.

#### **B. ROLL CALL OF TRUSTEES\***

On roll call, present were Trustees Tim Callicrate, Matthew Dent, Sara Schmitz. Trustees Michaela Tonking joined the meeting at 6:05 p.m. and Kendra Wong joined the meeting at 6:42 p.m.

Members of Staff present were District General Counsel Melissa Crosthwaite, Director of Finance Paul Navazio, Director of Public Works Brad Underwood, and Director of Golf and Community Services Darren Howard. Members of the public physically present were Cathy Colvin, Shirley Appel, Bradley Mindlin, Gail Krolick, Ali Warner, Natasha Warner, Cliff Dobler, Chris Nolet, Patrick Schmitz, Scott Hill, Susan Marelich, David Marelich, Hal Paris, Margaret Martini, Aaron Katz, Judith Miller, and others.

Board Chairman Callicrate made an opening statement about tonight's hearings and the protocol.

#### **C. INITIAL PUBLIC COMMENTS\***

Aaron Katz said it's nearly everything your Staff does that causes problems here and he thinks tonight you are going to at least 4 examples of it. You Board members refuse to watch and learn, you refuse to listen when members of the public call to your attention and ultimately, you are the ones that are responsible because you are our fiduciaries and the buck stops with you. The problem is not him, it is not Frank Wright, it is not the other people who are critical. So some of the things we have tonight – the boat storage operators - he provided you with written evidence from their own words where they admit, for 33 years, they have been violating the beach deed and they have been doing it with the assistance of Staff and now it has finally come to your attention and what are you going to do about it? The District General Manager tells us that he has these powers of discipline under Ordinance 7 and he intends to use them. He is asking the Board

to use those powers to discipline the intentional disregard of our beach deed. Another favored collaborator, the motel owners who are demanding beach access for the occupants of all their hotel and motel rooms. He provided you with evidence that back in the very beginning of IVGID, Resolution 419, charged every guest hotel and motel room a rec fee and because that took place, the Board at the time drafted a beach deed that specifically gave their occupants access except in 1982, Staff decided to eliminate the rec fee to all of these hotel and motel rooms, wrongly he might add and now the operators are coming here demanding beach access. If you are going to consider beach access, you need to reinstitute the rec fee for every hotel and motel room. And next you are coming up with loopy goosey definition of a guest and back in the very beginning, a guest had to be accompanied by a parcel owner. Even today, if you are a guest of a golfer, you have to be accompanied by a parcel owner. If you are going to give access to guests, demand that they are accompanied by a property owner. Thank you very much and good luck this evening.

Judith Miller said that first of all she wants to say that she is delighted to see so many members of our community here tonight and she wishes it could be like that throughout the year as she doesn't think we would be in this situation if our residents and homeowners were here for at least a good portion of the meetings that are held. There is just way too much on the agenda but that's probably because IVGID, our once little GID, tries to do just too much. With over just 1,000 employees that is just a lot for taxes and fees from the property owners to support because obviously our user fees haven't been able to do that. Government has a hard time in being efficient in running business and just a little example of that is that she went to Ski Beach yesterday and she got to sample some of the offerings from our vendor, Incline Spirits, as well as now the new Incline Snack. She won't say that the items were exactly inexpensive but they were excellent and these people are professionals in what they do. She is not saying that IVGID's Staff isn't, she thinks the catering department does a good job but because they are government, they just aren't able to operate as efficiently. So she would encourage you to outsource as much as possible, lighten your load as well. You wouldn't have to be here hiring and looking for new employees as someone else would do that and do it much more efficiently. Onto some of the things on the agenda, she would really like to get a better understanding of why we are considering a transfer of IVGID land to a private party without going out to auction. She thought we went through this a few years back with the unbuildable lots. And why would IVGID consider making any kind of transfer without getting at least several appraisals? Having an easement is far less desirable than having ownership of a parcel. Please don't spend more Staff time on exploration of a lot line adjustment unless you are given much more convincing reasons why this should be in the best interest of the District. She is going to cut it off 30 seconds early because she sees we have a lot



of people and a lot of things on the agenda and she is delighted that she will be able to hear from other members of the community. Thank you.

Margaret Martini read from a submitted written statement.

Gail Krolick said she would like to talk to you about something that is not controversial - golf. She would like to bring your attention this evening that she was reviewing some memorandums between Staff and the Board of Trustees in previous packets and back on November 10, 2020, November 10, 2021, November 22, 2021, and July 6, 2021 and lastly, the Championship Golf Cart Replacement Project was written for the Board of Trustees meeting and that was dated October 13, 2021. They were all written by our Director of Golf and Community Services. All these memorandums, if you will recall, were on purchasing and/or leasing of the current golf course fleet. First and foremost, she is not a golfer. She likes to sit at the bar and drink and meet those after golf. With that, she recalls the Director of Golf and Community Services stating to this Board and to our community that our golf carts were in dire need of replacement. In fact, there was a lot of discussion on replacing golf carts or leasing golf carts and their terms and finally after discussions, it was voted upon, on July 6, after a Special Board meeting that was called and that the golf carts were in fact going to be purchased. As we sit here today, there are still no golf carts here. In fact, Staff and Director of Golf and Community Services, and she knows this because she asked him, again, she is not a golfer, so she asked him what could be better, what can we improve upon, etc. What he is doing right now, and she thinks the community needs to understand, is that he drives his Jeep with employees to drive up to the Mountain Golf Course so they can drive the Mountain golf carts down to the Championship Golf Course so there is enough for those playing here at our District golf course. Way beyond expectation if you ask her what an employee should do. She brings this to you because the Director of Golf and Community Services was hired by our District General Manager and she is sure there were many candidates and that the District General Manager hired the right candidate for the job and she thinks that the Director of Golf and Community Services proved himself. After all, he has 30 years' of experience in the golf industry but he has also opened 4 golf courses from scratch – no pun intended and she learned a new term today “scratch” in the golf world. But literally, thousands of dollars have been spent over the last 2 years and it didn't have to be. This Board could have made a decision, she believes, a lot quicker after all we have the professional who tells us what we should and should not do. She urges you to really listen to our professional Staff. Thank you.

Cliff Dobler read from a prepared statement which is attached hereto.

Bradley Mindlin said he is honored to have moved here to Incline Village and he is 1 of the 6 people running for IVGID Trustee and he is honored to be doing so. He moved here with his family a few years ago to get a little slice of heaven and paradise that everybody here lives in. Over the last month or so, he has met with a lot of people, and almost all of the opponents in the race; all really good people. He has met with people who have completely different views than he does but it was nice because we were able to discuss these views, as adults, and showing each other complete respect. One of the reasons he wanted to live here and move out of where he was living is because of how angry everybody is and was where he used to live. One of the things that will happen for him as he goes through his campaign is, he has said this before, he hopes he is victorious and he will run a race to win but most importantly, he wants the most competent, qualified person to be on our Board of Trustees and hopefully that will be him but if not, he wants us to remember we are all neighbors and we should treat each other as neighbors. Remember, the sentiment of the country and of our leaders doesn't start from the top down, it comes from the grassroots up. If we expect leadership everywhere to show everyone respect, let's start here at home. Thank you and thank you all for your hard work – he appreciates it.

Patrick Schmitz read from a prepared statement which is attached hereto.

Chris Nolet said quick comment on the Audit Committee action; he understands that Trustee Dent is not going to have the time to serve on the Audit Committee anymore, that's a loss, if he understands correctly. He would encourage the Board to seriously consider reappointing Sara Schmitz to the Audit Committee. Her dedication is unparalleled. As a big 4 audit partner for 39 years, there is probably no one in the community more qualified to comment than him on the work that she does for all of us. She is incredible, she does research, she reads, she is thoughtful and dedicated, she can fill a full term and some of the other Trustees can't, she is not involved in the treasury functions so that makes her more independent than some of the other trustees and he thinks she would be the ideal person to provide continuity to the Audit Committee. Thank you.

Yolanda Knaak said she is a 2022 IVGID Candidate and that she wants to say that Trustee Schmitz has done a great job on the Audit Committee and hopes she gets reappointed and that it is a loss to not have Trustee Dent on that committee. She also wanted to mention the importance of looking at the beach deed and working on Ordinance 7 is extremely important. Everyone she talks to loves living here and the biggest inconvenience is the overcrowding of the beaches.

Ray Tulloch said on Ordinance 7 that he would echo the sentiments said about dropping fairly substantial comments on the community at the last minute after a

committee spent 18 months looking at it and he will talk further about that on the next opportunity for public comment. More importantly, he would like to bring the public's attention to Item H.1. on the Consent Calendar. Frankly, he thinks this is another case of trying to drop something very substantial on the public at the last minute with no notice. He doesn't know how many in the public have actually read this as it basically gives the District General Manager the right to give away free access to our facilities up to \$50,000 of value every time without any prior Board approval or need for Board approval or any reporting of Board approval. He thinks this is the most disgraceful thing to try and sneak this thing through on the Consent Calendar just at the last minute and not to even open it up to discussion. Dillon's Rule was debated at the Audit Committee and some recommendations came forward. As it seems the case, a lot of these recommendations were ignored. We asked for legal guidance from Counsel, it didn't appear, and then suddenly this appears 3 or 4 days before hand just basically as a fait accompli. He would urge the Trustees to remove this from Consent Calendar tonight and move it back to discussion at the next meeting. This is far too important and far too valuable to just pass it through on the nod with no prior notification. So since he has some time left, he can comment on the varicosity or not of Mr. Schmitz' comments. If they are true, he finds it an incredible amount of hypocrisy from a Board where a couple of members two or three weeks ago at the last Board meeting suggested that perhaps his tone was not quite as nice as it should be on all occasions. To that, he finds this completely hypocritical and he thinks it is definitely time, and if he was Chair, and these accusations were leveled at him, he would be stepping down immediately or asking for an independent review of it. If it is true, it is terrible. He can't say it is true or not, he has no reason to disbelieve Mr. Schmitz and he does find it appalling. So thank God it is time for a change in the Board, he is running for the Board as an independent and as an honest broker and he thinks that the Board badly needs that. Thank you.

Mike Abel said his comments now are brief; he does want to echo Mr. Tulloch's comments, he is absolutely accurate about Item H.1. on the calendar that was slipped into this notice of meeting on a very, very short notice. It is outrageous and it is inappropriate. It should be withdrawn from the Consent Calendar as soon as we finish the public comments. The next thing he wanted to critique is the fact that Trustee Wong hasn't appeared in on this forum for 2 years now in person. Does she really live in Incline Village? Is she really a resident here? She should be showing up at these meetings and should be appearing as all the other rest of you appear. He thinks it is ridiculous and he thinks she should be forced to show up for at least 1 or 2 meetings prior to the end of her term. Lastly, he wants to object to the fact that IVGID is trying to enforce some kind of foolish free speech area. This is public property, this entire facility is public property, anybody is entitled to say anything they want here, pass out any kind of literature they want provided they

are respectful of all the other people and that they do not interfere with rights or their free passage. Thank you.

John Eppolito said he has lived in Incline for about 24 years, Margaret Martini comments – he thinks he understood most of what she said and the parts he understood, he agrees with. Sara Schmitz – he too really appreciates having Sara on this Board, she does a lot of research so we don't have to; kind of the same way he stopped the international baccalaureate in this town - research. And this H.1. on the agenda, he doesn't know how that got snuck in at the last minute but he does agree with the two speakers who spoke about that. Thank you very much.

Fred Stahl said he recently learned of the potential sale of the IVGID land where the water reservoir is located that is in the pipes and he found it unusual that the matter was going to go out for bidding or should he say going out for sale without public bidding. We have been talking informally to IVGID Public Works for 8 years now on access issues on that land. While we could accept the fact that the land would be sold, we certainly, if our access were dealt with, we feel that we could support such an issue. In the alternative, we would like to see up for public sale rather than to just one potential buyer. Thank you.

Caller 8834 passed on their opportunity to speak.

Caller 3920 – there was no response from this caller.

Frank Wright said he would like to comment on H.1. He doesn't know where this came from. He doesn't where and how this community would allow something like this to happen but we have a problem here. It is rigging elections and this little item here gives the General Manager all kinds of ways to buy love and that is exactly what it is about. To give our public property and our money away to non-profits and people he can influence to vote the way he wants them to vote. He guarantees you this is illegal as this is public money that is supposed to be used for our recreation not for the government to buy votes and for to influence outside people to give away public property because they apply with the General Manager and ask him for all these freebies using our property, our money, our facilities and crowding our facilities with people who don't even belong here. This has got to come to an end. If you don't see it for what it is, he is sorry. It is illegal, it will be filed with the proper authorities, this has got to stop and as a Board, it is your responsibility to have oversight and not allow things like this to happen. This should be pulled from the Consent Calendar immediately. We can't even talk about it. Talk about sleazy behavior by a government official. Putting something like this on the Consent Calendar, which basically gives away our recreation money used for our

recreation through a forced tax called a recreation fee is just insane. Hopefully the Board will see through what this is and stop it in its tracks. Thank you.

Christie O'Hara passed on her opportunity to speak.

Jean Schwartz – there was no response from this caller.

Morgan Gallagher passed on her opportunity to speak.

Ronda Tycer passed on her opportunity to speak.

Diane Becker said she is a full time resident of Incline Village and that she has two quick comments that she wanted to make on Items H.3. and H.1. – with respect to H.1. if that would be determined that you are going to proceed. Board Chairman Callicrate responded that the determination has not yet been made. Ms. Becker then dropped off the call.

Jonathan Powell said he is not a politician and he is not an attorney; he just wants to tell a quick story. 18 years ago when he was deciding where he wanted his next home, he looked at Bend, Oregon, he looked at Vail, he looked at Durango, and he picked this place. Why? He loves the skiing, he loves the beaches and he loves the people. That is why he came here. Now, over the past 5 years, he sold his place in San Francisco, his kids grew up and they left the house. In 2008, his wife called his house up on Tyner the "Mouse House". He tore it to the studs and then he re-built the home he wanted to live in when he retired. For his 65<sup>th</sup> birthday last year, he had to go to the beach at 7:00 a.m. to set up a place for his 3 children, their wives, and his wife and pray that nobody got 6 feet in front of him to the water and just took it over. He was a captain on the Stanford swim team and he goes down, starting June 1 to September 15, and swim 5 days a week and then he invited anyone to join him. He came here 2 years before the coronavirus era and he had to park at 4 in the afternoon halfway to Raley's to walk to his beach. What the hell is that? Come on guys and he is figuring with this Chapter 7 thing, he has never been to one of these meetings. A neighbor of his sent him this and he was like he has to come here and talk. He will be hanging out with Rodeo Joe walking down from Raley's getting more exercise walking from Raley's to the beach and being able to swim at the beach he pays for. It's not ok. You guys think it is ok? It is not ok. He has been paying taxes for 18 years here. He loves the people, he loves the skiing and he loves the beach. He hopes to continue to love it. Thanks for listening to him.

**D. APPROVAL OF AGENDA (for possible action)**

Board Chairman Callicrate asked for any changes to the agenda; Trustee Dent said he would like to remove H.1. and H.2. from the Consent Calendar and move both to General Business. Trustee Schmitz said she would like to combine H.3. with I.3. as they are both related to the Audit Committee. As it relates to H.1., she agrees with removing it from the Consent Calendar to General Business as it is not a time critical item she would like to request that H.1. be moved to our next meeting as a General Business item. Part of this request is because there was no background information included therefore the public isn't understanding the background of this item so let's move this item to the next meeting and include all the reference materials. District General Counsel Nelson said it is the Board's discretion. Board Chairman Callicrate said that Consent Calendar Item H.1. is moved to the next business Board of Trustees meeting. District General Counsel Nelson said he won't be here for the next Board meeting so can we move to last Board meeting? Board Chairman Callicrate said that is fine and noted that Consent Calendar Item H.1. is removed in its entirety from the agenda and will be brought back to the Board of Trustees at their last meeting in June. Consent Calendar Item H.2. will be discussed at the same time as General Business Item I.3. Board Chairman Callicrate approved the agenda as revised.

**E. REPORTS TO THE BOARD\* - Reports are intended to inform the Board and/or the public.**

**E.1. District General Manager's Report**

District General Manager Winqest asked for any questions; none were received from the Board.

**F. REVIEW OF THE LONG RANGE CALENDAR (for possible action)**

District General Manager Winqest went over the long range calendar. Trustee Schmitz asked from the last meeting – requested a strategy for the various lobbyists – put that in the parking lot; need to put on the list Resolution 1575 and if it isn't being used anymore, we need to remove that from the books; requested an Ordinance 7 review in February 2023; and Item M. – we should discuss what type of materials we do and don't want in our Board packets. District General Manager Winqest said that he will reach out on the lobbyist item, Resolution 1575 is obsolete, and Ordinance 7 review is slated for November 9. Trustee Schmitz said thank you for pointing that out. District General Manager Winqest said Staff is trying to make it easier and does include the Audit Committee meetings. Trustee

Schmitz said maybe we need to keep them intertwined as the Board has to take action.

**G. PUBLIC HEARINGS (for possible action)**

**G.1. REQUIRED PUBLIC HEARING ON THE DISTRICT'S OPERATING AND CAPITAL IMPROVEMENT PROGRAM BUDGETS, FISCAL YEAR 2022/2023 (this public hearing will be held no earlier than 6:00 p.m. and as soon thereafter as practicable)**

Trustee Dent made a motion to open the public hearing. Trustee Tonking seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously. Board Chairman Callicrate then asked Staff if the hearing was properly noticed; Staff responded yes. Director of Finance Paul Navazio gave an overview of the submitted materials. Board Chairman Callicrate then open the matter for public comments.

