
NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District Board of Trustees will be held starting at 6:00 p.m. on December 14, 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>.

A. PLEDGE OF ALLEGIANCE*

B.1 ROLL CALL OF TRUSTEES*

B.2. ROLL CALL OF TRUSTEES-ELECT* (*Dave Noble and Raymond Tulloch*)

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. Verbal Presentation by North Lake Tahoe Fire Protection District Fire Chief Ryan Sommers - Public Safety Pier for Washoe County, Tahoe Regional Planning Agency and North Lake Tahoe Fire Protection District
2. Annual Audit Committee Report Follow-Up – Request by Trustee Dent for reconciliation to ACFR 2020/2021 (Presenting Staff Member: Director of Finance Paul Navazio) – **pages 5 - 11**
3. 2022 Season Wrap Up - presented by Director of Golf/Community Services Darren Howard
 - a. Golf and Food and Beverage – Account 320 – **pages 12 - 33**
 - b. Facilities (Weddings and Events) – Account 330 – **pages 34 - 39**
4. District General Manager’s Report – **pages 40 - 80**

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

www.yourtahoeplace.com

NOTICE OF MEETING

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5. Treasurer's Report - Requesting Trustee: Treasurer Michaela Tonking – *page 81*
 - A. Payment of Bills (*For District payments exceeding \$50,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$50,000 provided they are budgeted and the expenditure is approved according to District signing authority policy*)

- F. REVIEW OF THE LONG RANGE CALENDAR (*for possible action*) – *pages 82 - 86*

- G. CONSENT CALENDAR (*for possible action*)
 1. **SUBJECT:** Review, discuss and possibly accept the Washoe County Notice of Subaward (Non-Competitive Grant) in the amount of \$250,000 for the purpose of improving the Skate Park (CIP Project 4378BD2202) located at the corner of Southwood and Tahoe Boulevards (Requesting Staff Member: District General Manager Indra Winquest) – *pages 87 - 110*
 2. **SUBJECT:** Review, discuss and possibly accept \$100,000 from Washoe County for the purposes of supporting Youth Programming (\$50,000) and Senior Programming (\$50,000) (Requesting Staff Member: District General Manager Indra Winquest) – *pages 111 - 117*
 3. **SUBJECT:** Review, discuss and possibly authorize the District's General Manager to extend the lease agreement between the Hyatt Corporation and the Incline Village General Improvement District as per the Fifth Amendment document (Requesting Staff Member: Diamond Peak Ski Resort General Manager Mike Bandelin) – *pages 118 - 157*

- H. GENERAL BUSINESS (*for possible action*)
 1. **SUBJECT:** Review and discuss the transmittal of the District's Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2022 and Related Audit Report(s) (Requesting Staff Member: Director of Finance Paul Navazio along with Jennifer Farr, Partner, Davis Farr, LLP) – *pages 158 - 271*
 2. **SUBJECT:** Receive a project update on the Effluent Pipeline Project **and** review, discuss and possibly authorize approval of a purchase order with Western Nevada Supply to purchase approximately 8,500 lineal feet of competitively bid pipeline materials and appurtenances for the Effluent Pipeline Project not to exceed \$1,402,000, Project: 2524SS1010 – Fund: Utilities; Division: Sewer. (Requesting Staff Member: Director of Public Works Brad Underwood) – *pages 272 - 306*

Recommendation for Action: That the Board of Trustees receive a project update that discusses the following topics: CMAR Process; 90% Opinion of Probable Construction Cost; Independent Cost Estimator Presentation; Granite Construction Presentation; Potential State Route 28 Road Closure; and Project Phasing **and** make a motion to authorize approval of a purchase order with Western Nevada Supply to purchase 8,500 linear feet (LF) of pipeline materials and appurtenances for the Effluent Pipeline Project not to exceed \$1,402,000, Project: 2524SS1010 – Fund: Utilities; Division: Sewer.

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3. **SUBJECT:** Review, discuss and possibly approve Resolution Number 1897 concerning the Financing of Sewer Projects for the Incline Village Improvement District; Declaring the Intent to Issue Utility Revenue Bond(s) in the Maximum Amount of \$52,740,000; and authorizing the transmittal of the Resolution to the State Department of Conservation and Natural Resources, Division of Environmental Protection in conjunction with the District's Loan Application from the State Revolving Fund/Clean Water program (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 307 - 318**

Recommendations for Action: That the Board of Trustees adopt Resolution No. 1897 concerning the financing of the Effluent Pipeline Replacement Project:

- a) Declaring the intention to issue Utility Revenue Bonds in the maximum principal amount of \$52,740,000;
 - b) Authorizing reimbursement of costs incurred with respect to the project prior to the issuance of the Bonds for financing the project;
 - c) Authoring the General Manager and Director of Finance to request the State to purchase the Bonds in connection with the loan being sought through the State Department of Conservation and Natural Resources, Division of Environmental Protection, subject to the approval of the loan contract by the Board of Trustees via separate resolution.
4. **SUBJECT:** Review, discuss and possibly provide direction to move forward on the geothermal concept within the District (Requesting Trustee: Chairman Tim Callicrate) – **pages 319 - 370**

Recommendation for Action: That the Board of Trustees make a motion to move forward on the geothermal concept by directing District Legal Counsel to spend the time and resources to review the attached lease agreement.

5. **SUBJECT:** Review, discuss and possibly approve a budget amendment for the Recreation Center Expansion Project (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 371 - 373**

Recommendation for Action: That the Board of Trustees make a motion to authorize Fiscal Year 2022/2023 budget amendment related to the Recreation Center Expansion Project (CIP# BI23350100) to reduce the appropriation provided for in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) in the amount of \$24,346,656 representing unexpended appropriations at project close-out; and reduce the estimated amount of grant revenue included in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) by \$24,303,932, representing grant revenue that will not be billed or collected as a result of termination of the project.

I. MEETING MINUTES (*for possible action*)

1. Meeting Minutes of November 9, 2022 – **pages 374 - 438**

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

K. BOARD OF TRUSTEES UPDATE

L. ADJOURNMENT (*for possible action*)

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CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, December 9, 2022 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of December 14, 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)
3. State of Nevada public noticing website (<https://notice.nv.gov/>)

/s/ Melissa N. Robertson

Melissa N. Robertson

District Clerk (e-mail: mnr@ivgid.org/phone # 775-832-1268)

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; go to "Board Meetings and Agendas".

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Review, discuss and possibly approve a budget amendment for the Recreation Expansion Project

DATE: December 14, 2022

I. RECOMMENDATION

Staff recommends that the Board of Trustees authorizes Fiscal Year 2022/2023 budget amendment related to the Recreation Center Expansion Project (CIP# BI23350100) to:

- 1) Reduce the appropriation provided for in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) in the amount of \$24,346,656 representing unexpended appropriations at project close-out; and
- 2) Reduce the estimated amount of grant revenue included in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) by \$24,303,932, representing grant revenue that will not be billed or collected as a result of termination of the project.

II. BACKGROUND

The Fiscal Year 2022/2023 Capital Budget approved by the Board of Trustees includes appropriations totaling \$25,435,000 (Recreation Fund: 350) in support of a project to expand the District's Recreation Center. This project was anticipated to be funded through a grant from a private donor. However, earlier this year, the project was terminated.

Based on a final accounting of project costs, expenditures totaling \$1,212,034 were charged to the project, of which \$1,088,344 were incurred in the current fiscal year. As a result of the \$25,435,000 in appropriations provided for in the Fiscal Year 2022/2023 Capital Budget, \$24,346,366 will not be required and are thus recommended to be de-appropriated.

Pursuant to the Memorandum of Understanding and subsequent Grant Agreement entered into with the donor, the District is being reimbursed for eligible costs incurred through project termination. A total of \$1,131,068 in costs have been determined to be eligible for reimbursement from the donor, and will be recorded as grant revenues. Staff is therefore recommending that the Fiscal Year 2022/2023 capital budget also be amended to reflect that, of the \$25,435,000 in grant revenues assumed in the budget, \$24,303,932 will not be billed and therefore are recommended to be removed from the budget.

III. FINANCIAL IMPACT AND BUDGET

If approved by the Board of Trustees, the recommendations included in this report will result in a budget amendment reducing the appropriations included in the Fiscal Year 2022/2023 Capital Budget (Recreation Fund 350) by \$24,346,656, and a corresponding reduction in the amount of grant revenues supporting the Fiscal Year 2022/2023 Capital Budget (Recreation Fund 350) by \$24,303,932.

IV. CONCLUSION

Staff recommends that the Board of Trustees authorize Fiscal Year 2022/2023 budget amendment related to the Recreation Center Expansion Project (CIP# BI23350100) to:

- 1) Reduce the appropriation provided for in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) in the amount of \$24,346,656 representing unexpended appropriations at project close-out; and
- 2) Reduce the estimated amount of grant revenue included in the Fiscal Year 2022/2023 Capital Budget, Recreation Fund (350) by \$24,303,932, representing grant revenue that will not be billed or collected as a result of termination of the project.

V. ATTACHMENT

Project Close-out – Financial Summary

Recreation Expansion Project - Financial Summary

Project Phase	FY2021/22		FY2022/23		Project Totals	Funding Source	
	Budget	Actual	Budget	Actual		Grant	IVGID
30% Schematic Design Phase							
H&K Architects	\$ 65,000.00	\$ 65,000.00			\$ 65,000.00	\$ 65,000.00	
H&K Architects (T/I's)	7,000.00	7,000.00			7,000.00		\$ 7,000.00
IVGID Staff Costs	29,000.00	22,299.00			22,299.00		22,299.00
	<u>\$ 101,000.00</u>	<u>\$ 94,299.00</u>			<u>\$ 94,299.00</u>	<u>\$ 65,000.00</u>	<u>\$ 29,299.00</u>
Permitting / Pre-Design							
Exline & Co. *	\$ 7,500.00	7,468.61			7,468.61	7,468.61	
Shaw Engineering*	5,000.00	2,243.20			2,243.20	2,243.20	
Odyssey Engineering*	21,000.00	10,500.00		10,500.00	21,000.00	21,000.00	
Black Eagle Consulting*	9,180.00	9,180.00			9,180.00	9,180.00	
* Donor-approved pass-through items	\$ 42,680.00	\$ 29,391.81	\$ -	\$ 10,500.00	39,891.81	\$ 39,891.81	\$ -
100% Design							
Exline & Co.			\$ 150,000.00	\$ 55,395.43	\$ 55,395.43	\$ 55,395.43	
Exline & Co. (T/I's)				\$ 48,739.82	\$ 48,739.82		\$ 48,739.82
H&K Architects			\$ 2,025,000.00	886,905.00	886,905.00	886,905.00	
CORE West, Inc.			\$ 125,000.00	37,500.00	37,500.00	37,500.00	
Brycon Corp.			\$ 19,700.00	19,700.00	19,700.00	19,700.00	
IVGID Staff Costs			\$ 115,000.00	26,676.02	26,676.02	26,676.02	
IVGID Staff Costs (T/I's)				2,927.29	2,927.29		2,927.29
			<u>\$ 2,434,700.00</u>	<u>\$ 1,077,843.56</u>	<u>\$ 1,077,843.56</u>	<u>\$ 1,026,176.45</u>	<u>\$ 51,667.11</u>
Project Totals	<u>\$ 143,680.00</u>	<u>\$ 123,690.81</u>	<u>\$ 2,434,700.00</u>	<u>\$ 1,088,343.56</u>	<u>\$ 1,212,034.37</u>	<u>\$ 1,131,068.26</u>	<u>\$ 80,966.11</u>

	Adopted Budget	Actual Expenditures	Unexpended Budget
FY2022/23 Budget	\$ 25,435,000	\$ 1,088,343.56	\$ 24,346,656.44

Reimbursements	
\$ 401,621.42	Paid (9/26/22)
\$ 729,446.84	Pending

MINUTES

REGULAR MEETING OF NOVEMBER 9, 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 Wednesday, November 9, 2022 at 6:00 p.m. at the Boardroom, 893 Southwood 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 and Sara Schmitz. Trustees Michaela Tonking and Kendra Wong were absent at roll call. Trustee Michaela Tonking did join the meeting at 6:22 p.m. and Trustee Wong did join the meeting at 7:24 p.m.

Members of Staff present were Director of Public Works Brad Underwood, Director of Finance Paul Navazio and Director of Parks and Recreation Shelia Leijon. Members of the public physically present were William Chastain, John Eppolito, Mike Trute, Myles Riner, Judith Miller, Aaron Katz, Patrick Schmitz, Michael Abel, Dave Noble, Ray Tulloch and others.

C. INITIAL PUBLIC COMMENTS*

Board Chairman Callicrate stated that at this time in the election process, there are two new Trustees; Mr. Dave Noble and Mr. Ray Tulloch. He congratulated them both and stated that if things change, the community will be the first to know.

Judith Miller commented that she was on the website looking at financial transparency and as of yet, the OpenGov system has not been integrated with the Tyler system; she was hoping for an update and thought that it was a valuable tool. She stated that maybe the data for the current year could be provided, if past years is problematic with mapping the chart of accounts. She commented that when it comes to the Capital Projects Advisory Committee, she hopes that a Board appointed Committee would be considered, especially for large-scale projects. She continued that it would avoid problems that the community has seen over the past few months. She thanked the Parks and Recreation Staff and everyone else who contributed their creativity in setting up "Treats and Terror" and stated that it was wonderful to see the little goblins and witches in the light of day for a change.

Aaron Katz provided written statements to be attached to the meeting minutes. He commented that he would like to discuss agenda item E.7.; Staff's report on the effluent storage pond and pipeline. He stated there are some missing facts the public should know. In 2012, a consultant was hired who estimated the cost at 23 million dollars and then it was discovered the effluent storage pond had to be lined. He continued that per a former District General Manager, the District paid \$788,000 but it turns out that the pond was never lined; the \$788,000 was spent on garbage, like reimbursed Staff time. He stated 4.5 million dollars of the 2 million dollars per year that is collected was spent on other garbage because Staff changed the definition of what phase 2 replacement was. He stated that instead of replacing the pipeline, Trustee Wong made a purchase of the Parasol building, which was her number 1 priority. He continued that her number 2 priority became paying for NIPA reports in favor of TTD to relocate the pipeline underneath the East Shore Trail and at least 3 leaks occurred, with 2 million dollars or more being spent making band aid repairs. He stated that in August of 2022, Staff reported the cost to replace had gone up to 45.6 million dollars and a cost of a replacement storage tank was 6.8 million dollars, and it is now \$522,000 more. He continued that now the cost of the pipeline replacement is 66.4 million dollars and asked what the cause of this is? He asked if it is the Russians, MAGA, Trump, or the Nasty 9. He continued with no, and let us put the blame where it really goes; it is Trustee Wong, former Trustees Morris, Simonian and Wolfe. He stated that these people have called for the public lynching of Trustee Schmitz over the alleged loss of 25 million dollars of a Duffield donation. He continued that he is looking at 75 million dollars in losses caused by these people. He referenced the servicing costs on a 75 million dollar bond at 5% interest over 20 years; he does not think the District can get those terms. He continued it is nearly \$500,000 per month and asked how that compares to the 2 million dollars a year the District is collecting for that. He stated that NRS 318 says dissolve where you have mismanaged; it is time to dissolve IVGID.

John Eppolito thanked all of the Board of Trustees for everything they do and congratulated Dave Noble and Ray Tulloch. He commented that he hopes the Board of Trustees starts working together better and he thinks that is possible with the 2 new Trustees. He stated he summarized the Recreation Center debacle in about 700 words; he emailed it to all of the Trustees, the District General Manager and the Duffield Foundation before he posted it. He noted that he received 1 response, which was from Trustee Schmitz. He commented that in his opinion, it was not just the vote. He offered copies of his summary to those in attendance. He stated he would not be staying long as he was heading over to the Kings Beach meeting where they are going to talk about the height restrictions, which is a special meeting between Placer County and TRPA.

Michael Abel read from a prepared statement, which is attached hereto.

Mike Trute commented he is the Co-President of the Rotary Club of Incline Village and he would like to address Ordinance 7 as far as how it pertains to charities and nonprofits. He stated the Rotary Club is not a commercial entity and it is not there for financial gain. He continued that the fundraising that is done by this entity goes back to the community and there are volunteers that help fundraise. He mentioned that on September 2nd of this year, right before the duck drop, which is one of their biggest fundraisers, 2 of their volunteers were accosted when selling ducks on the beach. He continued that they were told it was because of Ordinance 7, and after reading Ordinance 7, he did not see anywhere where it pertained to nonprofits and charities. He stated he would like to see that clarified in the ordinance and that nonprofit and charities are allowed to fundraise on the beach without any issues of being accosted by IVGID employees or being embarrassed in public. He explained that these are volunteers and you do not want them to back out because of a situation like what happened on that day. He asked that this issue be addressed and to have an update to make it friendlier to nonprofits and charities as far as raising funds on the beach; the Rotary Club of Incline Village has been doing that for many years. He continued that he would like to see it in black and white to where it is not up for interpretation, it's either a yes or no and either they can do it or they can't, and it's not up to an employee to interpret what that ordinance is all about.

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

Yolanda Knaack thanked everyone who voted for her. She commented that with regards to the Gold and Silver passes, unfortunately, the beach deed has to be followed, or else everyone in Reno will be at the beaches and there will be overcrowding like never before. She continued that in order to follow the beach deed, the Gold and Silver passes need to be discontinued.

D. APPROVAL OF AGENDA (for possible action)

Board Chairman Callicrate asked for any changes to the agenda; he requested that General Business Item H.2. be moved to the 12-14-2022 Board of Trustees meeting. Hearing no objections, Board Chairman Callicrate indicated the agenda is approved as revised.

E. REPORTS TO THE BOARD*

- E.1. Verbal presentation by Mr. Bill Chastain on the possibility of using IVGID property for the purpose of a micro grid for**

geothermal emergency backup power generation potentially benefitting Diamond Peak and the Public Works campus at Sweetwater.