Aaron Katz said thank you for the opportunity to speak and he has written comments that he has submitted for inclusion. This budget is useless unless you specify, in advance, what expenses are being approved. When you have general vague categories you open the door to the problem we have had from day one here and that is that your Staff spend the money on anything they want whether you have talked about it or not, approved it, want it, or don't want it and then your GM tells you well gee he's got the authority to make these decisions on his own up to \$50,000 – so why have a budget? It is an absolute waste and you know it. These are the consequences of not doing what he and others have asked you to do. Next, and this will be kind of eye opening he thinks to the public, we have excess fund balances in all of our major funds. Now how come we have got excess balances? The only way that can happen is if you putting too much into those funds and let's have an example of the General Fund. Do you realize that the revenues that you have assigned to the General Fund are not sufficient to cover the personnel costs of the General Fund? There is another \$2 million of expenses that you have assigned to the General Fund – where is the money going to come from? So you have invented this disingenuous transfer called a central services cost allocation transfer. Nobody knows what that is. And then you don't tell us the truth of what it really represents. You say to us oh gee well this is necessary to pay for the costs associated with the services provided by the General Fund. No they are not. We have in the Board packet where Staff admitted that it is intended to cover the deficiency between revenue and expenses. Ok, what kind of deficiencies? Well, if you get down and start looking you are going to see its stuff like attorneys' fees to defend

the Mark Smith litigation, it is our audit costs, it is hiring Dr. Bill to conduct therapy for the Board members, it is for paying for lobbying efforts with the State's legislature and on and on and on and where does the money come from for all of this? Well, it is a transfer of the Rec Fee, it is a transfer of the Beach Fee. The Rec Fee is supposed to be for our recreation, isn't it? Not for this garbage. The Beach Fee is supposed to be for our beaches, not this garbage.

Judith Miller said just a very brief comment about the budget and central services. As you know, she worked in government for more than 15 years, central services were nothing as simplistic as what IVGID uses. She didn't just make up that term as that is what Moss Adams said about our central services cost allocation. They just aren't based on any rational approach especially when you consider the part time employees take a lot more work than full time employees and yet we do it on full time equivalents. So when we have seasonal and beach employees and winter employees they all get charged out as if they were full time and really there is a lot more work involved when you have this constant turnover. The other thing about central services, Moss Adams also made the remark that, over time, they are supposed to be based on actual costs not budgeted. We know we start out at the beginning of the year with these huge figures for expenditures and then the projects aren't completed or not even started and yet central services are often based on those expenditures that never happen. So when are we going to finally base central services costs on actual expenses as opposed to the budgeted and that is what Moss Adams had also recommended.

Cliff Dobler read from a statement that is submitted.

Carole Black passed on her opportunity to speak.

Caller 3920 – there was no response.

Frank Wright said he wants the people in this town to know that the money you are blowing comes from out of our Recreation fee and it is paid for by the people who live here and it is for their recreation. A lot of the expenditures are going for things that have nothing to do with recreation. Why is he paying for the psychological balance of our Board? it is not his job nor anyone else in town and the money we pay for recreation should not be going to that nor should it go to lawsuits because we won't give up public records. Why are you hiding public records? Why are our beach and rec fees having to pay for things that have nothing to do with recreation? It is



time we put an end to this. It is time we become responsible. It is time to get a Board that understands all of this. Thank you.

Christie O'Hara passed on her opportunity to speak.

Jean Schwartz – there was no response

Fred Stahl passed on his opportunity to speak.

Mike O'Hara passed on his opportunity to speak.

Morgan Gallagher passed on her opportunity to speak.

Ronda Tycer passed on her opportunity to speak.

Stan Heirshberg passed on his opportunity to speak.

Board Chairman Callicrate said that there were some public comments that were made that you can speak to if you feel the need to. Director of Finance Navazio said that the overall budget summary is presented on pages 38, 39, 40 - \$88.7 million budget, \$44.7 million represents the capital and we have discussed some significant projects. He wanted to clarify that none of the Recreation or the Beach facility fees are being used to cover attorney fees or litigation or Dr. Mathis as those come from the General Fund and that are not part of the Central Services Allocation Plan. There is always room to refine the Central Services Allocation Plan and we do include a narrative, in response to Moss Adams, which is on pages 43 and 44 and that we are charging Central Services Allocation on actuals not the budgeted costs. The Utility Fund is worth highlighting as it has a \$27.6 million overall budget, contemplates significant spending down of fund balance particular for the effluent pipeline project, and that he would point to the memo on page 32, and based on several factors, including the rates approved by the Board at the end of April, and assuming that we spend every penny that is budgeted in there, which we rarely do, we will end the fiscal year with just under \$2.5 million in unrestricted, net position for the Utility Fund. The schedule that Mr. Dobler pointed out and he has had this conversation with Trustee Schmitz and others, we are very cognizant of the cash balance if these expenditures play out, and it getting very tight, and we are committed to managing that fund and advancing those projects. We have discussed a number of some decision points coming before the Board that will greatly assist those projects and ensuring we are not depleting those reserves completely. The Board did approve a new reserve and fund balance policy earlier this year

and we knew that then the Utility Fund would be below that policy and we have a plan to bring that fund up to that current policy by 2025 with the financing options that are going to be brought before the Board before we proceed with those projects. Will defer to the Board for questions and he would make the request that individual motions be made on each item and that he does have corrections on C. and D. on page 30. Trustee Dent said over the last year he has asked about transferring funds from the General Fund to the Utility Fund knowing that we cancel projects, etc. – where are we at in that process? It sounds like we can do it and can't do it and feels like it would be irresponsible to not put a little slush money in the Utility Fund. So why not take the money in the General Fund and put that money up for a project and then have a rainy day money? So his one question is what is stopping us from moving money from the General Fund to the Utility Fund? Director of Finance Navazio said the short answer is based on discussions with the State of Nevada Department of Taxation that it would not be allowed to transfer money to the Utility Fund reserve to shore up the reserves. As to a loan potential, because that is an option, the loan would be required to be repaid within the same fiscal year. Staff has had subsequent follow up with the Department of Taxation and for our Utility Enterprise Fund the mechanism is a capital contribution to a specific capital project as that could be allowed. Staff had asked that question about Community Services and we were told we wouldn't be able to make that capital contribution to the Community Services Enterprise Fund. We had that clarified by the State, and should the Board want to do that, they would like it at a capital contribution which is different to the Utility Fund because it is done under premises that the folks that are paying the taxes are the same that are paying for the services and it can be done at the Board's discretion tonight or at another time. Trustee Dent said that transferring a capital contribution is acceptable by the Department of Taxation: Director of Finance Navazio said that is correct. Trustee Schmitz said that we have had that conversation and that we have very expensive infrastructure. To have only \$354,000 to fall back on she thinks that the Board should make some sort of resolution from the General Fund to the Utility Fund for either the pipeline project or pond lining as that would be a help. Another thing we could do is to give the Utility Fund a holiday from the Central Services Allocation. Our General Fund has over \$5 million and the policy is below \$500,000 and it is irresponsible for us to have those funds sitting there without a project and a Utility Fund that is in dire need. She thinks the Board should transfer money from the General Fund and also contemplate giving a holiday to alleviate a \$560,000 expense to the Utility Fund in which the General Fund is in excessive fund balance position. Board Chairman Callicrate asked if we could do it in the future or can it be done this evening? Director of Finance

Navazio said it doesn't have to be done this evening and as we have said before after approved and filed and it would require a Board action and amendment, and given it is General Fund, it would be subject to a public hearing before doing the action – so it is at the Board's discretion. Trustee Schmitz said as it relates to the forms to the State, if we do not some type of capital transfer and therefore these budgets get filed showing a low balance, is it going to impact us getting a good rate for bonding? Director of Finance Navazio said he doesn't think so but it is a consideration, not sure that the State forms would be the concern rather the net revenues. The reserves and financial statements are all parts of a picture. Trustee Schmitz said we don't have a reserve and we are not in compliance with our policies so she would like to do it sooner rather than later. Director of Finance Navazio said that there are other factors that will come into play and those will be in the success of pursuing Federal funds and then the State Revolving Fund and he doesn't want to minimize the concern and stated that it is up to the Board.

Hearing no further discussion, Board Chairman Callicrate asked for a motion to close the public hearing. Trustee Dent made a motion to close the public hearing. Trustee Wong seconded the motion. Board Chairman Callicrate called the question and the motion was unanimously passed.

Board Chairman Callicrate, at 7:50 p.m., called for a 10-minute break; the Board reconvened at 8:01 p.m.

Trustee Schmitz made a motion that the Board of Trustees approve the Central Services Cost Allocation Plan for Fiscal Year 2022-2023 allocating an amount of yet to be determined to Community Services Funds and Beach Fund with the Utility Fund excluded. Trustee Dent seconded the motion.

Director of Finance Navazio said on page 45, there is \$568,189 allocated. Trustee Schmitz said she is fine with that amendment. Trustee Dent seconded the amendment. Director of Finance Navazio said, to clarify, that Staff is not recommending passing this motion.

Trustee Schmitz made a motion that the Board of Trustees approve the Central Services Cost Allocation Plan for Fiscal Year 2022-2023 allocating the amount of \$568,189 to Community Services Funds and Beach Fund with the Utility Fund excluded. Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comments, hearing none, he called the question – Trustees Callicrate, Dent and

Schmitz voted in favor of the motion and Trustees Tonking and Wong voted against the motion. The motion passed.

Trustee Tonking made a motion to adopt the proposed FY2022-2023 Recreation Facility Fee of \$450 and Beach Facility Fee of \$330. Trustee Schmitz seconded the motion. Board Chairman Callicrate asked for further comments, hearing none, he called the question, the motion was passed unanimously.

Director of Finance Navazio said Staff will also be updating the form for the action in 1.A. Director of Finance Navazio said on agenda packet page 61, that he has two changes - Schedule S-2, top half is the full time staffing, line for subtotal will be added; and the second one is on page 91, Incline Spirits, only reflected the information for bar services and because the District recently executed the F&B contract that will be corrected. Also, Sand Harbor Water Sports, showed expired, that contract has just been executed and will be made valid for this fiscal year. Board Chairman Callicrate said so both of those documents will be updated? Director of Finance Navazio said yes. Trustee Schmitz said on agenda packet page 90, the termination date for Mr. Faust shows April 30, 2022 and that needs to be updated. Director of Finance Navazio agreed that change should be made.

Trustee Schmitz made a motion to approve the Incline Village General Improvement District's Final Budget for Fiscal Year 2022-2023 (Form 4404LGF as prescribed by the State of Nevada Department of Taxation) with modification of making a capital contribution of \$1 million from the General Fund to the Utility Fund and with the edits made tonight. This motion died for lack of a second.

Director of Finance Navazio said we may need the Board to designate a project. District General Manager Winqest asked if Staff can be delegated to decide the project? District General Counsel Nelson said he would look to Director of Finance for guidance. Director of Finance Navazio said his thought would be either effluent pipeline or pond lining because they are the two significant projects as his suggestions. Trustee Schmitz asked if the Director of Public Works had a preference? Director of Public Works Underwood said he had no preference. District General Manager Winqest said he would like it to be the effluent pipeline. Trustee Schmitz said so are those funds restricted? Director of Finance Navazio said for practical purposes it would be but wouldn't show up on the State form and not supplementing the funds.

Trustee Schmitz made a motion to approve the Incline Village General Improvement District's Final Budget for Fiscal Year 2022-2023 (Form 4404LGF as prescribed by the State of Nevada Department of Taxation) with modification of making a capital contribution of \$1 million from the General Fund to the Utility Fund specifically for the Effluent Pipeline Export Project and edits made tonight. Trustee Dent seconded.

Trustee Wong said she is going to vote no on this motion because this Board approved utility rates that didn't include this transfer and it's disingenuous. Trustee Tonking said she is going to vote in favor of this motion because she agrees with the forms but she is opposed to the transfer.

Hearing no further comments, Board Chairman Callicrate called the question – Trustees Callicrate, Dent, Schmitz, and Tonking voted in favor of the motion and Trustee Wong voted in opposition. The motion passed.

Trustee Schmitz made a motion to approve the authorized staffing levels and salary ranges for applicable full-time positions as presented. Trustee Tonking seconded the motion.

Director of Finance Navazio said on agenda packet page 53, there is a position in our revenue office that is being converted from a seasonal position to a full time, revenue office technician and still shows as a seasonal and that he would ask that it be made to a full time position and added to the listing.

Trustee Schmitz amended the motion to approve the authorized staffing levels and salary ranges for applicable full-time positions to include the revenue office technician. Trustee Tonking seconded the amended motion. Hearing no further comments, Board Chairman Callicrate called the question and the motion was passed unanimously.

Trustee Schmitz made a motion to approve the Incline Village General Improvement District's Capital Improvement Program Budget for Fiscal Year 2022-2023. Trustee Dent seconded the motion. Hearing no further comments, Board Chairman Callicrate called the question and the motion was passed unanimously.

**G.2. REQUIRED PUBLIC HEARING ON THE REPORT FOR COLLECTION OF RECREATION STANDBY AND SERVICE CHARGES, FISCAL YEAR 2022/2023 (this public hearing will be held no earlier than 6:00 p.m. and as soon thereafter as practicable)**

Trustee Schmitz made a motion to open the required public hearing. Trustee Wong seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.

Director of Finance Navazio confirmed that this hearing has been properly noticed to the public and gave a brief overview of the submitted materials and noted that 2 changes that will be made on the resolution – agenda packet page 230, paragraph 7., we should clarify that the Secretary will be changed to the District Clerk and it will be over her signature. District General Counsel Nelson said the header will also be updated to reflect the proper resolution.

Aaron Katz said he opposes the Recreation Fee and the collection as it is the cause of all the problems we have here. It passes for all the differences between funds and that's not what you tell us rather it is for the facilities. The facilities are available to everyone in the world so it is not just for us. When it comes to budgeting, you do the Rec and Beach fees first and then budget which is totally backwards and then Staff budgets more than it needs. Proof in the pudding is Community Services which has \$12 million and only needs \$7 million. The beach has \$5.28 million and you say that is \$4.2 million more than we need. How did it get it there and why are you passing another Rec and Beach fee? Asking you do a sunset for a year just like Trustee Schmitz wanted to do with the Utility Fund. How did you come up with all of these excess funds? Paid off the bonds and continued to collect and former Director of Finance came up with the smoothing concept and this slush fund for future expenses – two slush funds. Please do no and tell the truth.

Judith Miller said you are contemplating having a different guest access for the hotel guests well she would also like you to contemplate having a different facility fee for hotel and motels as they put a lot more burden on our facilities than our single family residents and yet they pay the same rec fee. The rec fee is what pays for all the capital costs through the years. Our user fees don't even cover the operating costs so why would you have a hotel that perhaps has hundreds of more times users than the single family dwelling because let's face it, the facility fee it serves people and it really doesn't serve parcels so the facility fee should really be based on the

number of people it's serving just like the utility rates, and the study said if you are putting more of a burden on the utilities, during certain peak periods, then you should pay more. Most of that consultants' recommendations were thrown away and we know that most of the residential users pay more than we should pay because things like irrigation and snowmaking aren't paying their fair share but she guesses we are supposed to gradually phase that in but this year, the homeowner is paying more for water. We are subsidizing golf and ski through our water fees. So it is the same principle here as you should have a fee based on intensities of use. HOA's are starting to do that with short term rentals and we can do that with the Rec Fee. Thank you.

Cliff Dobler read from a prepared statement attached hereto.

Carole Black passed on her opportunity to speak.

Caller 3920 passed on her opportunity to speak.

Ms. O'Hara Kissinger passed on her opportunity to speak.

Ms. Becker passed on her opportunity to speak.

Fred Stahl passed on his opportunity to speak.

Jean Schwartz – there was no response from this caller.

Mike O'Hara – there was no response from this caller.

Morgan Gallagher passed on her opportunity to speak.

Ronda Tycer passed on her opportunity to speak.

Stan Heirshberg passed on his opportunity to speak.

Director of Finance Navazio said he had nothing further to add. Trustee Schmitz asked, on agenda packet page 228, in the first whereas clause, it references Resolutions 419 and 420, just googled the active resolutions and neither of those are listed as active resolution. District General Manager Winqest said that is because they are not a policy resolution. Trustee Schmitz asked if they are active resolutions do they have to be on our website? District General Counsel Nelson said what Staff is communicating is that because they are not Policy Resolutions, they are not on our website. Further, the District Clerk has confirmed that they have not been superseded

therefore based on that information the Board can move forward this evening and we can circulate a copy to the Board. Trustee Schmitz said that she believes someone made a comment or a reference to them as pre-dating the beach deed and she wanted to take a look at them. Trustee Schmitz said, fourth whereas, it references Resolution 1891 and what is that resolution? Director of Finance Navazio said it was the preliminary approval of the Facility Fee resolution which also set the date and time of the public hearing. Trustee Schmitz asked if, on page 229, parcels assessed – assess parcels and dwelling units – important distinction here? Director of Finance Navazio said the assessment on the tax roll is the parcel number and the amount is on dwelling units. Trustee Schmitz said that what about 4.A. and how it relates to Ordinance 7 because that ordinance is about more than property owners? Director of Finance Navazio said it lays out why assessing. Trustee Schmitz said in B. all benefits, not the case in certain cases, because certain parcels don't have access to the beaches and asking about it being specified. Director of Finance Navazio said from his perspective, this is inclusive, the individual rec rolls are separate and distinct as we transmit one rec roll with access to the beach and one without beach access. District General Counsel Nelson said the report adds some specificity and referred to the top of agenda packet page 235. Trustee Schmitz said regarding excessive fund balance, she knows we are bringing back our 5-year capital plan, to deal with the excessive fund balance, we as a Board have talked about some of these major projects, is it appropriate when reviewing that 5-year budget, can we do set aside for the fund balance to specific projects as it has been a concern especially with a number of the significant projects in the next number of years. Board Chairman Callicrate said we are going to need to discuss that at another time and appreciate you bringing it up.