Mr. Chastain provided a presentation, which included a public statement that is attached hereto, and will be posted to the District website as supplemental information.

Trustee Tonking arrived to the meeting at 6:22 p.m.

Board Chairman Callicrate stated that he and Mr. Chastain have had 2 meetings and have discussed, at length, the opportunities that could come before the District. He continued that he explained to Mr. Chastain that it would need to come before the Board of Trustees to be discussed; if it is something that the Board of Trustees and District would like to move forward on, there would be a lot of information that would need to be supplied. He stated he asked Mr. Chastain to attend this meeting to make a presentation and if the Board of Trustees decides to pursue this to the next level, they can give the go ahead to the Director of Public Works and the District General Manager to provide information. Trustee Schmitz stated she appreciates the information but the letter was not shared until this meeting and if she had the opportunity to read it beforehand, she might have been able to ask some relevant questions. She continued that she would like the opportunity to read the information and follow up. Board Chairman Callicrate agreed and stated there is a lot of information within the documents to digest. He mentioned that over the next several days each Trustee will have an opportunity to do that and reach out to Mr. Chastain with any questions; this item will be brought back at the December 14, 2022 Board of Trustees meeting.

E.2. Verbal Report from two community representatives on the status of the General Manager's Advisory Committee on a Dog Park

District General Manager Winquest stated there is a General Manager's Community Dog Park Committee and Judith Miller and Myles Riner were asked to provide a verbal update.

Judith Miller read from a prepared update which is attached hereto.

Dr. Myles Riner read from a prepared update which is attached hereto.

Trustee Schmitz asked if the Committee is intending to meet with Nevada Department of Wildlife (NDOW) to learn about the streams? She mentioned that the Committee had wanted to tap into the knowledge and experience that Washoe County has with the development of dog parks and asked if this is also on the future agenda? District General Manager Winqest responded that the Committee is going to have NDOW come to a future meeting to do a presentation and that he has a list of all of the dog parks in Washoe County that was provided by the Assistant County Manager that he will be sharing with the Committee members. He continued that the Committee has discussed evaluating some of the dog parks and obtaining information from the County and developers. Board Chairman Callicrate thanked the Committee for working with the District General Manager and stated the survey will come in very valuable to find out the preferable site.

E.3. District General Manager's Report

District General Manager Winqest reviewed the submitted report. He noted that the final invoice for the Burnt Cedar Pool is being worked on; the Engineering Team is working on reconciling this and they are expected to provide a closeout report at the December 14, 2022 Board of Trustees meeting. He noted that the closeout report on the Recreation Center locker room project would be provided in January. He continued that Staff is still in the process of gathering all of the information to complete a Recreation Center expansion project financial closeout. He also mentioned there is a link to a YouTube video that is a synopsis of how the golf courses are winterized and noted it is informative to get a better understanding of what it takes to winterize the courses. He reported that Staff continues to push more information on the website and mentioned that a lot of the information that is created has become somewhat repetitive; he is working with Staff to update the project pages on the website to ensure that there is updated information. He stated Staff is happy to add anything that may not already be provided and reiterated that they are trying to reduce any duplicate work and information. He continued that links could be provided to send folks to the website where they can have access to the information without having to duplicate it in the District General Manager's report. He reported that he and Trustee Schmitz have been working on expectations for Board packet materials; however, with 2 Trustees leaving the Board, some of the discussion has been on hold until the new Board of Trustees is in place as everyone has a different idea of what they need. He stated it is important for Staff to get clear and concise direction on what the expectation is. He noted that the report from the Nevada Division of State Lands has been added as an attachment to the District General Manager's report by Director of Public

Works Underwood. Trustee Schmitz mentioned she recalls that there was a project this summer that was conducted for the beach ingress and egress; she asked if that work has been delivered and if the Board will see some recommendations? District General Manager Winqest responded that the consultant report from LSC has been received in a draft format. He stated that Staff would be meeting with them next week to provide feedback and ask questions. He continued that once that is done, it would be brought back to the Board of Trustees, which will hopefully be on the December 14, 2022 agenda; there will be an opportunity for the Board of Trustees to provide feedback before finalizing the report. He mentioned the timing works out as this goes hand and hand with the potential Incline Beach House project. He noted that there is good preliminary information on ingress and egress; some of Staff's questions are going to be related to whether they will provide information on technology to secure the beaches year round. Trustee Schmitz inquired about the status of a website redesign project and asked that these projects be added to the popular report so the Board of Trustees is updated and has the opportunity to ask questions. She also asked about the status of another project that relates to Board packet software. District General Manager Winqest stated he would discuss the website redesign project with the Marketing and Sales Manager. He continued that the Board of Trustees would be updated on CivicPlus when there are updates; the new District Clerk has taken the lead on this and is working through the software program. Trustee Schmitz stated she knows the golf carts were delayed until September and asked what the status is? District General Manager Winqest reminded the Board of Trustees that the email he sent out was pertaining to last year's golf report; he was trying to get feedback from the Trustees, which was not related to the golf carts. He continued that they are in production and Staff is hoping they will be in sometime next month. He stated that it is a supply chain issue and he will make sure that the Director of Golf updates the Board of Trustees on December 14. Trustee Schmitz inquired about Silver State Law and asked what it was? District General Manager Winqest responded that they were hired to review construction contracts and to work with Staff on contract templates. District General Counsel Nelson stated the Board of Trustees had requested that special counsel be hired for the high-end construction agreements, especially given the pipeline project. He continued that Silver State Law has been working with Staff on the agreements and once those are completed, they will prepare updated construction templates, which will pair with the non-construction templates so there will be a full set of templates going forward. District General Manager Winqest addressed some of the public comments; he stated that Staff is fully aware of the Tyler issue and integrating OpenGov. He continued that Director of Finance and the team

are working with Tyler on a solution and he does not expect it to take much longer. He also stated that the Capital Advisory Committee that was referenced in the Moss Adams recommendations and in the packet would be a Board appointed committee. Trustee Dent stated that he likes the idea of Board appointed committees and that it would be good for the Board of Trustees to take control of that component.

E.4. Treasurer's Report (Requesting Trustee: Treasurer Michaela Tonking)

Treasurer Michaela Tonking reported that this was the first time they have done the increase for checks over \$50,000, which is reflected in the report for September and October. She noted that the payments that stand out are the ones for insurance as they are larger payments. She mentioned that Staff is working on integrating everything with the Tyler technology and they have offered a training for the Audit Committee.

E.5. Fiscal Year 2022/2023 First Quarter Budget Update (Presented by Director of Finance Paul Navazio)

Director of Finance Paul Navazio provided an overview of the submitted materials. Trustee Dent stated that showing the adopted budgeted versus remaining budget does not give them an idea of how they did in the first quarter. Director of Finance Navazio acknowledged that the year to date budget is not shown on the report. He explained that the old financial system would allow the budget to be spread out over a 12-month period and when the budget was uploaded into the new system, it only allowed the total budget instead of the 12-month spread. He continued that Staff has found a way to be able to add that column to the report and this will be brought forth in the near future for the remainder of the year and will be included from the beginning on the 2023-2024 budget.

E.6. Fiscal Year 2022/2023 First Quarter CIP Popular Status Report (Presented by Director of Finance Paul Navazio)

Director of Finance Paul Navazio provided an overview of the submitted materials. Trustee Dent mentioned he appreciates that the definitions have been included and he likes the idea of getting away from the definitions if every single one of the status updates have a narrative to it. He stated he thinks that it is the direction to take and he would like to see that next time the report comes before the Board of Trustees. He mentioned that Trustee Schmitz had referenced a number of projects earlier in the meeting that are

identified as operating projects and asked if the Board of Trustees could have a list of those projects? Also, it would be nice to have rolling stock and operating projects along with the popular reporting for the CIP so that the information is in the same spot. Director of Finance Navazio responded that this could be done. He stated that eventually the items would not be in the capital budget because they are operating expenses and they are transitioning to building routine maintenance items into the operating and maintenance budget. He continued that not all of the rolling stock is excluded; items like vehicles and equipment that meet the threshold for dollar value and useful life are still in there. Trustee Tonking stated that she is hoping the narrative will explain what the timeline looks like for items when they are delayed. She also asked that when there are carryover items, that the report reflects how long the item has been carried over. She stated she is concerned that there is only 3.4% of CIP spent so far and asked if there is an idea of which projects that will need to be carried over? Director of Finance Navazio mentioned that the 1st quarter is typically a bit light, and on the other hand, it is the middle of construction season, so sometimes it is a timing issue. He noted that the stark contrast between the budget and the year to date expenses is a function of the 26.1 million dollar Recreation Center expansion project and acknowledged even with that included, it is still a small percentage. He stated that they will include the carryovers and that sometimes it is just a delay and sometimes it is the timing issue. He stated that in terms of the mid-year report, it would include the year to date expenses and projections for year-end and noted that Staff will look to incorporate as much information as possible. Trustee Schmitz agreed with Trustees Dent and Tonking; she stated she appreciates the fact that Staff is working to try to enhance the integrity and meaningful impact of the report by adding encumbrances. She continued that it will make the report more informative and it is a good approach that Staff is taking. She stated she does not think the Board of Trustees said not to provide the popular report and noted that when the Board approves projects, they should be tracked. It is important that the Board of Trustees has an all-inclusive list of projects so the Board of Trustees can follow along and ask questions if needed.