Trustee Dent made a motion to close the public hearing. Trustee Wong seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.

Trustee Tonking made a motion approve Resolution Number 1893 which approves the Report for Collection of Recreation Standby and Services Charges (also known as the Recreation Facility Fee and Beach Facility Fee) for Fiscal Year 2022/2023 with the amendments requested by Staff. Trustee Dent seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.



**G.3. REQUIRED PUBLIC HEARING ON ORDINANCE 7, AN ORDINANCE ESTABLISHING RATES, RULES AND REGULATIONS FOR IVGID RECREATION PASSES AND RECREATION PUNCH CARDS BY THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (*this public hearing will be held no earlier than 6:00 p.m. and as soon thereafter as practicable*)**

Trustee Dent made a motion to open the public hearing. Trustee Schmitz seconded the motion Board Chairman Callicrate called the question and the motion was passed unanimously.

District General Manager Winquest gave a couple of brief opening comments which included thanking the General Manager's Ordinance 7 Committee as well as the Board of Trustees, both legal counsels and his staff that worked on it. Board Chairman Callicrate also thanked the committee and said that we tried to take a stab at this 24 years ago. A couple of points that we have all received – there has been a misunderstanding on what denotes a group and 25 seemed to be a good number and it came out that it was 25 guests per parcel and that is not anywhere close to what we decided. Then the Board asked if by restricting the number of punch card would help to control the seeming overcrowding at the beaches, the District General Manager said yes. We also talked about parking and there will be photo identification at certain times at Incline Beach and then at Burnt Cedar Beach it will include photo identification and punch card dependent on the time in the season. Unfortunate that the information got out there and we are here to discuss with the knowledge that we will come up with something good for the community. Let's be respectful in order to come up with a good solution.

Ali Warner read a prepared statement which is attached hereto.

Alex Tsigdinos said he would like to point out that the primary purpose should not to be to make this ordinance work for short term rentals and fractional ownership work rather it should be true to the deeded rights of the parcel owners. Limiting the number of guests is important and having a high number sounds more like a commercial enterprise, having excess right for some infringes on the rights of the many. He appreciates that you want to avoid unintended consequences but accounting for the one off has the consequences that we have seen with overcrowding at the beaches and with the parking.

Pamela Tsigdinos said she appreciates the work on this one as it is not an easy one. She is a homeowner since 2004 and she speaks today as one of the many homeowners that have been crowded out of the beaches over the last several

summers. She is very concerned with the number of short term rentals and visitors and guests descending into the Tahoe basin. She has written extensively about this in a number of op-eds and she thinks it is really important that you understand that as more and more people learn about Tahoe and come to Tahoe, they will want to get onto our beaches. If we do not have strong enforcement measures, really good ways to account for who is coming in and bringing a guest and she can imagine a teenager who has a pass and an Instagram account who says they are going to start an escort service and saying anyone who wants to come to the beach, come along as my guest and they will them on there. She has seen more large groups occupying huge footprints in the sand in the last several years, that have been very intimidating; she means it's like they have staked a claim and she doesn't see a lot of these people during the rest of the year. She walked down to the Hyatt today as she wanted to look at their beach. She saw a row of very expensive cabanas and she asked what it costs to get a cabana – it is \$1,000 a day to get lakefront access. She knows people that stay at Hyatt and then go to the Burnt Cedar Beach pool as it is too expensive and we are subsidizing and this isn't fair to the residents of the Incline Village.

Mike Abel read from a prepared statement which is attached hereto.

Gary Stewart left the meeting.

John Eppolito said he has lived here for 24 years, never as crowded as it is now, believes it is short term rentals, parking is brutal in the summer, and one can't park at the beach unless you get there early. We have to allow less people access to the beaches.

Ray Tulloch said he is a 15-year Incline resident and someone who tries to use the beaches and candidate for Trustee. One of the most common complaints is the ability to use the beaches, unless you use it at 8 a.m., comes back at 9 a.m. and it is covered in towels. We don't want to turn it into South Lake as we don't have the infrastructure for it. The committee came up with a lot of great recommendations and it has taken 24 years and then we come up with a clause 2 days before, which is disrespectful, and if we wait a little longer, it is not going to kill anyone. Paragraph 75 – there may be two of them and then paragraph 76 is in breach of 76. Groups – reduce it to 25 instead of ludicrous figure of 50 or 100. Each picture pass holder can bring up to 50 guests as there is nothing to stop two people and the number of 25 is ludicrous and it should be 10. The beaches are here for the owners and not for short-term rentals owners.

Aaron Katz said follow the beach deed strictly. Asking you to continue action on this matter as you didn't provide Board packet information until 2 days before this

hearing. This should be split into two ordinances - one for the beaches and the second should be other than the beaches. This is mixing things up and makes it a problem. Access to hotel and motels, and by the way, when you go to give access to Parkside Inn, it applies to the Hyatt, and that is 400 rooms. Resolution 419, which Trustee Schmitz doesn't have, everybody knew ahead of time and that there was a cost and it was the Rec fee per room and let's talk about a guest. With Crystal Bay Development, a guest had to be accompanied by a parcel owner. It should be that way now and that would cut down 50% of the overcrowding. Remove the GM's power to give access, simple to do, eliminate punch cards and they came into existence so an owner can over the guest fees. Whoever you decide is a guest, he has announced years ago that every parcel that doesn't have access and is within IVGID boundaries is his guest, so charge them the fee and give them access.

Judith Miller said about the Parkside Inn and how she personally feels about it - she used to operate a hotel on the West Shore, small motel, split lake front so we had beachfront access and we had our own pool. It all cost an arm and leg to support so she sold it and the seasons were short. Ski season is longer because of snowmaking and summer is longer because of climate change. There is a reason to for them to pay their fair share as they will make use of those facilities and we aren't talking about the beaches, and these are the ones that have been built, and are available to all their guests. Some equitable fee that they would be reasonable for and for use of our facilities.

Margaret Martini read from a prepared statement which is attached hereto.

Gail Krolick said she has lived here 31 years, raised 2 girls, have a business, a wonderful husband, and she is appalled by how we are treating one another. Think about the parents in Texas who are mourning their children; it is just appalling to her. Please she is asking each person to be neighborly. The Trustees are elected to serve, if you don't like it, run for the Board. Ms. Krolick then read a statement from the IVBR which is attached hereto.

Rew Goodenow and he represents Incline Boat and Storage and we have submitted a proposal for changes to the ordinance. We believe the amendment brings the parcel more into line with the deed. He will stick around to the answer any questions.

Susan Marelich said we understand about beach overcrowding and that our business provides a very valuable service. They have submitted a proposal on working with the District. They will have to close their business if this is passed. They have been told that we can easily replace those clients however our facility

can only hold 20' boats. There are a lot of people who have larger boats and we won't be able to replace those customers. Most of our customers don't use the beaches as they launch for the day. Many of their clients are elderly are they rely on their business to help them. We help others, and, if we are forced to close our business, there will be lots of boats parking on the streets as they don't know how to maintain or launch their boats. We urge to help us maintain our business and not close our doors.

Cliff Dobler said this is one of the few times doesn't have a prepared statement as he likes to be accurate. Followed this beach access from the deed all the way forward. We have politicians here, if you can get a boat, you give it to them. Where we started with this beach access, added more and more over the years, employees were guests, slipped in the guest fee, then non-profits and this and that, politicians will do that. He has been in litigation all his life because he was in distressed debt business and you need to stay within the four corners of the document. To get reduced use and to have an impact you have to have the owner go with their guest. People will find ways to get on to the beaches and hotel and motels have to pay for that access.

Chris Nolet passed on his opportunity to speak.

Paul Smith read from a prepared statement which is attached hereto.

Carole Black read from a prepared statement which is attached hereto.

Caller 3920 passed on their opportunity to speak

Called 2779 – there was no response from this caller.

Charley Miller said that this was a tough topic and IBS is also a tough one as they have been around for a long time, they are nice people, have a great business, and that he agrees that commercial beach business shouldn't apply. 25 people is too many and 10 people is a better number as it could be a lot. STR – we have to control that as there is an abuse there. Hotels – difficult one, Hyatt has their own beach. He agrees with Ms. Krolick that no matter what your opinion, it should be done in a respectful way and convey your message without being rude. Employees – give them the privileges they deserve.

Frank Wright said he is a member of the Ordinance 7 committee and the only member who doesn't have access. We spent months talking about people going down there and the General Manager has gone to great lengths to make sure the employees can go to the beaches. It is unlimited and they go in for free. Why not

Crystal Bay as we have paid those fees? Follow the deed as it is very specific and if you don't, you will open the doors and you will have the world's tourists on them. If you are an employee and have a gold or silver card, you can use it for free for life and you don't have to pay into. No one has been disrespectful, come on Mr. Krolick, and to tie it in with what is going on Texas is ridiculous and this lady is running for the Board.

Kyle Beach said consider how the current proposal provides preferential treatment to those that physically reside in Incline Village versus those that have a primary residence outside of Incline Village. Preference is given to those who physically reside here and he would like to know how these affect those of us who reside outside the village.

Christie O'Hara said she is support for ISB as they aren't taking up beach space and someone mentioned about taking their guests to the beach and her Mom is 87 and that wouldn't be feasible for her to take the grandkids to the beach.

Diane Becker said she is a full time resident of Incline Village and a member of Ordinance 7 Committee. She wants to address the addition of paragraph 75. She listened to the owner of Parkside Inn and he didn't threaten to litigate. Heard him say something about opening it up to litigation. Listen to and realize that we don't have to agree to paragraph 75 today as it gives access to the beaches per day and in total. All of the beneficiaries and members of the Board and others who are there, have been limited. She would urge that time would be spent with occupants of hotels and motels. Historically, starting in 1982, hotels and motels were treated as commercial parcels and they could give access to their guests. If not appropriate approach, we should look at it. You don't have to do it today. It is not a situation where only looking at the Hyatt, there are other businesses who rent rooms. She would request that paragraph 75 be sent back to the committee or a to a new committee. This could have handled differently had it been raised and to rush it is really a disadvantage.

Stan Heirshberg passed on his opportunity to speak.

Fred Stahl said passed on his opportunity to speak.

Morgan Gallagher said she is counsel for the Warner's who are the owners of the Parkside Inn and she asked that the hotels and motels not be ignored and incorporate the proposed language.

Michael O'Hara said his Mom and Dad used to work at Ponderosa Ranch and that he keeps his boat at IBS and he is very thankful. He thinks the ordinance will

restrict his Mom, as his Dad passed away two years ago, and that the ordinance would restrict her ability to use the beach. Thinks his sister spoke before and noted that there are some that don't have the wherewithal and can't afford the extra amenities.

Ronda Tycker said Trustees you have done a yeoman's job of getting to this point. She would ask for a few other adjustments – as have others – reduce the max number of guests as she thinks the number of 25 is too many. Define a hotel or motel occupant in the ordinance and she would like you to distinguish between that and residents and she thinks that a different rate structure would work just like golf. Please consider your decision about accompanying guests. Thank you for your time, energy and work that you have put and thank you to the community.

Caller 3920 – there was no response from this caller.

Board Chairman Callicrate called for a brief break at 9:30 p.m.; the Board reconvened at 9:41 p.m.

Trustee Dent made a motion to close the public hearing. Trustee Schmitz seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.

District General Manager Winquest gave an overview of the submitted material followed by a lengthy discussion by the Board of Trustees. The outcome was the following changes:

- ⇒ Page 316, paragraph 57., entire last sentence, Agent shall be a family member.... shall be deleted
- ⇒ Page 335, paragraph 103, sub B., third line, delete “..within affinity...” will now just say family tree.
- ⇒ Family tree – review is to be added to the Trustees long range calendar
- ⇒ Page 326, paragraph 88, sub c. and f. the number which is 25 will be replaced with 15.
- ⇒ 2<sup>nd</sup> proposed paragraph 75 will be with the additions made by Mr. Balkenbush.
- ⇒ Occupant fee - bring it back to the Board of Trustees for review and discussion.

- ⇒ Two number 31's which will be renumbered appropriately.
- ⇒ Minor tweaks to language that is not substantial.

Trustee Schmitz made a motion to approve Resolution Number 1894: A Resolution Approving Ordinance 7, An Ordinance establishing rates, rules and regulations for IVGID Recreation Passes and Recreation Punch Cards by the Incline Village General Improvement District including the aforementioned changes made this evening. Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comment; none was received so he called the question and the motion was passed unanimously.

Board Chairman Callicrate said we have achieved a monumental task and it is a fair and equitable document and, at the end of the summer, we will be able to hash through the changes that need to be made.

#### **H. CONSENT CALENDAR (for possible action)**

- H.1. SUBJECT: Adopt Policy and Procedure No. 141/Resolution No. 1895 regarding complimentary and discounted use of District facilities and programs (Requesting Staff Member: District General Counsel Joshua Nelson) (*Removed in its entirety – rescheduled to June 29, 2022 meeting*)**
- H.2. SUBJECT: Approve amendments to Policy 15.1.0, Accounting, Auditing and Financial Reporting, Audit Committee Charter, to regarding commencing the process to fill vacancies (Requested by: District General Counsel Josh Nelson and Trustee Matthew Dent) (*Combined with General Business Item I.3.*)**
- H.3. SUBJECT: Approve a purchase order for the 2022 Update Camera Equipment Project – 2599SS2107 - Fund: Utilities; Division: Sewer; Vendor: WECO Industries, in the amount of \$50,383.26. (Requesting Staff Member: Director of Public Works Brad Underwood)**

Trustee Dent made a motion to approve Consent Calendar Item H.3. Trustee Wong seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.

**I. GENERAL BUSINESS (for possible action)**

**I.1. SUBJECT: Review, discuss and possibly proceed Lot Line Adjustment – Buchholz Trust (APN 126-273-04) and IVGID (APN 126-273-02) (Requesting Staff Member: Director of Public Works Brad Underwood)**

Director of Public Works Underwood gave an overview of the submitted materials. Trustee Dent said if we are going to be selling a parcel, he thinks we would put it up for bid. TRPA had restrictions and we would be helping them with getting around this restriction therefore he wants nothing to do with it. Trustee Schmitz said she agrees and doesn't want IVGID to help with this and assist someone who is trying to circumvent a TRPA restriction. Trustee Tonking said she agrees with her fellow Trustees. Trustee Wong said she is indifferent. Board Chairman Callicrate said he is indifferent as well. There were stipulations that were placed on this property and he understands what they are doing. The Board of Trustees does not want to move forward with this item and advised Staff of same.

**I.2. SUBJECT: Audit Committee: Review, discuss and possibly appoint two (2) Trustees to the Audit Committee (Requesting Trustee: Trustee Michaela Tonking)**

Trustee Tonking gave an overview of the submitted materials and said she is open to serving. Trustee Schmitz read a prepared statement and concluded by stating that she is volunteering to serve on the Audit Committee. Trustee Wong said she would be interested in serving with Trustee Tonking on the Audit Committee. Trustee Dent said he would be interested in not serving on the Audit Committee.

Trustee Tonking made a motion that Trustee Tonking and Trustee Wong serve on the Audit Committee. Trustee Wong seconded the motion. Board Chairman Callicrate asked for further comments, receiving none, he called the question – Trustees Callicrate, Wong, Tonking voted in favor of the motion and Trustees Schmitz and Dent voted opposed. The motion passed.

**H.2. SUBJECT: Approve amendments to Policy 15.1.0, Accounting, Auditing and Financial Reporting, Audit Committee Charter, to regarding commencing the process to fill vacancies (Requested by: District General Counsel Josh Nelson and Trustee Matthew**



**Dent) (Moved from the Consent Calendar in order to discuss in combination with General Business Item I.3.)**

Trustee Dent said he pulled it from the Consent Calendar so as to explain that there were some minor changes made and in that process of thinking it through and in meeting with the District General Counsel and the District General Manager and the fact that we had a Trustee that was missing, he wanted to add an administrative function regarding a Trustee vacating their position and that it be agendized by the Board Chair in the next 30 days. District General Counsel Nelson made some suggestions on agenda packet page 352, last paragraph. Trustee Wong said she is fine with the language that District General Counsel read off but doesn't necessarily agree with all the changes on page 354; she doesn't like the changes on pages 353 and 354 as they are overkill. When any vacancy occurs, we should do our best to fill the vacancy. Trustee Dent said the reason this came up is there was a vacancy on the Audit Committee and the Board never directed Staff to do anything. District General Manager Winquest said he does support the changes made by Trustee Dent and District General Counsel Nelson. Board Chairman Callicrate said he is ok with the changes and with moving forward.

Trustee Tonking made a motion to approve the changes to Policy 15.1.0 with the changes that were made at this meeting. Trustee Dent seconded the motion. Board Chairman Callicrate asked for further comments, receiving none, he called the question – the motion was passed unanimously.

**I.3. SUBJECT: Review, discuss and potentially provide direction regarding modifying the term of Audit Committee appointments to expire in February (Requesting Trustee: Trustee Sara Schmitz)**

Trustee Schmitz gave an overview of the submitted material. Trustee Dent said having sat on the Audit Committee for the past year, coming on in July, we are already behind, the change does make sense, and it falls in line with the cycle. Trustee Tonking said is this such that all appointments would be made February? District General Counsel Nelson said all terms would expire in February and the two new at-large members would expire in 2024. Trustee Wong said she wants Counsel's feedback on what ideal timing would be. Board Chairman Callicrate said he would like that too. District General Counsel Nelson said that there are two ways forward - agendize it again or bringing back potential edits to look at. Trustee Tonking said edits would be helpful for her. There was no action taken by the Board of Trustees on this matter.