Trustee Wong joined the meeting at 7:24 p.m.

E.7. Verbal report on the Effluent Pipeline Tank and the Effluent Pipeline (Presented by Director of Public Works Brad Underwood)

Director of Public Works Brad Underwood provided a summary overview of the submitted materials. Trustee Dent asked that given the design is at 60%

and there is a 50% increase for another 30% of the design, will there be an anticipated 50% increase for the last 40% of the design? Director of Public Works Underwood stated he does not anticipate that; he thinks they will be able to work through the risks and he does not anticipate seeing that type of increase going forward. Trustee Dent referenced a report that was received a few years ago concerning the 14 deficiencies in Segment 3 and the risk associated with leaving those and replacing pipe in other areas. He asked why that liability is not being addressed and why pipe is being put in where there seems to be no issues? Director of Public Works Underwood explained that the main issue is that those segments are at the joints and confirmed there has been issues in Segment 3; the driving factor for the work in Segment 2 is the Nevada Department of Transportation (NDOT) work that needs to get out of the way. He continued that rather than hop scotching from one area to the next and with the intention of replacing the entire line, he feels it is important to continue adjacent to the area at Marlette Creek and continue from there to go South picking up Segment 3 in future years. Trustee Dent asked if there was any data on the joints and noted this was not part of the PICA evaluation. Director of Public Works Underwood stated the PICA evaluation would not pick up where the joints are and what their condition is but this is where Staff has seen the breaks take place. He continued that the Maintenance Staff has been able to go out and repair the areas as they are in low-pressure zones and they feel confident they can continue to do that if issues take place. He mentioned that when they move into the high-pressure zones, they are a bit leery of what they can and cannot do there. Trustee Dent referenced the grant agreement and grant funding which is supposed to encompass both projects and noted that he has been hearing about grant funding for a long time. He continued that he knows that plans need to be in place and the process needs to be followed; he is hopeful that this actually comes to fruition but he is not sure if they can plan on this. He stated that his concern is that they just went through an evaluation of what it is like to go through the bonding process and the cost associated with it and now the District is going to need 17 million dollars next year to fund the first phase of the project. He continued that while there is a little money in the bank, the fund has no reserves in it; he feels that the cost exercise needs to be re-visited. He stated that based on the cost increase, they can be seeing rate increases of 100% over the next few years; he mentioned that the sooner that Staff can bring that component back to the Board of Trustees, would be very helpful. He understands the decision is to go through the Construction Manager At Risk (CMAR) process and he feels like this has been helpful to get the design implementation in place, which was the goal. He continued that now that it is coming around the corner, he thinks it would be beneficial to at least look at the low bid process rather than

strictly going the CMAR route, given the massive cost increase. Putting pipe in the ground is a simple exercise; there are many logistics associated with it and unknowns while working in the ground, but it would be no different if it is CMAR or low bid. He continued that from a liability standpoint and having the District get the best bang for their buck, he thinks a dual prong approach should be taken to ensure there is a backup plan in place. There is a whole negotiation process and there has been discussion about the fee, that Granite Construction would potentially be charging, would be high and if there is no backup plan in place to pivot to, the Board of Trustees is not doing a good job in setting Staff up for success. He feels that moving forward and looking at the low bid process is the best path forward and gives the District the best position to get the best pricing moving forward. Putting pipe in the ground is a simple project; he knows the logistics can be a nightmare and he understands why Staff would be reaching out to NDOT to discuss closures. He continued that he is one Trustee but he thinks the Board of Trustees should be behind taking this approach as he anticipates more increases in costs. He asked for an elaboration on the subject of highway closure. Director of Public Works Underwood stated, regarding closure, that Staff would be asking NDOT to consider the month of May and possibly a week or so into the month of June and again at the end of construction season after Labor Day through October 15th. This helps the construction process and it provides safety to the public and the workers. He mentioned there are some benefits to it and there are some impacts to it; there will be extensive outreach with various groups, which will include Incline Village and South Lake Tahoe. He stated he sees an advantage with production increases through the process of potentially completing the work quicker. Trustee Dent asked if the closures would be for several years? Director of Public Works Underwood responded that if the first year goes well, then yes. District General Manager Winqest stated that this would be shoulder season only and mentioned that when this was brought to him, he had the same reaction. He explained that about 10 years ago, there was a closure that was about 3 weeks long and from Sunday night through Friday night, and there was not enough community outreach. He stated that Staff is sensitive to the impact to the community and the basin but also realizes that the project needs to be expedited. Director of Public Works Underwood addressed the topic of the low bid process and noted that the construction documents would be completed to where if they want to the off-ramp from the CMAR, they can potentially do that. Trustee Tonking asked for more information on the independent cost estimator? She stated that she would also like more information on the topic of CMAR versus low bid before she would feel comfortable saying that it is the direction to move forward with. Director of Public Works Underwood responded that the independent cost

estimator is another firm that has been hired to look at the plans and specifications; they have the knowledge, experience and tools to do their own bid process. He continued that then they will come together with Granite Construction with their bid, do a comparison, and resolve any discrepancies. He stated they would also help look for opportunities to lower costs as well; it would give him a comfort level that the numbers that Granite Construction is providing are the right numbers. Trustee Schmitz concurred with Trustee Dent's concerns, comments and suggestions. She stated that it is disappointing to have done so much financial analysis with an estimate that was 50% off the mark; this now needs to be re-evaluated to see what the impact will be to the rates, budget and loan amounts. This is a significant change and they cannot enter into contract until funding has been identified and appropriated. It is too bad that this is an unfortunate situation and she does understand there are supply chain issues, but a 50% increase in a matter of a few months makes the analysis meaningless. District General Manager Winquest stated that is not 100% accurate; he has had conversations with the Director of Finance, whom has had conversations with the State and mentioned that while it is concerning, the sky is not falling and there will be more analysis done which should calm the Trustees down a bit. He continued that Staff would need to go back to the drawing board on some level but he does not want to alarm the community by saying that everything that has been done is "meaningless" as that is not the case. He stated that Staff is concerned and has little control over this but is trying to do everything they can. Staff will bring back additional information and a discussion will be held to determine if there is a need to pivot. Board Chairman Callicrate stated that it is alarming that the cost could go up like that and this is a blind side to everyone. He continued that the Board of Trustees has been accused of dragging their feet and not doing the work. He stated that for the last 3 years, they have been working diligently trying to get this moved forward and it has been problematic. He mentioned there might be an opportunity to move forward with the low bid process as a backup and he is glad to hear that there is a pivot point in the process should that be the case. He stated it is not fun for anyone to hear this and noted they have done their due diligence to the degree that they have been able to and now it's at the point where pivoting might have to take place which includes going back to basics to see how the issue can be rectified. He noted that Staff is working diligently trying to make it work. He continued that it was shocking to see and he knows that Staff was probably just as shocked; he appreciates the work being done and likes Trustee Dent's idea about the possibility of the low bid as an option. Director of Public Works Underwood thanked the Board of Trustees for their input and noted there are many things going on in parallel and he felt it was important to get the information

in front of the Board of Trustees. Trustee Schmitz noted that this project has been slowed down for different reasons over the years and asked if there is an alternative to pumping the effluent water out of the basin. She stated she does not know the answer or what it would cost and she is not trying to delay the project. Director of Public Works Underwood stated that at this time, there is not an alternative due to the inability to use the effluent within the basin. He stated he and his team are hopeful that there will not be another pipeline replacement and that in the next 50 years; there will be something that creates the ability to re-use the water in the basin. He continued that the technology is out there but it has not been approved at this time.

E.8. Verbal Beach Season Update to include an update on the Ordinance 7 (which includes the Family Tree) changes made in May 2022 (Presented by Director of Parks and Recreation Shelia Leijon)

Director of Parks and Recreation Shelia Leijon asked if she could address something that was brought up earlier in the meeting pertaining to the dog park. She explained that NDOW would be visiting at the next meeting and that the Public Works Sustainability Technician will be providing a report on water clarity. She stated she has reached out to the Nevada Department of Environmental Protection to obtain information about stream and lake health as it pertains to dog waste.

Director of Parks and Recreation Leijon provided a summary overview of the materials. Trustee Schmitz mentioned she did not see a measurement for incidents compared to in the past and she is wondering with the changes with Ordinance 7 this past summer, if there has been a reduction in the incidents? Director of Parks and Recreation Leijon responded that there was actually an increase in incident reports; this is not because there are more incidents happening, but because there is a larger presence at the beach; Staff is paying closer attention. She continued that in the past when they relied on High Sierra Patrol, Staff would call them when an incident occurred, and often times they would not be in the area so it would not be followed up on as readily as they would have liked to see. She noted that ambassadors are now on the beach every day from dawn to dusk and they monitor and document incidents. She continued that there are more incidences that they have to respond to but Staff has a handle on anything that happens at the beach that violates the ordinance. Trustee Schmitz stated it is surprising that even with all of the changes that have been made; it is still resulting in a high number of visits that equates back to 2020. It is puzzling to see the numbers so high when changes were made and there was an anticipated reduction.