**J. MEETING MINUTES (for possible action)**

**J.1. Meeting of April 27, 2022**

Board Chairman Callicrate asked for changes, none were provided, the meeting minutes of April 27, 2022 were approved as submitted.

**K. FINAL PUBLIC COMMENTS\***

Yolanda Knaak said she is a 2022 IVGID candidate and thanks all for their hard work on Ordinance 7 and that she hopes it helps with the overcrowding. She is still concerned and hopes that you evaluate it.

**L. ADJOURNMENT (for possible action)**

The meeting was adjourned at 11:10 p.m.

Respectfully submitted,

Susan A. Herron  
District Clerk

Attachments\*:

\*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submittals attached are by:

Diane Heirshberg  
Gayle Holderer  
Incline Boat Storage & Marine  
Patrick Schmitz  
IVR by Gail Krolick  
Mike Abel  
Ali Warner  
Clifford Dobler  
Aaron Katz (3)  
Margaret Martini  
Alex Tsigdinos

**Susan A. Herron**

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**From:** Diane Heirshberg <dbheirshberg@gmail.com>  
**Sent:** Thursday, May 26, 2022 10:05 AM  
**To:** Tim Callicrate; Matthew Dent; Michaela Tonking; kendrawong@gmail.com; Sara Schmitz  
**Cc:** Susan A. Herron; Indra Winquest  
**Subject:** New Paragraph 75 of Ordinance 7 Should Be Bifurcated from the Balance of Ordinance 7; It is Inequitable to Give One Beneficiary Priority Over Others

Dear Trustees,

This is my public comment in opposition to either alternative in new paragraph 75 related to occupants of hotels and motels. I request you bifurcate this issue from the vote on the balance of Ordinance 7.

**I. IT IS NOT EQUITABLE TO OTHER BENEFICIARIES IF OCCUPANTS OF HOTELS AND MOTELS ARE NOT LIMITED IN THEIR ACCESS BY A REASONABLE MAXIMUM NUMBER OF VISITS PER DAY AND IN TOTAL LIKE OTHER BENEFICIARIES HAVE BEEN**

The Ordinance 7 Committee made its recommendations with respect to Beach access to address beach overcrowding, by putting reasonable limitations on how many people can come into the beach in a manner that is consistent with the Beach Deed and **in a manner that treated all of the Parcels equitably and gave each Parcel the opportunity for the same amount of Beach access.** I respectfully submit that the demand by a hotel/motel which is a single Parcel that pays one recreation (beach) fee, to treat all occupants of all hotels and motels differently from other beneficiaries is not reasonable, as more fully explained below. **Equitable treatment of Beneficiaries is critical to support the proposed amendment to Ordinance 7.**

**II. WHO ARE THE BENEFICIARIES?**

The Beach deed says at page 1 line 28 – page 2 line 7: "It is hereby covenanted and agreed that the real property above described...shall be held, maintained and used by grantee...only for purposes of recreation by and **for the benefit of, property owners and their tenants (specifically including occupants of motels and hotels)** within the Incline Village General Improvement District as now constituted, and, as the Board of Trustees of said District may determine, the guests of such property owners..." (underlining added)

As you can see by looking at the Beach Deed, it makes "occupants of motels/ hotels" a subset of tenants and gives motels/hotels no greater or different rights than it gives to property owners or to tenants. Tenants in order to get IVGID recreation privileges need 6 months leases or longer under IVGID procedures and policies so tenants do not get unlimited access. (Also there is a legal argument to be researched under Nevada Revised Statutes 118A.170 both factually in IVGID historical documents and legally, that statute states that occupants of hotels for 30 days or less are NOT a tenant and therefore they are not a subset of tenants under the Beach deed at all but occupants for 30 days or more are. See Nevada Revised Statutes 118A.170.)

**III. THE DISTRICT CAN REASONABLY RESTRICT ALL BENEFICIARIES BEACH ACCESS INCLUDING HOTEL OCCUPANTS**

Page 2 lines 14 – 19 of the Beach Deed gives the District the authority to make reasonable rules when it states: "...provided however, that said Board of Trustees shall have authority to levy assessments and charges as provided by law, and to control, regulate, maintain and improve said property as in its sole discretion it shall

deem reasonable and necessary to effectuate the purposes herein mentioned....” (underlining added)  
How can you think it’s fair to only have one class of potential beneficiaries (occupants of hotels and motels) who are not limited in number since every other beneficiary is limited? How can the District justify this action to the other beneficiaries?

As a committee this is what we attempted to do and we limited access for all groups of beneficiaries, consistent with the documentation and information we received. We strove to give each Beneficiary equitable access, but each group of beneficiaries was restricted. As a property owner you were greatly restricted. The equitable restrictions would have been a reasonable control by the Board of Trustees under the Beach Deed. BUT NOW AT THE LAST MINUTE A SUBGROUP OF BENEFICIARIES, OCCUPANTS OF HOTELS AND MOTELS ARE PROPOSED TO BE GIVEN AN AMOUNT OF BEACH ACCESS THEY DID NOT PREVIOUSLY HAVE (see below) AND ARE GIVEN NO RESTRICTIONS ON NUMBER PER DAY OR IN TOTAL. This is inequitable and unfair to all other beneficiaries who were restricted.

#### IV. UNLIMITED BEACH ACCESS FOR HOTEL OCCUPANTS IS NOT THE CURRENT RULE

1. **Currently, the other Hotel, the Hyatt pays three Parcel Recreation Fees and has done so since the 1980s.** The Hyatt gets recreation privileges (beach access) for only three parcels, not unlimited beach access for all of its guests. The Hyatt’s hotel occupants will legally have unlimited District beach access if paragraph 75 comes in. We aren’t asking the Hyatt to agree in writing to not have this unlimited access because we know they won’t. Just because the Hyatt said he doesn’t want his guests drinking on the IVGID beaches doesn’t mean the occupants won’t just want to come. Watch how fast that fence comes down between the district beach and the Hyatt beach. And what about Hyatt Residence Club, Chaparell and others which are all listed as hotels in all the travel websites and rent daily rooms to people. This expansion of recreation privileges will be argued by the Hyatt as its right, and likely by others.

2. The history of hotels under the Ordinance shows that it was never the historical understanding of the District that the occupants of hotels had unlimited access. The District minutes from 2-25-1982 that were given to the Ordinance 7 Committee which shows at VIII.b. that the Recreation Director "recommended that the recreation charge policy remain the same, with the exception that commercial parcels would be added to the roll on a per-parcel basis, hotel/motel would be classified in a commercial category and assessed on a per parcel basis and coupons would be eliminated." The vote passed her on page 1821. It is clear that the hotel/motels never received unlimited access, and at that time there were not day passes.

3. The Board did not approve reinstating daily beach tickets, which was contrary to the beach deed. In any event there have been no daily tickets for 2 years and now they have been or are being discontinued.

Finally to understand what a huge issue this is, consider that the new Tahoe Area Plan adopted by the Tahoe Regional Planning Agency and Washoe County, allows hotel/motels to be built on the large vacant lots along the highway 28 corridor and in other tourist areas that are 5 stories high (instead of the lower previous height limitations), with greatly reduced lot coverage requirements and increased density allowances, because TRPA wants Nordstar like hotels to be built here in Incline. Limitations on hotel occupants need to be considered with future hotel construction in mind in a considered process, not in a panic.

Paragraph 75 is the wrong decision for among other reasons, because it is NOT consistent with historical practise or with equitable treatment of beneficiaries or the result of a thorough analysis.

Respectfully submitted

Diane Becker  
805-290-2779

Sent from my iPhone

**Susan A. Herron**

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**From:** Gayle Holderer <gayletahoe1@yahoo.com>  
**Sent:** Thursday, May 26, 2022 12:47 PM  
**To:** Susan A. Herron  
**Subject:** COMMENTS RE TONIGHT'S BOT MEETING  
**Attachments:** IVGID\_BEACH\_2-25-2021.doc

Ms. Herron:

Attached please find my comments re the Beach Deed and the BOT meeting tonight, May 26, 2022.

Please include me comments/letter not only in the board packet, but please also distribute it to the Board of Trustees as well as the district legal counsel, and Ordinance 7 members.

Thank you for advance for your anticipated cooperation.

Kind Regards,

Gayle Holderer  
Incline Village Resident

## Gayle Holderer

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P. O. Box 3629 • Incline Village, Nevada 89450  
(775)772-4698 • gayletahoe1@yahoo.com

May 27, 2022

To: Callicrate, Tim

Cc: [isw@ivgid.org](mailto:isw@ivgid.org), Dent, Mathew, Wong, Kendra, Schmitz, Sara, Tonking, Michaela.  
Ordinance 7 Committee Members

Chairperson Callicrate and Other Honorable Members of the IVGID Board and  
Ordinance 7 Committee -

I have been a resident of Incline Village for 44+ years. It used to be that going to the beach was very easy any time of day. However, as time has progressed, one only must see the packed beach parking lots and cars parked in every direction and on every street in high season. It seems like the rate payors **PAY** and the **OUTSIDERS PLAY**. IVGID keeps wanting to expand our Beach Deed, but none of our beached are expanding with the many perks, fringes, exceptions, and other miscellaneous.

The BOT and IVGID management team/staff has a **FIDUCIARY DUTY** to the rate payers of this community and part of that duty is to honor this Beach Deed and the restrictions therein.

It is well known that Lake Tahoe adds a great deal of **Value** to the real property in Incline Village. The more the beaches are diluted the less desirable our property could become. As a new buyer in Incline Village, I would think twice about purchasing property here if I had a look at the beach situation in July and knew that the GM had the decision-making powers.

Additionally, making last minute changes/additions to Ordinance 7 on the eve of a BOT meeting on such a passionate issue shows nothing more than disdain and disrespect for the community. Rate payors I know are tired of paying for things they cannot use. This includes the beaches.

I believe the rate payors have been led astray by management and multiple BOT's for quite some time. Now is the time to cure the problem, protect our assets including the beaches for the benefit of the rate payors. In my opinion, this **FIDUCIARY DUTY** does not include giving away our assets to non-residents. Nowhere in the Beach Deed does it state, "NON-RESIDENT EMPLOYEE", or talk about perks, fringes, freebees, etc.

Thank you – Gayle Holderer

Incline Village, Full-time Resident



# INCLINE BOAT STORAGE & MARINE



A Close Corporation

David P. Marelich, President  
Susan G. Marelich, Secretary/Treasurer

*Enclosed & Secured*

May 24, 2022

Chairman	Tim Callicrate	<a href="mailto:callicrate_trustee@ivgid.org">callicrate_trustee@ivgid.org</a>
Vice Chairman	Matthew Dent	<a href="mailto:dent_trustee@ivgid.org">dent_trustee@ivgid.org</a>
Treasurer	Michaela Tonking	<a href="mailto:tonking_trustee@ivgid.org">tonking_trustee@ivgid.org</a>
Trustee	Sara Schmitz	<a href="mailto:schmitz_trustee@ivgid.org">schmitz_trustee@ivgid.org</a>
Trustee	Kendra Wong	<a href="mailto:wong_trustee@ivgid.org">wong_trustee@ivgid.org</a>
General Manager	Indra Winquest	<a href="mailto:indra_winquest@ivgid.org">indra_winquest@ivgid.org</a>
District Clerk	Susan Herron	<a href="mailto:susan_herron@ivgid.org">susan_herron@ivgid.org</a>

Dear IVGID Trustees and General Manager:

We would like to propose some ways IVGID and Incline Boat Storage & Marine can work together enabling us to keep the non-resident tenants we've served for so many years.

It has been suggested to us that we should easily be able to replace the 85 non-residents as we've had a waiting list for years. Unfortunately, the waiting list is for boats that are 24' to 38' long which won't fit into our storage area. When we built the boat storage 34 years ago, the average size boat was 20'. Whenever an existing customer leaves, we accept the smaller boats; however, as you're probably aware, most Incline residents only want larger boats.

One idea is that we personally are able to find and purchase commercial property in Incline in order to build a facility that can accommodate large boats. As I'm sure you're aware, the permit process with TRPA and Washoe County is very difficult, but perhaps IVGID could assist us with these agencies to get the proper permits.

The following are some examples of possible solutions that may aid in our situation while limiting commercial use at Ski Beach:

- A monitoring system could be set in place to prevent our non-residents from coming through the Ski Beach gate and walking onto the beach. New staff positions could be created, or even go to the extreme of enclosing the ramp area entirely, or a combination of both to lesser extents. Perhaps something as simple as a colored band indicating only ramp access with no beach access.
- Contract commercial activity only to commercial property owners or to business owners with more than say 100 vessels stored in their facility. This is similar to what TRPA will be heading towards in the near future to reduce commercial boating activity.

875 Oriole Way • P.O. Box 5446 • Incline Village, NV 89450 • Tel. No. (775) 831-5625 • Fax (775) 831-5672  
[inclineboatstorage@sbcglobal.net](mailto:inclineboatstorage@sbcglobal.net)



- **As is the current process for beach bars and concessions, allow bidding each season for a ramp use permit, similar to what Lake Forest did in 2021 (see attached) or what Sand Harbor does when their ramp is operational.**
- **Restrict IBS&M from taking on any future non-resident tenants.**
- **Restrict our non-residents from using the ramp during peak days or limit the number of launches per season.**

**There are probably more viable options or combinations of options which can be used to keep our established business open to serve the residents of Incline Village. Our business will then continue to bring revenue to our facilities and other tourist-dependent businesses in town. Implementation of such options should be tested and evaluated before the Board makes a final decision regarding our situation.**

**The Board has already determined that the recommended changes to Ordinance 7 with regards to pass allotment will be reported on and adjusted at a later date, if necessary. So why not enforce smaller changes to commercial boating (in the forms of the different suggestions proposed here or other solutions), and monitor and adjust those going forward? IVGID saw a big decrease in illegal commercial activity and rental overload when they simply started requiring evidence of business licenses and sufficient insurance coverage. So why not increase restrictions without an umbrella condemnation and see what happens then?**

**Please remember again that our tenant base has not changed in 17 years. The across-the-board changes proposed by IVGID are very much disapproved by popular opinions as witnessed by responses you've received recently. Rewording the Ordinance to allow us to continue operating as we have done for 33 years will only serve to benefit the community and increase ramp safety and efficiency. Again, please consider that in order to stay in business if the proposed changes stay as presented at the May 11 meeting, we will be directly impacting Incline residents with a huge increase in our rates to accommodate the loss of income from our non-residents.**

**We are hoping you can meet with us prior to May 26 to discuss our suggestions.**

**Sincerely,**

**David, Susan and Mark Marelich**

**Attachment**

# Lake Forest Boat Ramp

## Commercial Boat Launch Season Pass FAQ Sheet

### Who should purchase a Commercial Vessel Season Pass?

Any business or private boat owner renting watercraft to the general public.

### How much is a Commercial Vessel Season Pass?

\$1,000 per vessel.

### Do I need a Season Pass per vessel?

Yes. Current vessel registration information must be provided for each motorized boat or vessel and a separate boat launch pass must be purchased for each vessel. A vessel is classed as either a ski boat, pleasure boat, sailboat, Jet Ski and/or any other vessel.

### Why can't I purchase a day pass?

Required documentation must be verified by the District Office prior to any vessel being launched for commercial use.

### What documents are required by the TCPUD before I can receive my Vessel Season Pass?

The following documentation must be submitted and verified before a Commercial Season Pass can be issued:

- Placer County Business License
- General Liability Insurance
- Commercial Marine Liability Insurance
- Automobile Liability Insurance
- Worker's Compensation Insurance
- Copy of Commercial Operator's customer waiver showing required TCPUD language

### How long does it take to issue a Commercial Vessel Season Pass?

Passes are processed during District business hours (Mon-Fri, 8am-4:30pm). **Once all of the required documentation has been received by the District it typically takes a minimum of three business days to process.** We do not process season passes on weekends or District holidays.

### How do I receive my Commercial Vessel Season Pass?

Passes can be mailed to you or picked up at the Lake Forest Boat Ramp Kiosk.

### What language do I need to add to my waiver?

- Commercial Operators must provide a copy of their waiver that each customer, volunteer, subcontractor or agent utilizing the LFBR launch will sign, showing the language required as follows:

**Waiver of Liability and Indemnification:** The Tahoe City Public Utility District is not responsible for accidents, injuries, or loss of property. All users understand that use of the LFBR launch includes the potential risk of damage or injury, and all users are voluntarily choosing to use the LFBR launch. By signing this form, users, on behalf of themselves, their employees, agents, customers and contractors, are voluntarily releasing and forever discharging the Tahoe City Public Utility District (TCPUD), its agents, officials, officers, employees, and volunteers from any liability related to use of the LFBR boat launch and for any injury, death, illness or disease,

and damage. Users waive any and all rights that they may have to make a claim against, or to sue, the TCPUD for any loss or damage that may accrue against the TCPUD, its agents, officials, officers, employees, and volunteers, arising out of the use of the LFBR launch by reason of negligence or otherwise. Users further agree to indemnify and save free and harmless the TCPUD from any claims, liability, or loss occasioned to the TCPUD as the result of injury or death to persons or damage to property arising out of the use of the LFBR launch pursuant to the reasons for this waiver by reason of negligence or otherwise. Users shall include waiver and indemnity language consistent with this section in contracts, liability waivers and similar documents from all customers, volunteers, subcontractors, and agents, which shall be subject to TCPUD's prior review and approval. A waiver and indemnity shall be obtained from each customer, volunteer, subcontractor, or agent utilizing the LFBR launch.

**Are there any policies I should be aware of?**

- There are no refunds for Season Passes.
- If your boat is NOT TRPA sealed you will NOT be permitted to launch.
- Commercial Operator SHALL obey all TRPA noise and wake zone Ordinances.
- Commercial Operator SHALL NOT conduct any business transactions while on, or within, the properties of the LFBR Launch, including the beach and parking lots of LFBR.
- Commercial Operator SHALL NOT impact or interfere with the operation of LFBR Launch by District personnel or District concessionaires.
- Commercial Operator SHALL NOT park trailer or personal vehicles in the (2) prep lane parking spaces at the LFBR parking lot for a time exceeding the posted time limit of five (5) minutes.
- Commercial Operator SHALL NOT "set-up shop" or casually loiter at the LFBR Launch, which includes the beach area of LFBR.
- Refueling watercraft in the LFBR area, or LFBR parking lot is strictly prohibited.
- No garbage, trash, oil, fuel, debris or other material, liquid or solid, shall be deposited in the LFBR area, or within parking areas, except as specified in notices besides waste into the containers provided for that specific purpose.
- Commercial Operator shall moor their boats on TRPA-approved and permitted moorings or they shall remove their boats from the LFBR Launch daily.
- Commercial Operators shall be permitted to moor their boats at the LFBR courtesy docks for no more than ten (10) minutes at a time. Boats that are moored at the courtesy docks for more than ten (10) minutes will be subject to loss of launch privileges.
- No overnight parking is allowed on or in the vicinity of the courtesy or floating docks.
- The LFBR trailer parking area is for short-term (day use) parking only for visitors and guests using the LFBR Launch after they've launched their boats. Commercial Operators SHALL NOT be permitted to park loaded trailers in the LFBR parking lot overnight, while staging, or queuing for rentals.

**Susan A. Herron**

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**From:** peseps@aol.com  
**Sent:** Wednesday, May 25, 2022 10:40 AM  
**To:** Tim Callicrate; Matthew Dent; Kendra Wong; Sara Schmitz; Michaela Tonking  
**Cc:** Susan A. Herron  
**Subject:** Ordinance 7 comments  
**Attachments:** ORDINANCE 7 COMMENTS 26 May 2022.pdf

**Please note my attached comments on the public hearing related to Ordinance 7.**

**It is time this ordinance get updated and IVGID move closer to the beach protection for parcel owners that the deed demands.**

**I look forward to your positive action on these protection updates.**

**Paul E Smith**  
930 Tahoe Blvd.  
#802-557  
Incline Village, NV. 89451  
[peseps@aol.com](mailto:peseps@aol.com)  
775.833.2509

**IVGID ORDINANCE 7 COMMENTS FOR PUBLIC HEARING**

**26 MAY 2022**

**Punch cards:**

Each parcel owner gets five cards (picture and/or punch). Additional cards (up to five) should only be permitted if the number of persons using the cards qualify as members of the parcel owners family tree. Additional punch cards for non-family tree persons should not be allowed. The beach should be limited to parcel owners, period. The more cards issued; the more “guests” will be crowding the beaches.

**Guest Definition:**

Accept the drafted definition but be prepared for confusion. For example, is reimbursement to the parcel owner for punch card use the same as receiving compensation for using the beach or any other venue?

**Commercial operations at the beach:**

Strongly support this definition and its immediate implementation.

This definition will prohibit advertising of beach access as an inducement to rent or use a specific service provider.

Historically boat launch providers have given priority to their rental business and refused to service local parcel owners who keep their boats on their Incline parcel or at a local storage yard. This commercial operations definition will give parcel owners better access at the launch facility.

Perhaps IVGID might consider contracting (going out to bid) the launch of all craft to a contractor who can keep inexperienced water-craft owners from wasting time and being unsafe while launching their boat.

**Passes for IVGID employees:**

If an employee is not a parcel owner nor a resident of the IVGID beach qualified area; then no pass access (historic or future) should be allowed. Employee’s have access to the beach only for work related activities.

IVGID and beach access rules currently prohibit Crystal Bay owners from using the IVGID beaches and boat launch facilities. If our neighbors and friends in close by Crystal Bay cannot use the beach; then employee’s not living in Incline should also not be able to use the beach.

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Thank you for finally addressing the updating of Ordinance 7. Please make the proposed changes and especially those I support above. To delay further and to miss this summer season fails to honor your fiduciary responsibility to parcel owners in Incline Village. Efforts to dilute Ordinance 7 and expand access to our private beaches will only erode property values and destroy a deeded amenity.

**PAUL SMITH**

**1437 TIROL DRIVE**

**INCLINE VILLAGE, NV. 89451 775.688.9442**

## Susan A. Herron

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**From:** essesdon@gmail.com  
**Sent:** Monday, May 23, 2022 9:51 AM  
**To:** Tim Callicrate; Matthew Dent; Michaela Tonking; Sara Schmitz; Kendra Wong; Susan A. Herron  
**Cc:** 'Incline Boat Storage and Marine'  
**Subject:** Incline Boat Storage and Marine (IBSM)/Ordinance 7

May 23, 2022

To: Tim Callicrate, Matthew Dent, Michaela Tonking, Sara Schmitz, Kendra Wong, Susan Herron

Cc: Susan Marelich, David Marelich, Mark Marelich

Re: Incline Boat Storage and Marine (IBSM)/Ordinance 7

Dear IVGID Trustees,

I am writing this letter as a tenant and customer of Incline Boat Storage and Marine to express my concern over the recent May 11th ruling to make substantial changes to ramp/beach access through Ordinance 7.

First: Incline Boat Storage and Marine is a dying breed of world class, local family-owned businesses that is providing a unique service to the Incline Village community, the general boating community, and the Lake Tahoe area. Their business model of boat storage, maintenance/repair, and launch is a valuable service, and they do this with the highest trust, integrity, quality, and customer service. To potentially destroy this business seems like a loss to the community as well as the boating industry. Realistically, I don't see how IBSM can stay in business with a potential loss of 38% of their customer base due to this ruling. A loss of this business would not only affect the IBS residents who are tenants and rely on IBSM for launching/storage/service, but also the Incline Village residents that rely on IBSM for preventive and emergency mechanical services for their boats. I would imagine that a local business like IBSM is valuable in many ways to Incline Village, not to mention the tax revenues of their business and the local jobs they provide. Please take this into consideration.

Second: As a customer/tenant of IBSM, my plan is to launch and retrieve only once each season. The service they provide to me is for launch/retrieve only as I do not use the beach, and I take my boat to another location for use and storage. At one launch per year (similar to the other tenants in my situation), I don't see how this is putting stress on the launch facilities.

Third: Launching at any boat ramp can be chaotic and unsafe, as most of the general boating public lacks the skills and safety protocols needed when launching and retrieving boats. By having the experienced and skilled employees of IBSM doing the launching consistently for their customers (the majority who are Incline Village residents with beach access), this is a major benefit for the launch ramp facilities, and overall will make it safer and more efficient. If IBSM were forced to shut down due to this ruling, these Incline Village residents (138 boats) would not have access to IBSM launch services and would have to launch themselves at this ramp or find someone else to launch for them, and I believe this would be an overall negative impact on the launch facility.

Lastly: IBSM believes that they should be afforded the same consideration for their tenants concerning ramp/beach access as the mentioned hotels and motels in the original Deed which allow their "tenants" to have beach access. IBSM usage of the ramp is very small in comparison to the others, they are trained professionals, their launch customers are not using the beach, and they are performing a valuable service to Incline Village residents and tenants, as well as their positive impact as a business in the community.

Thank you for your time and consideration,

Regards,

Don Esses

858-869-5788

5/26/2022

Patrick Schmitz  
932 Lakeshore Blvd.

For the record, I am the spouse of sitting board member Sara Schmitz

To start, I would like to thank the current Board of Trustees for their service and dedication to the community. I know it is not an easy task.

As a spouse, I have first-hand knowledge of what it takes to be a valued board member. The hours of preparation, working with the community, taking calls at all hours, etc. is very disruptive to a person's life – I guess that is what you sign up for when you run for office. I have also learned what it means to be a spouse of a board member – supporting their commitment to the community, being patient and sitting by idly while their spouse navigates through various community issues and concerns. But there comes a time when a spouse can no longer sit idle and allow things to happen that they fiercely find inappropriate.

One of these occurrences took place last evening when the current sitting Board Chairman, Tim Calicrate, called my wife and fellow board member and in an assertive, loud voice that I could hear from across the room chastised her on how she was inappropriately filling the role as a board member, made unsubstantiated accusations, and tried to silence her communication to the community through her non-profit Incline Village/Crystal Bay Community First entity. I felt that this was a blatant attempt to stifle her voice and try to get her in-line. I feel that this bullying and intimidation behavior is unacceptable and frankly appalling.

Leadership is all about gaining and retaining respect. After last night's incident, I have lost all respect for the current sitting Board Chairman. The Incline Village/Crystal Bay Community deserves better!

Tim, please stop trying to stifle Sara. She does wonderful work for this community.



for the record, I am the author of the book "The Art of the Deal" and "The Way to the Top".

To start, I would like to thank the members of the board for their support and for the opportunity to work with them.

I am pleased to have been part of the board and to have worked with you all. I have learned a great deal from you and I hope that you have learned from me. I am sure that you will continue to do well and I am sure that you will continue to be a great asset to the community.

I am sure that you will continue to be a great asset to the community and I am sure that you will continue to be a great asset to the community.

I am sure that you will continue to be a great asset to the community and I am sure that you will continue to be a great asset to the community.

I am sure that you will continue to be a great asset to the community and I am sure that you will continue to be a great asset to the community.

I am sure that you will continue to be a great asset to the community and I am sure that you will continue to be a great asset to the community.



Dear IVGID Trustees,

On behalf of the Incline Village Association of REALTORS®, we would like to issue a statement. IVR and the Incline Village General Improvement District have developed a very strong working relationship throughout the years based on sound policy and compromise. We are very proud of that relationship and wish to continue to work together on future projects. In regard to Ordinance 7, IVR has full confidence that our elected officials at IVGID will, to the best of their abilities, consider the ramifications of their changes and remain compliant with the beach deed of 1968 to provide the best service to residents of this community. Statements not expressly issued by the Incline Village Association of REALTORS® are not indicative of the Association as a whole and are the personal opinions of the individual. The Association is grateful IVGID is willing to hear community stakeholders' opinions on issues and is willing and excited to remain involved in future endeavors.

Sincerely,

Blane Johnson  
PPC Chair

Kendra Murray  
CEO of IVR

Why should I have to come here this evening to defend my family's property rights that are included in the beach deed.

The reason is that we have a feckless Chairman led around by the nose by a non-resident non-property owner General manager.

IVGID taxpayers paid \$19,000 to an attorney, who in cahoots with the two persons mentioned, has failed to delineate the illegal-status of employee beach access because he knows that IVGID employees have no rights to beach access and these people do not want that information given to property owners.

Our GM and Callicrate have artfully slipped into tonight's agenda two other anti-property-owner items that will benefit outsiders. First is the proposal for unlimited beach access by hotel guests and second is the proposal to allow outside non-profits to use IVGID facilities at the sole discretion of the GM.

I want the beach deed supported and enforced by our IVGID Trustees. The beach deed in abbreviate form says:

“that the real property above described (beaches), shall be held, maintained and used by grantee it successors and assigns, **only for purposes of recreation by and for the benefit of property owners and their tenants** (specifically including occupants of motels and hotels)

.....No other rights were granted to IVGID in the original Beach deed. (except access to the water treatment plant)

I do not want IVGID employees given free access to the beaches

I do not want commercial boat operators giving non-residents beach access without a homeowner granting such access to a person who is the homeowner's guest.

I do not want unlimited beach access for hotel guests without payment of equitable fees like I pay.

I do not want to cater to STR owners by issuing more than 3 extra punch cards for any parcel beyond the maximum 5 max picture pass and/or punch card combination presently allowed.

If our Trustees do not support the property owners in Incline, should IVGID be removed as the manager of our private beaches? If they fail us, I propose that we property owners sue IVGID for VIOLATION OF THE BEACH DEED AND BREACH OF CONTRACT.

Mike Abel  
428



Esteemed members of the Board of Trustees

My name is Ali Warner. My family and I live full time in Incline Village, and we are the owners of a 38 key hotel called the Parkside Inn. The Parkside Inn is one of only two hotels in Incline Village and the only hotel that is not on beachfront property. Parkside Inn occupants have always had access to the Incline Beaches. Our vision for the hotel is to refresh the 38 keys and significantly enhancing the amenity areas to provide a community servicing locally owned hotel that everyone is proud of and excited to visit. Upon completion, the hotel will be aptly renamed "The Incline Lodge".

I'd like to start by thanking the Board of Trustees for their tireless effort to serve the community. I'd like to thank the IVGID staff who operate under a culture of care and go out of their way to make a positive difference. I'd also like to thank the community including all those in attendance tonight. It is so nice to be neighbors with all of you. We live in the most wonderful place in the world, and I am grateful we can share this experience together. Lastly, I would like to thank my wife Natasha who is in attendance tonight for the love she provides to our family and the care by which she has worked to plan a community serving hotel.

We understand the importance of the discussion taking place this evening and how vital it is to get this right. We also understand the three objectives in revising Ordinance 7 and that Hotels and Motels were not mentioned in the last Ordinance 7 document. That said the changes to Ordinance 7 from the prior draft now require language related to Hotels and Motels to be included in order not to violate the Beach Deed.

Why does this matter? The Beaches were granted to IVGID for ten dollars through the Beach Deed. The Beach deed is a very short and simple document and basically names property owners, tenants and occupants of hotels and motels as beneficiaries that are allowed to use the beaches for recreational use. By restricting one of the beneficiaries, it opens IVGID up to unlimited litigation risk by the impacted beneficiary (in this case the occupants of hotels and motels) and it also opens the real possibility of losing the private beaches for everyone by those seeking predatory reversion rights.

We are a small community serving hotel caught in a much bigger issue. We discussed this in detail with 40 community members over 48 hours and all supported inclusion of language related to Hotels and Motels into Ordinance 7. We have a community letter that we submitted with most of these signatures.

We are before you as residents of the community, business owners, neighbors, and friends. We appreciate living here and we are excited to do our part to make a positive difference in this community. – Thanks

These written comments should be made part of the minutes of this meeting.

I have followed the budgeting of IVGID for 8 years. There has been no consistency. ~~OR SEPARATE~~

The main issue with the Budget is the inability of management and the Board of Trustee's to abide by policies and practices. ~~TO COMPLY~~

Let's center on the Utility Fund which handles all water, sewer and trash. According to IVGID staff the infrastructure replacement value is over \$600 million. Now anyone who owns or manages a business knows the necessity of having reserves for unforeseen circumstances and most municipalities have a rainy day stabilization fund. IVGID does not have one. More remarkable, IVGID has a policy and practice which demands reserves for the Utility Fund to be at a MINIMUM of \$5.8 million.

Yet go to page 79 and based on the 2022/2023 budget and see the reserves will only be \$354,744. In other works only 6% of what should and a shortage of \$5.4 million.

Now keep in mind, the budget calls for \$15.6 million in capital expenditures. History provides us information that nearly every project IVGID has ever done exceeds the estimate by 25% to 35%. Overages could be between \$4 to \$5 million. Where does those overages come from? the measly \$350K reserve? IVGID does not have any line of credit and can only draw from the general fund, which has minimal resources.

Now this is serious. It is reckless. It is uncommon for responsible people to act this way. These people are irresponsible.

This is not an overnight event. It has been going on for at least 8 years. To make matters worse, the Board also allowed money set aside for the effluent pipeline project to be used to prop up their recklessness on other projects. Now rather than having the money available \$40 million will have to be borrowed. An yet the reserves will not be in compliance with Board Policy or Practices.

The Utility rate study done at a cost of \$75K suggested utility rates be increased substantially, but because anything less than 20% just sounds better the Board reduced the recommended amounts.

I inquired of a Trustee, why the rates were reduced and was told that not that much money was needed for the budget. Untrue. The tentative budget sent to the State in had \$800K in reserves only to then be reduced so the Board could feel better about not asking for a 20% increase.

This Board has only 7 months to go. Let's hope we can stand this nonsense until the two, two term Trustees fade into their irresponsible sunset.



#1

Public Comment - Clifford F. Dobler - May 26, 2022 - Board of Trustee meeting

Written Statement to be made part of meeting minutes.

My name is Clifford F. Dobler and I have been a resident of Incline Village for 27 years. Over the past 8 years I have sliced and diced IVGID weaknesses in financial reporting and internal controls only to have the then current board do nothing. Along came Sara Schmitz and a proper audit committee was formed with three outside members and two trustees. Trustee Dent and Schmitz were the Trustees and I was one of the outside members. We sought outside professional help to provide guidance on 21 points of hazy financial reporting. A report was produced and the Board of Trustees accepted the report and recommendations. Lo and behold the audit of the financial statements for the past two fiscal years, prepared by two different audit firms, found that the IVGID Comprehensive Annual Financial Reports had Material weaknesses in financial reporting and internal controls. I also see that this fiscal year which ends on June 30, 2022 will be more of the same.

There will be a new audit committee effective July 1, 2022. I will not be a member, however, Ray Tulloch will remain and thank goodness we will have him.

Without proper financial reporting, readers, lenders and even the State will lose faith in IVGID's ability to function as a legitimate organization.