Director of Parks and Recreation Leijon stated that the numbers appear to be similar but, based her conversations with residents that use the beaches frequently, they feel that the feeling at the beach is less, and it is not so much how many people are there, but who is there. She continued that from her perspective, she thinks they are managing better than ever because of the changes that were implemented from Ordinance 7, and serving the community members better. She mentioned that people could see their neighbors at the beach, whereas in the past, that was not the case. She noted that 200,000 visits on the beach seemed to be the norm and in looking at the data on the reports, 215,000 visits appear to be the total capacity at the beaches annually. Trustee Schmitz stated that it would have been helpful to have a similar chart that showed data by individual beach; she thinks the visits at the Burnt Cedar Beach was higher because of the new pool. She continued that if there were a visit comparison by beach, it might have been insightful. Director of Parks and Recreation Leijon stated she could pull that data. District General Manager Winqest mentioned that it is important to focus less on total visits and more on who is using the beaches; he spoke to many people who have said they are visiting the beach more. He stated there are more full time residents; he noted that 89 visits to Burnt Cedar Beach were picture pass holders, which means the beach is being used by residents. He continued that he was a bit discouraged as he expected the number to be higher but at the same time, he has been encouraged by the mix and who is actually using the beaches. Trustee Schmitz mentioned that the hotel visits are not listed and she would like to see the historical data by beach including the hotel visits. Board Chairman Callicrate mentioned that he was at the beaches 3-4 times per week and in talking to people, they mentioned what a difference they have seen as the beaches felt like a community and were not being used by short term rentals, etc. Trustee Schmitz commended the Staff at the gates and mentioned that they do a fantastic job dealing with challenges. Trustee Tonking asked if Staff felt like the new system worked well? Director of Parks and Recreation Leijon responded with yes and stated that Staff's input was invaluable in putting it together and ensuring how their job was functional and easy for them but still protected the beach deed and Ordinance 7. Trustee Tonking asked if 2020 was an anomaly? Director of Parks and Recreation Leijon responded with yes. Trustee Schmitz asked if season passes are scanned for each visit and if so, if it is part of the total number? She continued that when she does the math, it is working out to be anywhere between \$28.00 a launch in 2021 and over \$30.00 a launch in 2022 which is more than what the launch fee is. Trustee Schmitz asked why people want to purchase the product when it looks like they are paying more per launch? Director of Parks and Recreation Leijon stated that in 2019, the boat launch passes were

\$165.00 and it had not been increased for years. She stated that they started to incrementally increase both the single launch and launch pass; it was also increased from a seasonal pass to an annual pass because there are launches that do happen during the winter. She mentioned that it is about 10 launches to break even on the launch pass. Trustee Schmitz stated that when she does the math, it is not cheaper, and asked why it was being offered. District General Manager Winquest mentioned that there were many people who did not buy passes this year because they knew they were not going to be able to launch their boats as often. There were also many people who bought passes but did not launch as much because of restrictions and the no refund policy is strict. He has had people over the years indicate they bought a season launch pass and only used it a few times. Director of Parks and Recreation Leijon stated that people do have to acknowledge that there is no refund and this year, Staff recommended against boat launch passes due to the lake level. District General Manager Winquest stated that season launch passes are not sold to commercial boat operators; they would need to pay the single launch fee. Trustee Tonking stated her family bought a season pass but only launched twice this year. Trustee Tonking asked if there were any situations where someone asked to bring more than 15 guests? Director of Parks and Recreation Leijon stated that scenario is very uncommon and she did not include any of those numbers in the reports, as it is difficult to track with the current software. She stated they were able to track beach reservation parties; there were 98 throughout the year and there were 5,007 guests attending which is roughly around 50 guests per party, with the limit being 100 guests for a party. She noted there was one weekend where there was a large party at Ski Beach, which was handled internally but for the most part, it was a mild summer. She continued that it is important to note that people gather; they may not come in as a group of 15 people but they will gather. Trustee Schmitz recalled that the Board of Trustees would receive a report at the end of the season pertaining to the parcels that brought in more than 15 guests per day and asked if that was still being worked on? District General Manager Winquest responded that it was not going to be by parcel but that it would be by pass holder and explained that Staff does not currently have a way to pull the data without throwing many resources at it. He explained that he had gone to the beach on the weekend and asked larger groups to notify Staff and the groups explained that they live in town and met with friends at the beach. He continued that it is difficult to track due to the existing software being used; He stated he does not believe this was abused and there were not many people who brought in more than 4-6 guests at a time. He mentioned he would like to discuss with the Board of Trustees some other ways to potentially track this item and people are encouraged to use group picnic reservations, which is an easy

way to track large groups and how many guests they are bringing in. Director of Parks and Recreation Leijon suggested looking into the future and using technology such as RFID versus looking backwards with regards to data mining. She continued that Staff could likely pull some information from multiple sources to provide a report and she is happy to do that. District General Manager Winquest stated that Staff is aware of the policy with regards to the amount of guests that can be brought into the beaches and it is likely easier to put a restriction in place on the number of guests that picture pass holders can bring in at any given time; he advised that it should not be as high as 15. There was some additional discussion on this issue. Trustee Schmitz referenced a public comment from earlier pertaining to commercial use and the local nonprofits and mentioned that perhaps legal needs to weigh in on this. Director of Parks and Recreation Leijon agreed and stated that her only concern is that if the beaches were opened up to a local nonprofit, would there be a requirement to open it up to a local chapter such as Boys & Girls Club, etc. She continued that it is important not to blur the line between commercial too much and to be fair to the residents. District General Manager Winquest stated Staff wants to continue the conversation about potential additional revisions to Ordinance 7; this is something that feedback will be required on because traditionally and in the past, the local nonprofits were allowed. He continued that if local nonprofits are going to be allowed to do some level of fundraising, his recommendation would be that there are restrictions so it is not every weekend. He stated that Staff was not notified that the group would be coming to the beach, as they had been in the past, in order to plan for it. Board Chairman Callicrate stated there has been good feedback on the topic but cautioned going into areas where decisions are being made, as this is a verbal presentation. Trustee Schmitz stated she was involved with the editing of Ordinance 7 and there was a number of things that were not clear or consistent; there is a list of items that need to be re-evaluated. She stated that as far as the "3/2" for the purchase of additional IVGID Recreation Passes, if it is not causing a problem for Staff, she would prefer to leave it as is as there was much thought and effort put into it. Director of Parks and Recreation Leijon stated this was brought up due to resident comments. There was some additional discussion on this issue. Director of Parks and Recreation Leijon stated Staff would be bringing back a redline version to the Board of Trustees at the December meeting with the goal of bringing it back to the community at a public hearing sometime in February. Trustee Schmitz stated that there was a suggestion that the fee for hotel guests be different from the fee for the guests of picture pass cardholders and suggested the Board consider this.

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

District General Manager Winqest reviewed the submitted materials. Trustee Dent stated that the Board of Trustees has not had a detailed discussion on the fleet process; he thinks it would be a healthy discussion to have and bring forward the policies associated with to see if there are any areas that need potential changes. Trustee Schmitz suggested that the Audit Committee appointment item be moved from the December 14, 2022 to the January 11, 2023 meeting as Mr. Tulloch will be a Trustee/Member at Large and there are changes that need to take place. She also asked that the ingress and egress topic be added to the agenda, as it is now a discussion on how the beaches can be managed year round. She referenced the North Lake Tahoe Fire Protection District and stated the Board of Trustees should have an opinion from special legal counsel as it relates to Ordinance 7 with the potential opportunity/desire. She stated that the parking items list previously had an item related to reactivating the Crystal Bay pumping station, which was removed from the list, and she asked if this was because it was incorporated with the master plan. District General Manager Winqest responded with yes.

G. CONSENT CALENDAR (for possible action)

There were no Consent Calendar items.