Late last year, on a 3-2 vote, the June 30, 2021 financials were approved for submittal to the state over the Audit Committee objections recommending restatement of certain material items to provide more accurate reporting.

Next week on June 1, 2022, the Audit Committee will again meet and again recommend to the Board to refine the financial reporting in certain area.

A disagreement with an Audit Committee is unheard of as the members are in charge of assuring that the reporting is fair and accurate and work hard to make that happen. Yet, three members of the Board chose to ignore the Audit Committee. Then the question is. Why have an audit committee.

IVGID is heading down a deep dark road. Substantial borrowing will be required for the effluent pipeline and I will say, lenders ~~to~~ not like bad financial reporting.

DD

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MAY 26, 2022 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(1) – ADOPTION OF A NEW POLICY ON COMPLIMENTARY AND DISCOUNTED USE OF THE PUBLIC’S RECREATION/OTHER FACILITIES**

**Introduction:** Here our attorney, WHO SHOULD KNOW BETTER, proposes a revised policy for complimentary and discounted use of the public’s recreation/other facilities by favored community collaborators. For the reasons which follow I urge summary denial.

**The Board is Local Parcel Owners’ Fiduciary:** You members exist to provide facilities and programs local parcel owners want which Washoe County are unwilling to provide. You are not here for any other reasons. Do each of you understand this? And if so, why do you entertain garbage like this proposed resolution which grant preferences to special interests in our community at the expense of local parcel owners? Understand who you are, to whom you owe the highest fiduciary duties, and then start exercising those duties. And it all begins with refusal “to move forward at this time with this project” as staff recommend at page 347 of the packet of materials prepared by staff in anticipation of this May 26, 2022 Board meeting<sup>1</sup> (“the 5/26/2022 Board packet”).

**Why is This Matter on the Consent Calendar?** The Consent Calendar is resolved for routine matters requiring no discussion. Does this matter fit into that definition? Since it does not, why is it on the Consent Calendar? Who put it there? On May 24, 2022 I made e-mail request it be removed from this calendar and transferred to the General Business Calendar, and I reaffirm the request.

**It’s Time to Put an End to ALL Complimentary or Discounted Use of the Public’s Recreation/ Other Facilities:** The Board is involuntarily assessing local parcel/dwelling unit owners nearly \$7 million annually to provide financial subsidies that in part allow staff to give away the public’s recreation/ other facilities to anyone of their choosing. The time for continuing these giveaways must come to an end. They should be eliminated for all. Because when they’re not, it means that those who are involuntarily assessed end up subsidizing that use.

Are the people in this community so destitute that they cannot afford to pay for their own recreation? That they force their neighbors to involuntarily subsidize the costs of their recreation? Then why be in favor of this proposed resolution?

**My E-Mail of May 24, 2022:** On May 24, 2022 I sent an e-mail to Board members ask they remove this matter from the Consent Calendar, and that they vote NO! A copy of that e-mail is attached as Exhibit “A” to this written statement. For the reasons stated in the attached e-mail, I hereby reiterate the request.

**Vote to Rescind Prior Resolutions Giving Complimentary and Discounted Use of the Public’s Recreation/Other Facilities:** The last portion of Proposed Resolution 1895 at page 349 of the

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<sup>1</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26\\_-\\_Rev\\_1-1.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26_-_Rev_1-1.pdf).

5/26/2022 Board packet asks that prior Resolution Nos. 1493, 1527, 1619, and 1701 be rescinded. I ask this is exactly what the Board should do.

**Conclusion:** One of the problems this District has is it thinks it exists to parse out free or discounted use of public facilities at the expense of local parcel owners who are involuntarily forced to pick up the tab. It happens over, and over, and over again. No other municipality I know does this, and there is nothing in NRS 318 which allows IVGID to do what it does. Be a fiduciary and just say no!

And to those asking why their Recreation ("RFF")/Beach ("BFF") Facility Fees are as high as they are, now you have another example.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!



**EXHIBIT "A"**

## Agenda Item H(1) - Complimentary and Discounted Use of the Public's Facilities - on the Consent Calendar no less!

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**From:** <s4s@ix.netcom.com>  
**To:** "Callicrate, Tim" <tim\_callicrate2@ivgid.org>  
**Cc:** <ISW@ivgid.org>, "Dent, Matthew" <dent\_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>, "Tonking, Michaela" <tonking\_trustee@ivgid.org>  
**Subject:** Agenda Item H(1) - Complimentary and Discounted Use of the Public's Facilities - on the Consent Calendar no less!  
**Date:** May 24, 2022 4:01 PM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board -

I keep telling you it's essentially everything your staff does. And here we go again!

What don't you people not understand that government does not exist to provide freebies and discounted use of the public's facilities TO ANYONE! I don't care who you are, what your story is, what your socially redeemable cause of the month is, neither you nor your wonderful staff exist to be giving away any of the public's assets to anyone for any reason. PERIOD! And no, none of your favored collaborators are ENTITLED to any of this!

Instead, your staff want you to formalize a policy that allows them to give away the store to favored collaborators notwithstanding the people who are paying the freight are local parcel owners. And on the consent calendar no less? This is such a routine request that it doesn't warrant a public discussion? Are you out of your mind Indra?

I hope at least one of you will have the guts to pull this item from the consent calendar. To at least have a discussion. And then I hope a majority of you will do what in your heart you know you should do. And that's to simply SAY NO! To everyone of these requests. The staff memo states your alternative is to "decline to move forward at this time. So do what your staff suggest you do. Decline to move forward.

As long as you charge local parcel owners for all of your misadventures, you have no standing to be giving away anything to anyone any of the time. Once you eliminate the Rec and Beach Fees, and you want to give away public things using the taxes the public pays, we can have a discussion. But right now we can't.

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS MAY 26, 2022 REGULAR IVGID BOARD MEETING – AGENDA ITEM I(1) – APPROVING A PROPERTY OWNER’S REQUEST THE DISTRICT ANNOUNCE ITS CONSENT TO SELL HIM PUBLIC LANDS AT FAR LESS THAN MARKET VALUE DISGUISED UNDER THE LABEL OF A SIMPLE LOT ADJUSTMENT**

**Introduction:** Here our dirty staff, Public Works Director Brad Underwood, proposes that the Board give the a local resident the approval for a sale and easement back of public property when no legitimate public purpose exists, simply so the resident can increase the value of his private property by millions of dollars. Because the Board does not exist for this purpose, and it is detrimental to the interests of the community, I urge summary denial of the request.

**The Board is Local Parcel Owners’ Fiduciary:** You members exist to provide facilities and programs local parcel owners want which Washoe County are unwilling to provide. You are not here for any other reasons. Do each of you understand this? And if so, why do you entertain garbage like this proposed agenda item which allows a local resident to advance his own private interests at the public’s expense? Understand who you are, to whom you owe the highest fiduciary duties, and then start exercising those duties. And it all begins with refusal to “allow the applicant to use IVGID property for purposes of achieving...divi(sion of) their property” with no benefit to the public as staff recommend at page 366 of the packet of materials prepared by staff in anticipation of this May 26, 2022 Board meeting<sup>1</sup> (“the 5/26/2022 Board packet”).

**How Did This Matter Get on the Calendar?** For years I have asked that matters of public interest be placed on the Board’s calendar for discussion and consideration. After all, the only persons who can vote on those matters are members of the Board. And since staff are the gatekeepers, matters don’t get on the calendar unless staff approve. It’s entirely discriminatory and unfair.

Yet people like the subject applicant some forward with schemes to benefit them at the expense of the public and staff open their arms. And they’re doing this as a means to buy support for them, their issues, or their approved candidates for IVGID Trustee. This is totally wrong, and this matter should be removed from the Board’s agenda because it never should have gotten there in the first place.

**Staff Have Attempted to Hide the Full Import of This Matter by Mis-Labeling it as a Lot Line Adjustment. In Truth it is a Sale of Public Property Combined With an Easement Back:** Make no mistake. This matter is not a “lot line adjustment.” It is the Buchholz’s purchase of public lands so a secondary accessory dwelling unit (“ADU”) can be located on a separate parcel, combined with an easement back to the public which allows IVGID and *NOT* the public to enter upon former public property. And for what? The difference in value between fee title and an easement which extends similar use?

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<sup>1</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26\\_-\\_Rev\\_1-1.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26_-_Rev_1-1.pdf).

**What's the Public's Interest in a Scheme Such as This?** Right now this is public property which is used for hiking and water storage. What possibly is its interest in deeding away this property to anyone? And for exactly what? The answer is simple. NONE! We know what Mr. Buchholz's interest is and it's entirely pecuniary. But what is the public's?

**A Sale Like This Cannot Take Place Unless the Board Determines it's in the Public's Interest:** That's what NRS 318 instructs. Is the Board of the opinion the public interest is served by selling this property? Assuming no, the request should be summarily denied.

**Since Mr. Buchholz Doesn't Need Board Approval to Merely "Investigate and Refine Details" of a Sale and Easement Back, Why is it on This Agenda?** The applicant doesn't need Board approval to investigate and refine the details of its proposed purchase. He is free to do so without any help by IVGID. But what he really needs, is IVGID's consent on a TRPA application because without it, he has no standing to secure any consent.

**How Many Thousands of Public Dollars Have Already Been Spent on This Boondoggle That the Board Has Never Approved?** Every time our engineering staff do ANYTHING on matters like this, their time gets billed back to IVGID Departments benefitting from the matter. And the cost is outrageous. \$160/hour for Mr. Underwood's time, and \$130/hour for Ms. Nelson's. Given all the time and effort Mr. Underwood admits has been spent on this matter, the cost to the public has already been thousands of dollars. Plus there will be thousands of dollars in TRPA application and Washoe County fees. And for what? So the public can give up fee title to public lands and trade it for a lesser estate which won't allow the public to access and use this parcel? I have asked Indra for the costs but he has ignored my request. We all know why!

**My E-Mail of May 21, 2022:** On May 21, 2022 I sent an e-mail to Board members asking they remove this matter from the agenda, and that they vote NO! A copy of that e-mail is attached as Exhibit "A" to this written statement. For the reasons stated in the attached e-mail, I hereby reiterate these requests.

**Since Now We Have Evidence That Mr. Buchholz Has Two Homes on a Single Parcel Yet He is Only Paying One Rec/Beach Fee, the Time Has Come to Increase His Assessment Retroactive to 2009 When His Second Home Was Built:** Staff admit on page 365 of the 5/26/2022 Board packet that there are two homes on a single parcel. Why then isn't this property being assessed multiple dwelling units? Board members. DO YOUR JOB as fiduciaries!

**Conclusion:** One of the problems this District has is it believes it exists to parse out benefits to select special interests at the expense of the rest of us. And it's not fair. And Mr. Buchholz knows this. He built an ADU and as a condition, agreed his parcel could never be subdivided. Now he attempts to accomplish through the back door what he can't through the front door. Too bad! You knew this 13 years ago. So why do you suggest some foul now? And why is this the public's problem and not yours? Why do public funds and time have to be expended on an issue which has nothing to do with the

public? Furthermore, if our staff didn't waste their time on extraneous matters such as these, maybe they'd have the time to attend to their legitimate jobs. Please summarily deny this application.

And to those asking why their Recreation ("RFF")/Beach ("BFF") Facility Fees are as high as they are, now you have another example.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

**EXHIBIT "A"**

## Agenda Item I(1) to the Board's May 26, 2022 BOT Meeting - Selling IVGID Land to Another Taker For Peanuts

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**From:** <s4s@ix.netcom.com>  
**To:** "Callicrate, Tim" <tim\_callicrate2@ivgid.org>  
**Cc:** "Dent, Matthew" <dent\_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>, "Tonking, Michaela" <tonking\_trustee@ivgid.org>  
**Subject:** Agenda Item I(1) to the Board's May 26, 2022 BOT Meeting - Selling IVGID Land to Another Taker For Peanuts  
**Date:** May 21, 2022 5:46 PM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Here we go again. Liar, liar, pants on fire! How many times do you as trustees need to see the same dirty thing play out before you put your foot down?

Either Mr. Underwood is outright stupid, he is intentionally deceitful to the core, or he's nothing more than a "yes man" blindly taking his marching orders from others who are intentionally deceitful.

Here he labels this agenda item as nothing more than a simple "lot line adjustment" request. No it isn't!

It's a request that the Board approve the sale of an IVGID parcel to a private party for next to nothing coupled with an exclusive easement back to IVGID (not a public easement given the public is currently entitled to use it for hiking or whatever, but an exclusive use so that the public will be deprived of the property's use). And what exactly is the public interest in this deceitfully presented concoction? And if its basically no harm, no foul, because in the end IVGID gets to use the parcel it can already use, why the heck are we a participant?

The "takers" in our community who have come up with this concoction (the Buchholzs) try to make it sound like the public is going to be paid money...a gargantuan amount of money. Really? Go watch the movie Ferris Bueller's Day Off; "wake up and smell the coffee Mr. Bueller!" I say if the Buchholzs are prepared to pay several multiple tens of millions of dollars which can be used to pay for replacement of our failing effluent pipeline that's one thing. But if it's going to be something like a nickel ninety-eight (which is precisely what I predict it will be), forget about it!

And what's worse is Mr. Underwood's admission that staff have have not only given the applicant the time of day to make its case, but they have "conferred with TRPA," drafted the staff memo which appears at pages 365-368 of the Board packet, and will be attending the BOT meeting to present this agenda item. Hours and hours of staff time that could be more productively devoted to important public projects.

Don't you realize that everything time Mr. Underwood engages in activities like these we're charged \$160/hour in internal staff time? And when he gets his colleague Ms. Nelson to help him out, we're charged an additional \$130/hour in internal staff time? And I'm certain that if anyone else in PW has devoted any effort whatsoever to this matter, even more has ultimately been billed to the public.

Don't believe me? Why don't you demand an accounting from staff and let's share that with the public. I predict it is already many thousands of dollars which is more than the Buchholzs propose paying for the public's lands.

I ask for a legitimate matter to be added to the agenda and your staff refuse. Yet a taker who wants something from the

public at our expense makes a request, and we open our arms widely to accommodate. Why? Because now staff have bought off the requester with a favor which can be called in when Indra and Co. need it. Or to vote for trustees supported by the machine we know as IVGID.

Isn't that what we did with the homeowner on Lakeshore who wanted to buy into recreation privileges without making retroactive payment? What about Marsha Bigler who was point person for a Crystal Bay parcel owner who wanted access to IVGID water for his bottled water business. What about the boat storage firms in town who for decades have been launching nonresident owner's boats on our restricted boat launch ramp? What about Mr. Duffield who is trying to buy use of the public's Rec Center for his private Boys and Girls Clubs which literally violates the property's CC&Rs against that use? What about Andy Wolf and Co. who want public lands for their DPSEF business (yes it's a business) at local parcel owners' expense? What about Gail Krolick and Co. who want all of us to pay for repair and repavement of their private ingress/egress access road to Tyrolean Village where she lives? What about IVGID's buying of Incliners' catered meals and seeking reimbursement from Incliner members after the fact to avoid paying sales tax? It just goes on and on and on.

Kendra Wong keeps telling us we have a professional staff and we should listen to their input. Well then, why didn't Mr. Underwood share with the Board that the concoction he champions is subject to NRS 318.512, et seq? NRS 318.5122(1) is clear that "before ordering the sale of any real property owned by the general improvement district, the board of trustees shall, in open meeting by a majority vote of the members, adopt a resolution...finding that the sale is in the best interest of the district." What exactly are IVGID's "best interests" being served by this proposed sale?

We know taker Buchholz's interests. Without this concoction they can't subdivide their parcel, sell one or more homes to Pacaso, and realize a multi-million dollar pay day! Why can't they subdivide? Because they represented to TRPA that if they were allowed to build a second home, they would never attempt to accomplish what they're currently attempting to accomplish. Now they want to circumvent the very restriction they agreed to and we're supposed to be a co-conspirator? And it's the public's responsibility to sell them public property and participate in a lot line adjustment when we get absolutely nothing out of it? I don't think so!

Don't approve this matter as part of the agenda. It doesn't deserve to have been put on it and each of you knows this!

One final matter. For years I have been asking staff and the Board to assess this parcel two Rec Fees because it consists of at least two dwelling units. And how have each of you responded? Now listen to Mr. Underwood. The parcel consists of two homes, one of which is an ADU. Two homes = two dwelling units = two Rec Fees. And yet you do nothing! Why not?

You're the public's fiduciaries. How about start acting as such?

Respectfully, Aaron Katz



**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF  
THIS MAY 26, 2022 REGULAR IVGID BOARD MEETING – AGENDA ITEM  
G(3) – PROPOSED MODIFICATIONS TO ORDINANCE NO. 7**

**Introduction:** Ordinance No. 7 is one of the most important pieces of policy we have here in Incline Village. And yet Indra and Company are attempting to ram through its modification contrary to the interests of most local parcel owners, and to the benefit of a handful of special interests. For the reasons which follow I urge the Board “not approve recommended edits” and come back to the Board when all issues have been finally and fairly resolved.

**The Board is Local Parcel Owners’ Fiduciary:** You members exist to provide facilities and programs local parcel owners want which Washoe County are unwilling to provide. You are not here for any other reasons. Do each of you understand this? And if so, why do you allow staff to perpetuated preferences and special treatment to the special interests in town? The boat storage operators who admit that for over thirty (30) years they have violated the Beach Deed. Or the hotel/motel operators who demand beach access for each of their transient occupants without paying their fair share of the public’s cost. Or short term rental agents who advertise beach access to their transient occupants under the guise they are “guests” of the property owner rather than the business clients they are? Or nonresident staff not otherwise entitled to beach access under the guise they are “guests” of IVGID rather than the third parties they really are? Understand who you are, to whom you owe the highest fiduciary duties, and then start exercising those duties. And it all begins with refusal “to move forward at this time with this project” as staff recommend at page 241 of the packet of materials prepared by staff in anticipation of this May 26, 2022 Board meeting<sup>1</sup> (“the 5/26/2022 Board packet”).