H. GENERAL BUSINESS (for possible action)

H.1. SUBJECT: Discussion and possible action on an update to Board Policies 12.1, 13.1 and Practice 13.2 – Capital Planning, Budgeting and Reporting (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio provided a summary overview of the submitted materials. Trustee Schmitz asked if the Director of Finance is seeking feedback on the draft document? Director of Finance Navazio stated Staff is requesting feedback on the framework put together and the draft document, with the goal of incorporating the feedback in an effort to bring this back to the Board of Trustees as soon as possible. Trustee Schmitz stated that one of the things she was concerned about was prioritization and noted that the language does not tie back to the master plan. She inquired about prioritizing them based on if they are in a strategic plan, master plan, etc. and mentioned that none of that language is included. She continued that there has been an effort to update the Strategic Plan and work on the master plan; the prioritization should be tied back and things

should be prioritized based on being in the master plan. Director of Finance Navazio agreed and mentioned that for projects to get into the capital budget, they are, by definition, going to be tied to the Strategic Plan and master plan. He continued that once all of the master plan projects and routine updates are entered into a budget, the next question is how to prioritize within that. He stated it is not to be exclusive of master planning and he would try to find a way to clarify this. Trustee Schmitz pointed out some formatting issues within the document and asked that Staff look at the layout so that items tie with the rest of the document. She also pointed out some areas with redundant language. She passed out a copy of the existing Policy 13.2, which has the language about interest and noted that the language in the new policy was removed. She continued that the language regarding interest should be the same language as it does have an impact. It was noted that this is regarding the first sentence in section 2.3 of the policy. Director of Finance Navazio stated there is funding set aside and budgeted for particular projects; he is seeking clarification from the Board of Trustees on their expectation regarding projects that are not complete at the end of the year when there is funding left over and whether Staff should allocate interest earnings to every project, as opposed to special cases for major projects such as the effluent pipeline. Trustee Tonking stated she believes the example of the effluent pipeline is a one off situation and suggested there being a threshold such as 5 million dollars in value. Trustee Schmitz referenced the effluent pipeline and stated that the financing was the collection of the 2 million dollars per year. Trustee Tonking stated she thinks that is perfect for that specific project; she is thinking of a grander scheme for a policy and how it can be integrated. She asked if Staff wanted the Board of Trustees to start thinking of the questions that were listed in the Board packet pertaining to this issue. Director of Finance Navazio responded that the questions were included for the Trustees to think about for when the Advisory Committee is established. District General Manager Winquest stated that Staff wanted to provide some context and things to think about and explained that structuring a Board Appointed Capital Advisory Committee is extremely important to the success of the Committee. Director of Finance Navazio added that the questions are organizational questions, and with respect to the policy, the role matrix template has a blank column for what role a Committee would have. Trustee Tonking referenced the prioritization discussion raised by Trustee Schmitz earlier in the meeting and stated she has some working suggestions that she could send to consider incorporating into the policies. Trustee Schmitz referenced some new language in the proposed policy pertaining to reporting, specifically the statement "*The District needs a greater level*" relative to the District needing a greater level of detail and information on non-routine vs routine items. She

continued that she is not sure why they should not be looked at the same time. Director of Finance Navazio stated that it would be helpful to determine what non-routine versus routine items are and mentioned he will look at this issue. He stated that once a policy is complete and approved, it would be difficult for such document to be perfect right away; once it is implemented, things could be refined and clarified as needed in the future. Trustee Dent asked if it would makes sense for the Trustees to reply to the questions listed in the material via email so that the policy can be updated and brought back to the Board of Trustees? Director of Finance Navazio stated that would be helpful and the responses could be compiled, shared with others and incorporated accordingly.

H.2. SUBJECT: Discussion and possible action on revising the District's Gold and Silver Card Program for Employees and past Trustees to no longer allow access to District restricted-access Beaches (Requesting Trustee: Chairman Tim Callicrate)
(removed from the agenda in its entirety)

I. MEETING MINUTES

I.1. Meeting Minutes of September 28, 2022

Board Chairman Callicrate asked for any changes; none were received. Board Chairman Callicrate said that the meeting minutes were approved as submitted.

I.2. Meeting Minutes of October 12, 2022

Board Chairman Callicrate asked for any changes; none were received. Board Chairman Callicrate said that the meeting minutes were approved as submitted.

I.3. Meeting Minutes of October 24, 2022

Board Chairman Callicrate asked for any changes; none were received. Board Chairman Callicrate said that the meeting minutes were approved as submitted.

J. FINAL PUBLIC COMMENTS*

Cliff Dobler commented about a comment from the District General Manager earlier regarding the pipeline project and his statement that the sky is not falling.

He stated the sky already fell and asked how he would know if it is falling or not and mentioned the District General Manager has never been involved in a project of this scale ever in his life. He referenced that this is a project with 78 million dollars, 5 or 6 agencies involved, a 4-year term and borrowed money. He stated the Board of Trustees has done everything in their power to make sure they never addressed the issue for the last 4 years; they knew there was no reserves, knew we were in trouble, did a rate study and missed carry over projects and missed adjustments to the cost because they knew the costs were going to be higher. He continued that when the rate study was done by HDR, they recommended a rate increase, and then the Board of Trustees cut it back, and one year, did not raise the rates at all. He stated they caused a lot of the problem by sticking their head in the sand and he does not think they can just walk away from it and say it is all chain reaction. He continued that they did not address this project, and to take 3 years from the time they got a CMAR contractor to the time they found out all of this, and they are putting the pipeline exactly in the same place as the Army Corp of Engineers suggested back in 2012. He stated with all of the running around, nobody paid attention to it and spent all of their time worrying about bathroom remodels and things like that. He commented that they have no idea what a 78 million dollar project involves and he does not think that the Staff has the bandwidth to handle it; he is quite concerned about it. He continued by saying start sharing the blame but do not say the sky is not falling at all and he would not know if it fell on his head, he has never done a project like this.

K. BOARD OF TRUSTEES UPDATE

Trustee Dent stated he followed up with Flashvote and received a quote from them for training and surveying; he plans to put this item on a future agenda to share with everyone and discuss publicly.

Board Chairman Callicrate stated he has one more meeting left; he thanked everyone for attending the meeting and for their comments. He congratulated both Mr. Dave Noble and Mr. Ray Tulloch on the elections, as well as all candidates who ran for the Board of Trustees.

L. ADJOURNMENT *(for possible action)*

The meeting was adjourned at 9:10 p.m.

Respectfully submitted,

Melissa N. Robertson
District Clerk

Attachments*:

Submitted by Cliff Dobler

Submitted by Aaron Katz: Written statement to be attached to and made part of the written minutes of the IVGID Board's regular November 9, 2022 meeting – agenda item E(7) – More evidence the District does not deserve to exist given the debacle over our effluent pond liner and export pipeline evidenced by this report to the Board screams that the District “is not being properly managed” and as a consequence, its “services can be more effectively performed by the county or another District”

Submitted by Aaron Katz: Written statement to be attached to and made part of the written minutes of the IVGID Board's regular November 9, 2022 meeting – agenda item C – Public Comment – Evidence of Staff “pay back” to one of its own in the form of promotion to a non-existent position and a massive increase in salary and benefits.

Submitted by Aaron Katz: Written statement to be attached to and made part of the written minutes of the IVGID Board's regular November 9, 2022 meeting –Public Comments – More evidence our IVGID water bills are grossly unfair because notwithstanding IVGID and its collaborators use 70% or more of all annual water use in Incline Village/Crystal Bay, they don't pay anywhere near 70% if the costs the public incurs to make this water available for their commercial use.

Submitted by Michael Abel

Submitted by William Chastain

Submitted by Dr. Myles Riner and Ms. Judith Miller – Dog Park Committee Reports

I provide my concerns about the Effluent Pipeline and Storage Tank agenda item and the **undisclosed** information.

Other than the fact that the Pipeline cost estimate has now been increased to \$66.4 million from the original \$23 million here are my thoughts on what is missing in this memo.

Should it be disclosed that approximately \$5.5 million has been spent, most of which has been wasted on chasing rainbows for financing, developing plans which were obsolete, complying with administrative orders and over \$1 million in staff time horsing around with ideas which went nowhere?

Should it be disclosed that the 2022/2023 capital budget will have to be increased from \$21.1 million to \$28.6 million with no funds to pay for the increase?

Assuming the budget plan is executed with revised numbers, cash will be short by \$8.1 million with an additional \$6.7 million needed to shore up depleted reserves. A big hole of almost \$15 million. How will that be filed?

Should it be disclosed that the Utility Fund does not have adequate funds to issue \$16,600,000 in contracts to begin the first 8,000 LF of pipeline? Is it the intent of the District to issue contracts in excess of available resources and violate NRS 354.626 ?

Should it be disclosed that only \$4 million is available for the Storage Tank but the cost estimate is \$6.8 million? Should it be disclosed that almost \$500K was wasted on designing Pond #2?

Should it be disclosed that there is nothing in writing from the USACE that funds have been set aside for the Storage Tank? Should it be disclosed that the total estimated costs for both projects with the continual waste will now approach \$78 million?

Should it be disclosed that an emergency rate increase will be required to shore up the Utility fund?

Including all of the "ands, ifs and buts" throughout the 5 page memo, it is clear that if the timelines are to be met, the Utility Fund is not solvent to enact such timelines.

Then throw in new ideas which will go nowhere like a full road closure on SR28 or how about investigating a NDOT communication conduit in the pipeline trench, or seeking USACE 595 funds for the pipeline which does not exist. Why not? At the end of the day, these projects will go nowhere over the next 5 months and my bet is all construction will be pushed off another year.

By constant delays and procrastination , IVGID has ran into a brick wall with no apparent way out. At least get an outside attorney to negotiate all required agreements.

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR NOVEMBER 9, 2022 MEETING –
AGENDA ITEM E(7) – MORE EVIDENCE THE DISTRICT DOES NOT DESERVE
TO EXIST GIVEN THE DEBACLE OVER OUR EFFLUENT POND LINER AND
EXPORT PIPELINE EVIDENCED BY THIS REPORT TO THE BOARD
SCREAMS THAT THE DISTRICT “IS NOT BEING PROPERLY
MANAGED” AND AS A CONSEQUENCE, ITS “SERVICES
...CAN BE MORE EFFECTIVELY PERFORMED BY THE
COUNTY OR ANOTHER DISTRICT”**

Well “here’s another one” according to my friend DJ Khalid!

Introduction: I keep telling you that the District is not being properly managed¹ and as a consequence, the facilities and services it furnishes can be more effectively provided by another district² or the County, or more preferably, IVGID should simply be dissolved². This type of incompetence which takes place over and over and over again, demonstrates that the District is no longer necessary and should be dissolved. And that’s the purpose of this written statement.

The Current Unlined Effluent Storage Pond: Environmental Protection Agency (“NEPA”) regulations mandate that our public sewer system have an emergency storage facility in case the system needs to be temporarily shut down, or a break in the effluent export pipeline occurs. Although we have such a pond, it is not lined. For this reason the District was given a time limit within which to either replace its facility, or line it to prevent direct effluent-to-earth contact.

¹ NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

² NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

Although some years ago under former GM Pinkerton's rein the Board and the public were told that \$788K had been spent lining our existing storage pond, several local residents were able to confirm that no such lining had ever taken place. And now we must come up with a permanent solution; a storage tank

At the Board's June 8, 2022 meeting staff reported that the overall cost estimate for the effluent storage tank was \$6.8 million³. However, now we are told that because "cost allocations within the total figure have shifted, primarily due to an increase in the actual construction costs,"³ the current cost estimate for this project is now "approximately \$522,000 higher than the initial estimate."³ Although staff attempt to mitigate this news by suggesting "this additional construction cost (will likely be) offset by a reduction in costs anticipated for Tahoe Regional Planning Agency (TRPA) coverage fees,"³ I and others I know *do not believe staff*. We should now be anticipating a cost of at least \$7.322 million! And based upon staff's cost estimating skills, we'd better anticipate a real world cost of \$9 million or even more.

Replacement of Phase II of the Effluent Export Pipeline: In August of 2021 staff developed a \$45.6 million cost estimate for the pipeline project⁴. Now staff tell the Board and the public that "the 60% overall cost estimate for the pipeline project is substantially higher at approximately \$66.4 million."⁴ Although staff tell us that "the cost increase is due to the actual construction estimate being approximately \$21.7 million higher than the previous estimate,"⁴ the reasons why are immaterial. The fact of the matter is that we should now be anticipating a cost of at least \$66.4 million and based upon staff's cost estimating skills, we'd better anticipate a real world cost of \$75 million or even more.

Band Aid Repairs to Portions of Phase II Replacement of the Effluent Export Pipeline: I and others have previously documented where the public has paid \$1.5 million or more on these repairs; expenditures lost forever once Phase II replacement takes place.

Improper Diversion of Yearly Funding For Phase II Replacement of the Effluent Export Pipeline: I and others have previously documented where at least \$4 million has been diverted by staff from the \$2 million annually in reserves to pay for Phase II replacement. Notwithstanding this money has been paid, it is gone forever.

Staff's Original Cost Estimate For Replacement of Phase II of the Effluent Export Pipeline: some 12 years ago it was \$23 million. And this didn't include the \$788K we've already paid for lining the effluent storage pond which we really haven't lined. Nor the \$1.5 million or more we've already paid to make band aid repairs to the effluent export pipeline which will be lost forever once Phase II replacement takes place. Nor the \$4 million or more we've already paid towards funding Phase II replacement that staff have diverted to other uses. Thus the cost of this project has more than tripled and based upon staff's cost estimating skills, we'd better anticipate a real world cost of a whole lot more!

³ See page 077 of the packet of materials prepared by staff in anticipation of this November 9, 2022 meeting ["the 11/9/2022 Board packet" (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/110922_-_Packet_Regular.pdf)].

⁴ See page 079 of the 11/9/2022 Board packet.

My E-Mail of November 8, 2022: I alerted the Board to these facts and asked at least one member agendaize the subject of IVGID dissolution for discussion and possible action at the Board's next meeting. This e-mail is attached as Exhibit "A" to this written statement.

Conclusion: What are the statutory bases for general improvement district ("GID") dissolution? That the District is not being properly managed¹ and as a consequence, the facilities and services it furnishes can be more effectively provided by another district² or the County. Or more preferably, IVGID should simply be dissolved². All of the necessary requisites exist here in IVGIDville!

But here's a more sobering fact. Do you recall how those in our community who claim to be knowledgeable have stated as a matter of fact that we can use the \$2 million annually we are currently charged as part of our sewer fees to pay the servicing costs on new bonds which will pay for pond storage and Phase II replacement of the effluent export pipeline? Well that's not true.

I went to a mortgage calculator and plugged in \$75 million of new net bond funding, repayable over a twenty (20) year term at a 5% fixed interest rate. And the calculator spit out a monthly principal and interest cost of nearly \$4.95 million! That would be nearly \$44 million in interest payments alone. Now maybe the District can secure long term funding at less than 5%. Or over a term of greater than twenty (20) years. But in today's interest rate environment, I don't think so!

So nearly \$4.95K per month times twelve (12) months in a year = \$5.94 million. This is nearly three (3) times the \$2 million we currently collect in a year. Translation: the District's sewer customers are going to have to pay a whole lot more to cover the servicing costs on this amount of indebtedness. And like I said. For the professionals staff want us to believe, the District is not being properly managed.

We've had over fifty (50) years to get it right and so far, we've failed miserably. In everything the District does. Stop being in denial. Stop trying to dig us out of this mess. There is only one fix. Turn over our utility services to real professionals. And take us out of the utility business!

And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees, and the Sewer Rates, Tolls and Charges Local Parcel Owners Are Forced to Involuntarily Pay Which Support Everything Our Incompetent Staff Undertake is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

Nov 9, 2022 IVGID Board Meeting, Agenda Item E(7) - Effluent Storage Tank and Partial Effluent Pipeline Replacement Projects

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>, <sellingtahoe@sbcglobal.net>
Subject: Nov 9, 2022 IVGID Board Meeting, Agenda Item E(7) - Effluent Storage Tank and Partial Effluent Pipeline Replacement Projects
Date: Nov 8, 2022 12:23 PM

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Well, well, well. As my friend DJ Khalid keeps telling each of you over and over again, "HERE'S ANOTHER ONE!"

Don't you people get it? It just never, never, never ends!

Page 6 of the most recent edition (2022/23 Annual Report) of the money losing (remember I have previously documented where \$100K of our annual Recreation Facility Fees go to pay the direct and indirect costs of publishing and distributing this propaganda rag) IVGID Quarterly Magazine (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Qrtly_Oct2022.pdf) tells us that YOU (Chairperson Callicrate) were asked "to recap some of this past year's accomplishments of the IVGID Board...and the District in general." And what did you come up with?

"It's truly unfortunate that a very small but strident chorus of the perpetually-aggrieved continue to hector and harangue our (wonderful) GM and his team (of misfits) on a daily basis because they don't like anything the District does."

Let me tell you what's REALLY unfortunate? YOU, YOU, YOU and your home girl Kendra WONG, WONG, WONG! That's right! To those of you reading this e-mail (because a copy will be attached to a written statement asked to be attached to the minutes of the upcoming meeting), understand what these totally incompetent people have done to each of us.

Before I begin, let me call your attention page 13 of the most recent edition of the IVGID Quarterly Magazine. This is where our Public Works Director, Brad Underwood, tells us that his goals include "continued efforts to complete design and begin construction of...two key projects being the Effluent Pipeline and the Effluent Storage Tank."

Let's go down memory lane, shall we?

In 2012 the public was made aware of the need to replace phase 2 of the aging and deteriorating effluent pipeline. A cost estimate of \$23 million was prepared by a consultant and rather than expeditiously moving forward with the project, STUPID trustees including big mouths Joe Wolfe and Bruce Simonian elected to increase our annual sewer fees by \$2 million to pay for this project as we went, rather than via bonding. Then instead of segregating these monies and committing them to the project represented, GM Pinkerton used the same for other "vital" projects. Like allegedly lining the current effluent storage pond, and making \$1.5 million or more of repairs to the very same portions of the pipeline scheduled to be replaced as part of Phase 2. By the time Trustee Schmitz was elected to the IVGID Board, our wonderful staff had blown close to \$6 million of these monies putting the community even farther behind the effluent pipeline replacement curve.

And then we started learning that the estimated \$23 million was going to be a whole lot more! We learned that lining of the current effluent pond was not a feasible solution, And that almost \$7 million would be required to construct a new storage tank instead. And that the cost of Phase 2 of the effluent pipeline replacement project, was likely to double!