**Continue the Hearing Because Staff Did Not Provide a Board Packet Until Nearly 6 P.M. on May 24, 2022:** Can you believe this one? The Agenda states that supporting materials will be provided prior to the public hearing. Well the proposed changes to Ordinance No. 7 weren’t even made available to the public until two days before the hearing! How can this be a sufficient time? The fact staff would do anything like this and the Board would go along with staff demonstrate neither have the public’s best interests in mind. CONTINUE this matter so the public has enough time to digest and comment upon the many important issues raised.

**My E-Mail of May 24, 2022:** The morning of May 24, 2022 I e-mailed the Board complaining that there was still no written materials on this agenda item for the Board or the public to consider. I asked the hearing be removed from the calendar and continued to a date in the future. But no response. My e-mail of that date is attached as Exhibit “A” to this written statement.

**Major Issue #1:** The occupants of hotel/motel rooms are not entitled to beach access until those hotels/motels start paying beach fees. Read all the reasons why in my May 12, 2022 e-mail to the Board on this subject which is attached as Exhibit “B” to this written statement.

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<sup>1</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26\\_-\\_Rev\\_1-1.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26_-_Rev_1-1.pdf).

Now I learn staff concocted new language which extends rights to hotels/motels which has never been shared with the Board or the public before. Ram it through without a thorough review and discussion, right Indra? Everything that's wrong here! Grant special benefits to special interests in our community so you can call on them when you need them to further your agendas.

**Major Issue #2:** For over thirty (30) years the boat storage operators in town have been extending boat launching and beach access privileges to their nonresident clients. Can you believe? It's all explained in my e-mail of May 19, 2022 sent to the Board, which is attached as Exhibit "C" to this written statement. Rest assured that without strong prohibitory language, Indra is going to continue the gravy to this segment of our community for the same reasons outlined above.

**Major Issue #3:** Who is a guest? Pages 258-260 of the 5/26/2022 Board packet describe that currently, there is no definition. And now counsel has been used to create a definition which perpetuated this long standing problem. When beach access was first provided by Crystal Bay Development Co., no one was a guest of a property owner unless physically accompanied by the property owner. That's the way it should be today.

According to long term residents, until twenty (20) years ago you were not a guest of a property owner unless you were accompanied by a property owner. That's the way it should be today.

District pricing incorporates special pricing for "guests" at our golf courses. And simply stated, if you're not physically accompanied by a parcel owner, you're not a guest. That's the way it should be today.

**Major Issue #4:** Remove the GM's authority to grant beach access to whomever, whenever, for any reasons whatsoever! ¶105 at page 337 of the 5/26/2022 Board packet perpetuates this right. It needs to be terminated!

**Major Issue #5:** Eliminate punch cards! They are abused and give access to holders who have no right to access our beaches.

**Major Issue #6:** If you're going to allow any parcel owner to designate anyone as his/her guest, without physically accompanying the guest, you must instruct staff that they cannot deny beach access to my guests; any resident of Crystal Bay who identifies and proves him/herself as being such a resident, and pays the applicable beach guest fee.

### **I Need More Time to Identify and Discuss Other Major Issues:**

**Conclusion:** Staff have proven they are now adequate stewards of our private beaches. Therefore they should be removed from the job. I have asked staff to agendize such a subject so we can explore transferring access to the beaches to a nonprofit domestic corporation whose members are local property owners with beach access. Staff refuse for obvious reasons. Which represents another argument why they should be removed. We can do a far better job of administering our beaches than staff.

And to those asking why their Recreation (“RFF”)/Beach (“BFF”) Facility Fees are as high as they are, the waste and incompetence I describe contribute as additional examples.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

**EXHIBIT "A"**

## How About Doing the Right Thing and Continuing the Public Hearing on Proposed Ordinance No. 7 Modifications?

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**From:** <s4s@ix.netcom.com>  
**To:** "Callicrate, Tim" <tim\_callicrate2@ivgid.org>  
**Cc:** "Dent, Matthew" <dent\_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>, "Tonking, Michaela" <tonking\_trustee@ivgid.org>  
**Subject:** How About Doing the Right Thing and Continuing the Public Hearing on Proposed Ordinance No. 7 Modifications?  
**Date:** May 24, 2022 7:51 AM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board -

So you have a public hearing on proposed modifications to Ordinance No. 7 scheduled for Thursday - LESS than two days away. And we STILL don't even have those proposed modifications to consider.

And the agenda states proposed materials for the Board and the public to consider will "be provided prior to the Board Meeting." And yet even as of now, there's NOTHING! This is totally, totally irresponsible and unprofessional.

I don't want to hear staff's excuses. The public's excuse is this is an example of the same problem we always have. STAFF!

You had no business noticing this public hearing before going through all of the preliminary materials necessary to justly consider this matter. And you've had plenty of time.

I'm not here blaming you for not having adequately prepared for the public hearing. But if you go forward with the hearing without having at least shared proposed modifications sufficiently in advance of the meeting (and that means well before now), then I am going to blame you. Because ultimately, that's where the blame lies.

Amend the agend to remove Item G(3) and continue it to a date sufficiently in advance to insure that all proposed modifications can be presented ahead of the meeting so the public and the Board can respond meaningfully. Or just remove it and re-notice it in the future when you're really ready to move forward.

You know I'm right so how about doing the right thing for once? Modifying Ordinance No. 7 after all of these years is far too important a matter to ram through without careful consideration and comment from the public.

Thank you for your cooperation.

Respectfully, Aaron Katz

**EXHIBIT "B"**

## A Little History on Why Hotel/Motel Guests Were Given Access to Our Beaches Under the Beach Deed

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**From:** <s4s@ix.netcom.com>  
**To:** "Callicrate, Tim" <tim\_callicrate2@ivgid.org>  
**Cc:** "Dent, Matthew" <dent\_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>, "Tonking, Michaela" <tonking\_trustee@ivgid.org>, <ISW@ivgid.org>  
**Subject:** A Little History on Why Hotel/Motel Guests Were Given Access to Our Beaches Under the Beach Deed  
**Date:** May 12, 2022 2:56 PM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board:

Resolution 419 was adopted on October 5, 1967. Eight months PRIOR to the District's formal acceptance of the beach deed.

You can read it yourself, but for your convenience, it states, in part, as follows:

"WHEREAS, it is proposed that the District issue revenue bonds to provide funds to acquire Burnt Cedar Beach and the improvements thereon and to acquire and improve the area known as Incline Beach, and to pledge the net revenues to be derived from the rates, tolls and charges to be fixed for the services and facilities thereof; and

WHEREAS, it is necessary that said charges be fixed PRIOR to the adoption of a resolution providing for the issuance of said bonds.

NOW, THEREFORE, I T IS ORDERED, as follows...

2. Taking Effect. This resolution shall take effect upon the acquisition of title to either or both the Burnt Cedar Community Beach and the Incline Community Beach...

4. Description of Charges. (In addition to a funding source for acquisition of the beaches,) the rates, tolls and charges herein fixed are minimum annual charges for the services of the lands and facilities of the community beaches, and shall include...charges for the operation thereof for the furnishing thereof, for the furnishing of the services thereof, for the availability of the services thereof, and for the standby of said lands and facilities and the services and operation thereof...

7. Charges. The following rates, tolls and charges are prescribed and imposed for each fiscal year ending on June 30 commencing with July 1, 1968 for the various classifications as follows...(e) Hotel and Motel. \$15 for each room or unit intended for occupancy by a person or persons as a single unit within a hotel or a motel." This was subsequently increased to \$25 for each room or unit which was half the \$50 each residential parcel was assessed.

So do you really think that the District wasn't going to expressly give the transitory occupants of hotels and motels beach access after adopting a resolution which assessed each room or unit intended for occupancy by persons? Of course not!

Which now explains why the beach deed, which was approved 8 months afterwards, included language which expressly extended beach access to those room/unit occupants. That's what hotel/motel owners received in consideration of paying the RFF/BFF.

I have written to the Board several times advising that in anticipation of adopting a 1982-83 RFF (which included a BFF insofar as those with beach access were concerned), all of a sudden the separate charge per room or unit intended for occupancy assessable in hotels/motels was eliminated and instead, the hotel/motel itself was assessed but as a single parcel.

Now why did this take place? Given the District's checkered past, you can probably figure it out yourself. And now you're hearing a complaint from an owner of a motel whose occupants have by and large been denied beach access. And this motel owner is demanding you expressly follow the beach deed and afford his commercial guest occupants beach access.

The District's response should be, well if that's fair, how about paying your fair share of facility fees as was originally required? Isn't that what you represented you were happy to do as a new member of our community? Paying a BFF per each room or unit intended for occupancy is the consideration your predecessors agreed to pay as a condition to beach access. In other words, if the District is going to follow the language of the beach deed, it also needs to follow the language of Resolution 419 when it comes to assessing each hotel/motel room intended for occupancy a separate RFF/BFF.

And remember. Whatever you decide to do with the Parkside Inn, is going to have similar unintended consequences insofar as the Hyatt Hotel is concerned. Because what's fair is fair. Right?

While you're contemplating the above, I have five other matters for each of you to contemplate.

**Matter One:** Why didn't staff volunteer this history and facts when the subject arose? It's not my job. It's staff's! And what do you intend to do about it inasmuch as omissions like these by persons who are paid to know better, are far from isolated?

**Matter Two:** I have advised the Board and staff before that the Parkside Inn parcel (APN 130-163-31) not only consists of a motel, but a separate single family home as well! And this information appears on the Assessor's records (check it out for yourself. There are two "cards." One is for a 38 unit motel, and the other is for a 1,344 square foot two story single family residence). And how many RFFs is this parcel being assessed?

**ONE!**

We have a hearing coming up on the proposed 2022-23 RFF/BFF. You need to adopt a resolution which assesses this parcel and all similar ones (like the Hyatt), one RFF/BFF for the single family home on this parcel; and, 38 RFFs/BFFs for the 38 units intended for occupancy within its hotel/motel, just as Resolution 419 originally mandated. If you don't like doing this or the Hyatt/Parkside Inn don't like it, let them agree to removal of beach access under the beach deed.

**Matter Three:** Indra asserts that since IVGID owns real property entitled to beach access, staff is justified in granting beach access without a picture pass or punch card to all 1,000 or more of the District's employees and their family members not otherwise entitled to that access as IVGID's "guest."

Okay. Judy and I are owners of real property entitled to beach access. If Indra is permitted to grant beach access to District employees as his guests, without those employees having a picture pass or punch card, how is it I am not able to do the same thing insofar as my guests in Crystal Bay are concerned? And how come my guests have to pay guest fees whereas Indra's don't?

And how come my parcel has to pay a RFF/BFF, and the District's parcels do not? Stated differently, how come my parcel has to pay IVGID water/sewer fees and so do IVGID's parcels? If there's an exception for one kind of service,



then why isn't there another for every other kind of service? I remind each of you that there's no exception provided in NRS 318 and under Dillon's Rule, if it doesn't explicitly appear, it doesn't exist.

What's fair is fair. Just like the Parkside Inn demands.

Matter Four: UNR is about to acquire SNU. And it plans on building expanded student housing on campus. Word has it perhaps 1,000 or more students will be attending the former SNU campus, and residing on the subject parcel as well. So how many RFFs/BFFs does Indra propose assessing UNR (I'm guessing NONE)? How many UNR students aren't going to be happy campers once they learn they're not entitled to beach access? And what sort of plan do you think Indra is going to come up with which will circumvent this restriction? I suggest you start thinking about it right now because it is a ticking time bomb.

Matter Five: Just like you can't be a picture pass holder's guest at our golf courses unless you're physically accompanied by the picture pass holder, you shouldn't be able to be a parcel owner's/parcel owner's agent's/assignee's guest at our beaches unless physically accompanied by a parcel owner.

Moreover, history shows that for decades this was the case. I have previously provided the Board with a letter from the very first president of the beach homeowners' association created by Crystal Bay Development Co. (Robert McDonald). In no uncertain terms the letter evidences that in order to be a beach guest, you need to be physically accompanied by a parcel owner with beach access. That's the way it always was until about 20 years ago when staff changed things because they're not committed to the interests of local parcel owners. So it's time to revert back to our history. Just like we're reverting back insofar as inappropriate commercial use of our beaches.

Thank you for your hopeful cooperation. Aaron Katz

**EXHIBIT "C"**

**Fw: Fwd: \*\*CRITICAL NOTICE TO OUR CUSTOMERS\*\***

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**From:** <s4s@ix.netcom.com>  
**To:** Callicrate, Tim Trustee <callicrate\_trustee@ivgid.org>  
**Cc:** Dent, Matthew <dent\_trustee@ivgid.org>, Wong, Kendra Trustee <wong\_trustee@ivgid.org>, Schmitz, Sara <schmitz\_trustee@ivgid.org>, Tonking, Michaela <tonking\_trustee@ivgid.org>, <ISW@ivgid.org>  
**Subject:** Fw: Fwd: \*\*CRITICAL NOTICE TO OUR CUSTOMERS\*\*  
**Date:** May 19, 2022 10:03 AM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Have you seen the e-mail below?

Well this is an admission by Mr. and Mrs. Marelich that for at least the last 33 years, this local property owner with beach access has been arrogantly violating the beach deed's use restriction FOR PROFIT by launching or retrieving the boats of non-residents, as well as Incline Village/Crystal Bay parcel owners who don't have beach access.

Can you believe the arrogance?

And then I have to listen to Tim whimpering like a lost puppy - the hardest decision he has had to make in his soon to be 12 years of DIS-service as an IVGID Trustee.

Really. You didn't have a problem giving away the land underneath the Parasol Bldg for \$1/year for 99 years even though Parasol's use violated another use restriction obtained in a deed? Even though it is part of a parcel local property owners paid \$1.25M for?

You and your buddy Gayle the pale of didn't have a problem telling local property owners that if they approved a massive bond to renovate the Chateau, which required an increase in the Rec Fee to pay the servicing costs associated with that bond, you would roll back Rec Fee increases when those bonds were retired? And then when they were retired, and you were again on the Board, you in essence lied to the public by NOT voting to roll back those increases?

Notwithstanding the above, the real problem here is the same one that has plagued us for decades insofar as nearly everything in our District. Indra Winqest and his band of employees. How have these people (the Marelichs) been able to get away with this clear violation of the beach deed for all this time? The answer = staff who don't give a damn about those of us with beach access. Staff who owe the highest of their fiduciary duties to we property owners with beach access.

So how about doing something for once? How about setting an example for all to see? And here's what I propose.

Section 67 of Ordinance 7 provides for discipline where a parcel owner with beach access engages in misconduct such as conduct which violates beach deed access. Good ole Sheila Leijon (who I believe is in bed with the Marelichs and other boat storage operators who violate the beach deed) may determine that sufficient evidence of serious misconduct exists, and that adequate grounds exist for suspension or revocation of this parcel owner's beach privileges. And then we have a due process requirement which ultimately ends up in the Marelichs LOSING their beach privileges!

You've got the evidence. Now do something. Initiate the process to REVOKE this parcel owner's beach access privileges for as long as it admits it has been violating the beach deed - 33 years!

Unless you enforce the restrictions of the beach deed, you're not qualified to represent any of us with beach access. And if that's what takes place, deed the beaches back to we property owners who are qualified and capable to protect our beaches!

Respectfully, Aaron Katz

452

**From:** Incline Boat Storage and Marine <inclineboat@outlook.com>  
**Date:** May 18, 2022 at 5:41:27 PM CDT  
**To:** Incline Boat Storage and Marine <inclineboat@outlook.com>  
**Subject: \*\*CRITICAL NOTICE TO OUR CUSTOMERS\*\***

## CRITICAL NOTICE TO OUR CUSTOMERS

To Our Loyal Customers:

We're sure you've noticed that Incline's beaches have become overcrowded in the past years which has led the IVGID Board of Trustees to make substantial changes to ramp/beach access through Ordinance 7. The proposed changes were announced on May 11, 2022, to take effect on June 1, 2022. This will effectively prevent us from launching or retrieving our non-resident customers, as well as our Incline customers who don't have beach access.

What this means to you is that we'll lose approximately 40% of our current customers if we're unable to use the ramp for this group. We have been working with IVGID for many years to address the abuse of the ramp by new boat rental companies and similar types of businesses. The difference between these and our business, which we've had for 33 years, is that we own our commercial property with dedicated boat storage, and you are all considered our tenants as stated on Page 1 of our Storage Agreement.

The language in the original Beach Deed dated June 4, 1968, doesn't specifically address commercial boat storage facilities as there weren't any at that time. However, it is our belief that we should be afforded the same consideration for our tenants concerning ramp/beach access as the mentioned hotels and motels in the original Deed which allow their "tenants" to have beach access.

IVGID's take on commercial boat operators is that everyone should be lumped into the same category. We don't feel this is the case as we own our commercial property and have tenants. If we are to lose 40% of our customer base, that means two things:

We may be **forced to close our doors** due to the loss of income from storage, services, mechanical repairs, fiberglass repairs, and gasoline services for approximately 40% of our customers. This means that more than 200 boats will be forced to park on Incline's roadways or somewhere else as there aren't any other storage options available in town. In addition to non-residents, this will affect our Incline Village residents who don't have beach access because of where their property is located.

The other possibility that could happen is that in order to keep our business running, we'll be forced to **increase our storage and services rates substantially** to our Incline residents who do have access to the ramp/beach to make up for the loss of 40% of our current tenants.

We have submitted written and oral presentations to the Board of Trustees regarding how the restriction of our tenants to ramp/beach access will affect us and the community as a whole. **At this time, if you feel strongly about the proposed changes to Ordinance as they relate**

**to Incline Boat Storage & Marine, I encourage you to email your concerns to the board members prior to May 26, 2022.**

The final approval of these changes will take place at the IVGID Board of Trustees' special meeting on May 26. You can watch the meeting via zoom: yourtahoepace.com, board meetings, live feed. Also, if you're interested in the May 11 meeting where the Board passed its proposed changes to Ordinance 7, you can watch it through the same feed. At 2:38:15 into the meeting the Board talks about the changes they propose to take effect on June 1, 2022.

Chairman		Tim Callicrate
callicrate_trustee@ivgid.org		
Vice Chairman	Matthew Dent	dent_trustee@ivgid.org
Treasurer	Michaela Tonking	tonking_trustee@ivgid.org
Trustee	Sara Schmitz	schmitz_trustee@ivgid.org
Trustee	Kendra Wong	wong_trustee@ivgid.org

We are a family owned business and are extremely concerned about our ability to keep our business going. We are doing what we can to convince the Board to consider us separately from other boat businesses and make that distinction in the changes allowing us to continue as we have always operated.

We really don't want to be a part of "the new Incline attitude" where it's fine to charge exorbitant fees to our customers just because you won't have any other options, as well as not being able to serve our long-time non-resident customers. We care about you all and hope this situation is resolved quickly and satisfactorily.

David, Susan and Mark Marelich

5-26-2022

To: Ivgid BOT : Please include this in the minutes of the meeting of 5-26-2022

From: Margaret Martini

First I would like to thank Sara Schmidt for all of her community work in putting together the best website for information on what is happening in the village.

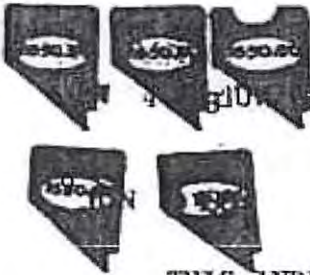
Community First is truly a gift to all of us and a lot of hard and time consuming work from Sara and contributors.

Second I would like to ask Indra, staff and the Board just why it has taken so long to determine beach access !!! Ord 7 was formed about 2 years ago...and here it is summer 2022 season and there is no clear determination of what is going to be the beach access parameters involving non-property owners, employees and past employees who no longer live here beach access. Seriously TWO years and no determinations. It says something about the lack of efficiency and competence in the whole district.

Now we have before us yet another debacle of incompetence in getting the job done. The addition of verbiage of two options on the eve of a BOT meeting on such an important issue shows disrespect and disdain for the public input on something to be voted on with NO INPUT from the public who are "not in the loop" to attain information that goes out with such impact on our beaches. These options which are proposed to be voted on tonight were not even included in the Board packet as of 5-21-. Which could be voted on at tonights scheduled public meeting on this topic.

So it looks like the owner of the Local motel is pushing the board to make a decision at tonights meeting to avoid a proposed lawsuit. I say let him sue and then perhaps we can get a determination from a court that we could not perfect in 2 years through the IVGID and BOT. We spent hundreds of thousand of \$\$ and time on the Mark Smith lawsuit and the topic was not even close to as important as this beach access is. The strategic timing of his threats, out of public view, and last minute demands must not be considered at tonights meeting. The Trustees could vote to bifurcate the issue of beach access for hotel and motel from the rest of the ordinance and then work through IVGIDS deed provided ability to reasonably regulate the access to the beach.

It is unconscionable that highly restrictive access be applied to the general parcel owners who collectively pay the majority of the bills and that it would even be considered that unlimited access by hotel and motel guests would be permitted by this board to be an equitable option for all.



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THIS INDENTURE, made this 4~~th~~ day of June, 1968,  
between VILLAGE DEVELOPMENT CO., formerly known as CRYSTAL BAY  
DEVELOPMENT CO., a Nevada corporation, party of the first part,  
(hereinafter referred to as "Grantor"), and INCLINE VILLAGE  
GENERAL IMPROVEMENT DISTRICT, a quasi-municipal corporation organized  
and existing pursuant to the provisions of the General Improvement  
District Law, Chapter 318, Nevada Revised Statutes, party of the  
second part (hereinafter referred to as "Grantee"),

W I T N E S S E T H:

That the said party of the first part, for and in con-  
sideration of the sum of TEN DOLLARS (\$10.00), lawful money of  
the United States, to it in hand paid by the said party of the  
second part, the receipt whereof is hereby acknowledged, does  
by these presents grant, bargain, sell and convey unto the said  
party of the second part, and to its successors and assigns, all  
that certain lot, piece or parcel of land situate in the County  
of Washoe, State of Nevada, more particularly described in Exhibit  
"A" attached hereto.

TOGETHER with all and singular the tenements, heredita-  
ments and appurtenances thereunto belonging, or in anywise apper-  
taining and the reversion and reversions, remainder and remainders,  
rents, issues and profits thereof.

TO HAVE AND TO HOLD, all and singular the said premises,  
together with the appurtenances, unto the said party of the second  
part, and to its successors and assigns forever.

It is hereby covenanted and agreed that the real property  
above described, and any and all improvements now or hereafter  
located thereon, shall be held, maintained and used by grantee,

it..

BOOK 324 PAGE 192

Miss. Edmund, Deane & Wilson  
ATTORNEYS AT LAW  
ONE SOUTH WASHINGTON ST.  
RENO, NEVADA 89501



BOOK 324 PAGE 193

1 its successors and assigns, only for the purposes of recreation  
2 by, and for the benefit of, property owners and their tenants  
3 (specifically including occupants of motels and hotels) within the  
4 Incline Village General Improvement District as now constituted,  
5 and, as the Board of Trustees of said District may determine, the  
6 guests of such property owners, and for such other purposes as  
7 are herein expressly authorized.

8 This covenant shall be in perpetuity, shall be binding  
9 upon the successors and assigns of grantee, shall run with and be  
10 a charge against the land herein described, shall be for the  
11 benefit of each parcel of real property located within the area  
12 presently designated and described as Incline Village General  
13 Improvement District and shall be enforceable by the owners  
14 of such parcels and their heirs, successors and assigns; provided,  
15 however, that said Board of Trustees shall have authority to levy  
16 assessments and charges as provided by law, and to control, regu-  
17 late, maintain and improve said property as in its sole discretion  
18 it shall deem reasonable and necessary to effectuate the purposes  
19 herein mentioned; and provided, further, the said District shall  
20 have the right to use the real property above described for the  
21 maintenance and operation of the water pumping facilities now  
22 located thereon and such other utility facilities necessary to  
23 the operation of the District.

24 Grantor, for the benefit of itself and its successors  
25 and assigns in the ownership of real properties located within the  
26 presently constituted boundaries of Incline Village General Improve-  
27 ment District, and for the benefit of all other owners of property  
28 located within said boundaries, and their respective successors  
29 and assigns in such ownership, hereby specifically reserves an  
30 easement to enter upon the above described real property and to



1 use said real property for the recreational uses and purposes  
2 specified herein. Said District shall have the authority to  
3 impose reasonable rules, regulations and controls upon the use  
4 of said easement by the owners thereof.

5 The easement hereby created and reserved shall be appur-  
6 tenant to all properties located within the Incline Village  
7 General Improvement District, as said District is now constituted.  
8 Such easement may not be sold, assigned or transferred in gross,  
9 either voluntarily or involuntarily, but shall pass with any  
10 conveyance of real properties within said District as now consti-  
11 tuted.

12 IN WITNESS WHEREOF, the said party of the first part  
13 has hereunto set its hand and seal the day and year first above  
14 written.

15  
16 ATTEST:

17 [Signature]  
18 Secretary

VILLAGE DEVELOPMENT CO.

19 By [Signature]  
20 President

21 ACCEPTED AND APPROVED:

INCLINE VILLAGE GENERAL IMPROVE-  
MENT DISTRICT

22 ATTEST:

23 [Signature]  
24 Secretary

25 By [Signature]  
26 President

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29  
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-3-

BOOK 324 PAGE 194

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1 STATE OF NEVADA }  
2 COUNTY OF WASHOE } 56

3 On this 24th day of June, 1968, before me, a Notary  
4 Public in and for said County and State, personally appeared  
5 George L. Sawyer and Lucille J. Henderson  
6 known to me to be the President and Secretary of INCLINE VILLAGE  
7 GENERAL IMPROVEMENT DISTRICT, the quasi-municipal corporation  
8 that executed the foregoing instrument, and upon oath, did depose  
9 that they are the officers of said corporation as above designated;  
10 that they are acquainted with the seal of said corporation and  
11 that the seal affixed to said instrument is the corporate seal  
12 of said corporation; that the signatures to said instrument  
13 were made by officers of said corporation as indicated after  
14 said signatures; and that the said corporation executed the said  
15 instrument freely and voluntarily and for the uses and purposes  
16 therein mentioned.

17 IN WITNESS WHEREOF, I have hereunto set my hand and  
18 affixed my official stamp at my office in said County and State,  
19 the day and year in this certificate first above written.

George L. Sawyer  
Notary Public  
DOROTHY E. LEBER  
Notary Public - State of Nevada  
Washoe County  
Commission Expires February 1, 1972

321 PAGE 106

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DESCRIPTION

Situate in the County of Washoe, State of Nevada, as follows, to-wit:

PARCEL 1

A portion of Lots II, III and IV of Section 22, Township 16 North, Range 18 East, M.D.B. & M., more particularly described as follows:

Commencing at the Southwesterly corner of Lot 12 in Block N and the Northerly right of way line of Nevada State Highway No. 28, as said lot, block and Highway are shown on the map of Lakeview Subdivision, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on February 27, 1961; thence South 20°35'35" West 80.00 feet to a point in the Southerly right of way of said Highway; thence South 69°24'25" East 174.28 feet along the Southerly right of way line of said Highway to the true point of beginning of this description, said point of beginning also being the Northwest corner of that certain parcel conveyed to Crystal Bay Development Co. on September 30, 1963, under Filing No. 395633, Washoe County Records; thence continuing South 69°24'25" East 1251.79 feet along the Southerly right of way of said Highway to the Northwest corner of that certain parcel deeded to Pacific Bridge Company and Associates on October 23, 1963, under Filing No. 397736, Deed Records; thence South 20°35'35" West 574.75 feet, more or less, to Lake Tahoe; thence Westerly along Lake Tahoe to a point from which the true point of beginning of this description bears North 31°07'35" East; thence North 31°07'35" East to the true point of beginning of this description.

PARCEL 2

Beginning at the Southeasterly corner of Lot 24 in Block H of Lakeview Subdivision, Washoe County, Nevada, according to the map thereof, filed in the office of the County Recorder of Washoe County, State of Nevada, on February 27, 1961; thence South 15°11'27" East 111.13 feet to a point on the Southerly right of way line of Nevada State Highway 28 as it now exists and the true point of beginning of this description, said point of beginning being the Northwest corner of Lot 36 of Lakeshore Subdivision No. 1, as said Lot 36 is shown on the map of Lakeshore Subdivision No. 1, Washoe County, Nevada, filed in the office of the County Recorder of Washoe County, State of Nevada, on June 28, 1960, and being on a curve concave to the Northeast, having a central angle of 4°41'11", a radius of 5040.00 feet and a tangent which bears North 61°40'36" West 206.23 feet, thence Northwesterly along said curve and the Southerly boundary of said highway 28, an arc distance of 412.24 feet; thence continuing along the Southerly right of way line of said highway 28, North 56°59'25" West 907.76 feet; thence leaving said Highway 28, South 27°17'46" West 90.72 feet; thence South 00°50'05" West to Lake Tahoe; thence running Southeasterly along Lake Tahoe to a point from which the true point of beginning bears North 28°08'35" East (Lakeshore Subdivision No. 1 bearing North 27°16'00" East); thence North 28°08'35" East along the Westerly boundary of said Lakeshore Subdivision No. 1 to the true point of beginning of this description.

RESERVING FROM the above described parcel an easement for maintaining and operating an existing pumping plant and pipe lines.

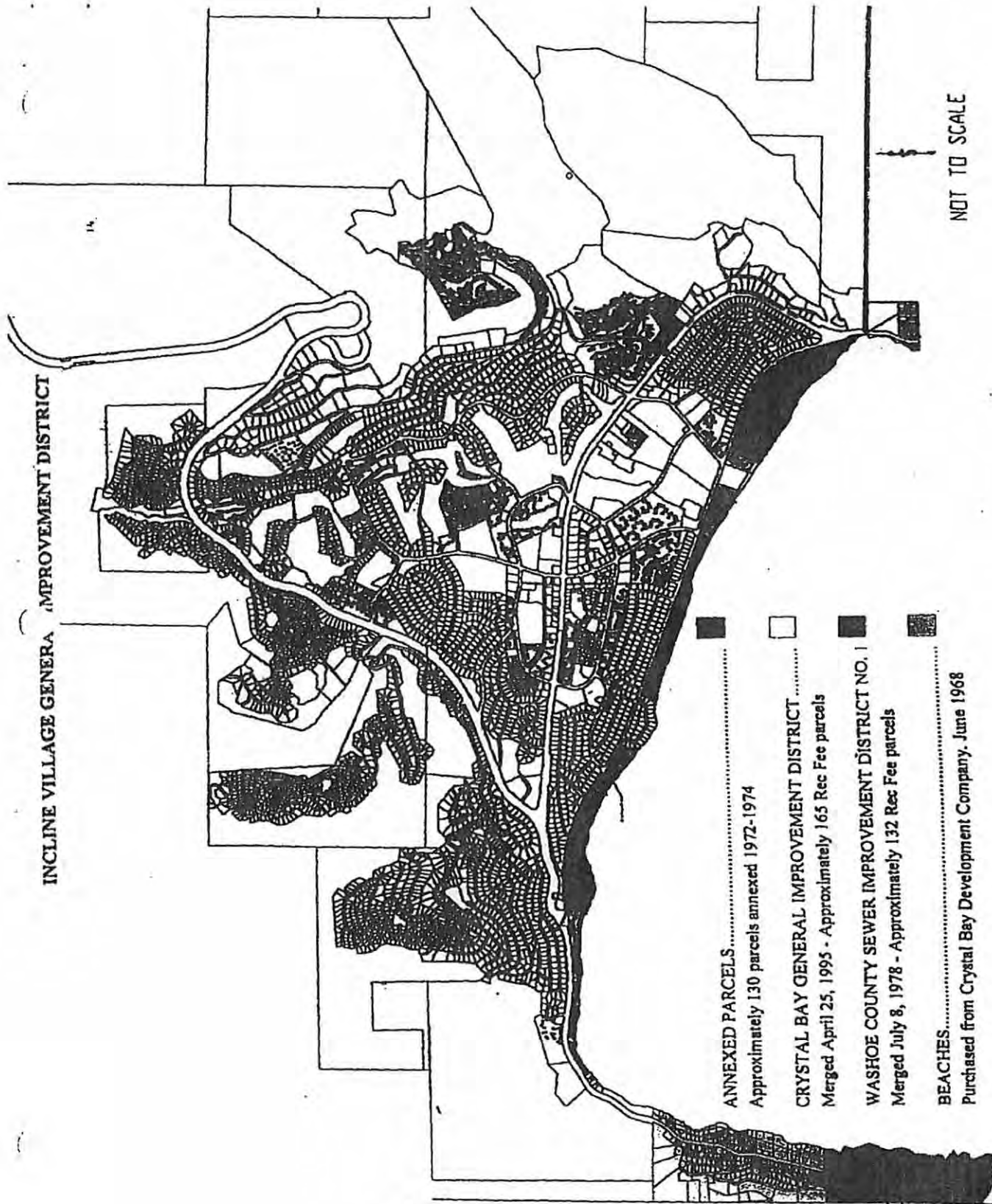
116713

Note of information: Basis of bearings, Lakeview Subdivision.

*[Handwritten signatures and initials]*  
46-286

BOOK 324-197

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT



- ANNEXED PARCELS.....  
Approximately 130 parcels annexed 1972-1974
- CRYSTAL BAY GENERAL IMPROVEMENT DISTRICT .....  
Merged April 25, 1995 - Approximately 165 Rec Fee parcels
- WASHOE COUNTY SEWER IMPROVEMENT DISTRICT NO. 1  
Merged July 8, 1978 - Approximately 132 Rec Fee parcels
- BEACHES.....  
Purchased from Crystal Bay Development Company, June 1968

NOT TO SCALE

Attachment A  
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17.4 Commercial Tenant means an individual, trust, or corporation, limited liability company (or similar entity) who/which rents, or leases, a commercial Parcel ~~property~~ located within the District for the purposes of conducting business or commercial activity, for a term of six (6) months or more. A commercial Tenant with a Lease for less than six (6) months is not entitled to receive IVGID Recreation Pass(es). A commercial Tenant must present a written lease agreement in the name of the commercial Tenant, and an IVGID Assignment form signed by the Owner attesting to the fact that the lease is a valid and enforceable lease. Notwithstanding the foregoing, if a commercial Tenant's lease terminates, the Owner must immediately notify the District and the IVGID Recreation Pass(es) and Recreation Punch Card(s) must immediately be returned to the District for cancellation, upon notification of termination of tenancy.

32. Parcel means a single plot of land or a portion of an undivided plot of land, within the District, with or without a dwelling or commercial building on it, or a mult-family Parcel that contains more than one dwelling unit as defined by the District Recreation Roll, which is assessed and pays a Recreation Facility Fee.