And how did Chair Callicrate and former Chair Kendra Wong respond? Let's buy the Parasol Building. Let's partner with the Tahoe Transportation District to pay for relocation of the pipeline underneath the multi-use pathway leading to Sand Harbor and beyond. Let's spend \$2.5 million or more chasing the pipedream of a dedicated dog park on U.S. Forest Service lands across from Pet Network. Let's become the Duffields' lap dog by approving expansion of the Rec Center to fit their personal needs (a dedicated girls' gymnastics gymnasium, and a Boy's and Girl's Club so that members could call a portion of the Rec Center their "home"). In other words, essentially EVERYTHING OTHER THAN our two most important capital projects; creating a short term storage facility for treated effluent, and replacing Phase 2 of the effluent pipeline. Thank you for your incredible lack of foresight Timmy and Kendra!

And it's not just Timmy and Kendra. Who was on the Board 12 years ago prior to the election of these two incompetents? Big mouths Joe Wolfe, Bruce Simonian and Peter Morris! Thanks to each of you for your LACK OF COMPETENT SERVICE!

So in the Board packet for this upcoming meeting we see there is an "update" insofar as these two vital projects are concerned. And what are we told?

1. That the preliminary cost estimate for the replacement portion of the effluent pipeline (Phase 2) has now increased to \$66.7 million (see page 079 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/E.7_-_Effluent_Pipeline_Tank_and_Effluent_Pipeline_-_Report.pdf); and,
2. That upgrades to/replacement of the effluent storage pond is concerned, which is a pre-requisite to pipeline replacement, has now increased to \$6.8 million (see page 077 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/E.7_-_Effluent_Pipeline_Tank_and_Effluent_Pipeline_-_Report.pdf) - maybe (because this number is predicated upon \$522K in cost savings anticipated for Tahoe Regional Planning Agency (TRPA) coverage fees following preliminary discussions with TRPA staff). Right!

That's \$73.5 million combined according to our wonderful staff! And I'm betting that when everything is said and done (i.e., such as the legal fees to prepare a bond for public offering, payments to underwriting to issue/service one or more bonds, the inability to come up with realistic cost estimates, etc.), the REAL cost is going to come in at close to \$100 million! Think about it for a moment. \$100 million! More than all the bonding the District has issued in its 50 year plus history! Where is the money going to come from?

Your stupid staff continue to advance the narrative that somehow, sometime we're going to get USACE 595 Grant Funds for the project. This narrative has been going on for at least a decade and it's an absolute pipedream. And each of you knows this. Staff even admits that funds in the 595 Program have not been identified and at best, it is uncertain whether funds will be available for construction in the 2023 construction season. So why do we hold out hope?

And your stupid staff continue to advance the narrative that somehow, sometime, we're going to get low cost Nevada State Revolving Funds to pay for this massive project. But given staff admit that SRF staff have advised we should "carefully consider the amount of the loan (i.e. conservative cost estimate) as they are seeing high cost increases on projects currently funded by the SRF program," anything near \$73.5 million is another staff fantasy! And each of you knows this.

What about lobbyist Marcus Faust? He has produced NOTHING in at least the last 12 years. Bill Horn told me the year he retired that he was giving Mr. Faust one more year to produce something tangible and if he didn't, the District would not be renewing its contract with Mr. Faust. So have we renewed? What another absolute waste.

Well am I part of the "perpetually-aggrieved (who)...hector and harangue our (wonderful) GM, and his team (of misfits) on a daily basis because (we) don't like anything the District does?" You bet!

Is what Timmy, Kendra and staff's team of misfits does insofar as the pipeline is concerned something I don't like? You bet!

Am I in any manner the cause of the dire events staff now suggest insofar as these two vital projects are concerned? Absolutely not!

In fact if our Board and staff had listened to me and others rather than spewing their propaganda, we wouldn't be in the financial mess we're in! And at the end of the day, whose going to pay for their incompetence? You and me!

On one hand I say great! You people deserve what you're going to get because of what you proponents of incompetence have done in electing these people. But on the other, what about the rest of us? We didn't cause these events. We didn't believe these trustees and staff. We didn't vote for either. So how come we're getting stuck with paying for the transgressions of these people?

I don't want to hear "it's water under the bridge" Indra and Michaela. I don't want to hear the many excuses our vaunted staff have come up with that are included in the staff memo in support of this agenda item. I don't want to hear excuses by former employees Brad Johnson and Joe Pomroy who directly contributed to the mess we're in. I don't want resident Charlie Miller to open his mouth on this issue because as one of Brad's and Joe's "do as I say" soldiers, he is nearly as much to blame as them. I don't want to hear from local bootlicker resident Miles Reiner who's only come to the party lately and doesn't know the history that the rest of us know (he may think he knows many things about many subjects but I can assure you he doesn't know squat about this one). I don't want to hear from Gail Krolick who never met an IVGID employee who wasn't professional, competent and eager to assure her that everything was and is hunky-dory. Again I've demonstrated that essentially none of our staff has demonstrated competence. I don't want to hear from Dave Noble who is really "sleepless in Incline." He just doesn't realize it yet. I don't want to hear from big mouths Joe Wolfe, Bruce Simonian or Peter Morris. The true scourge of our community and persons directly responsible for the mess we're in.

The facts are clear there is only one viable course of action. And it's called DISSOLVE IVGID! I resent the fact that you people are forcing we the innocent to cover up your incompetence. You people made your beds. Now sleep in them!

Now before you scoff at my suggestion, please consider the following:

1. NRS 318.080(6) instructs that "the board of county commissioners...may remove any trustee...for cause shown." Have I not presented evidence that cause exists for all of our trustees to be removed? Because if/when this takes place, "the board of county commissioners...may be...(the) *ex officio*...board of trustees of any district" [see NRS 318.0953(2)].
2. NRS 318.09535(6) instructs that "the local district managing board may be dissolved by the board of county commissioners...whenever the board of county commissioners determines...(b) The services of the district can be more effectively performed by another district. organized or reorganized pursuant to this chapter." Have I not presented evidence that the sewer services the District furnishes can be more effectively performed by a reorganized or no District?
3. NRS 318.490(1) instructs that "whenever a majority of the members of the board of county commissioners of any county deem it to be in the best interests of the county and of the district that the district be...dissolved, or if the board of trustees of a district...agrees to such a...dissolution, the board of county commissioners shall so determine...that...(b) the services of the district...can be more effectively performed by an(other) existing unit of government." Have I not presented evidence that the services the District furnishes can be more effectively performed by another existing unit of government (i.e., the county)?

So there you go.

I ask that at least one Board member request placement of an agenda item on the next Board meeting considering the issue of District dissolution. Please don't talk to me about how competent our staff is and it's not their fault. The fact of the matter is that there is no competence, and there will never be any. Wake up and smell the coffee Mrs. Bueller. This experiment in abdicating responsibility to non-elected staff with an agenda which is at odds with the public and local parcel/dwelling unit owners they were hired to serve, IS OVER!

Respectfully, Aaron Katz

**WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN
MINUTES OF THE IVGID BOARD'S REGULAR NOVEMBER 9, 2022 MEETING –
AGENDA ITEM C – PUBLIC COMMENT – EVIDENCE OF STAFF “PAY BACK”
TO ONE OF ITS OWN IN THE FORM OF PROMOTION TO A NON-EXISTENT
POSITION AND A MASSIVE INCREASE IN SALARY AND BENEFITS**

Well “here’s another one” according to my friend DJ Khalid!

Introduction: I keep telling you that the District is not being properly managed¹ and as a consequence, the facilities and services it furnishes can be more effectively provided by another district² or the County. Or more preferably, IVGID should simply be dissolved². This type of incompetence which takes place over and over and over again, demonstrates that the District is no longer necessary and should be dissolved. And that’s the purpose of this written statement.

Did You Realize We Now Have a New Directorship Position? It’s called “Director of Administrative Services.”³ Do you know what it pays? Given it is a pay grade “40,”³ between \$169,201-\$197,401 annually⁴? Do you realize who’s IVGID’s first Director of Admin Services? Susan Herron⁵. Do you realize what duties our Director of Admin Services performs?

¹ NRS 318.515(1)(a) and 318.515(3)(a)-(d) instruct that “upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners of the county in which the district is located shall hold a hearing to consider...(a) adopt(ion of) an ordinance constituting the board of county commissioners, *ex officio*, as the board of trustees of the district; (b) adopt(ion of) an ordinance providing for the merger, consolidation or dissolution of the district...(c) fil(ing) a petition in...district court for the...appointment of a receiver for the district; or, (d) determin(ing) by resolution that management and organization of the district...remain unchanged.”

² NRS 318.490(1)-(2) instruct that “whenever a majority of the members of the board of county commissioners...deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution...agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, (that)...(b) the services of the district are no longer needed or can be more effectively performed by an existing unit of government (or)...that the district should be dissolved, merged or consolidated.”

³ See the second job listing at page 051 of the current fiscal year’s (2022-23) Budget [go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/G.1._-_Budgets_FY22.23.pdf (“the 2022-23 Budget”)].

⁴ See page 055 of the 2022-23 Budget.

“As the Director of Administrative Services, I will be working very closely with the District’s General Manager on a variety of (unidentified) tasks. We have had conversations about our goals and we are working to formalize them, so stay tuned.”

In other words, “STAY TUNED!”

Although This Position Used to be Called “the District Clerk’s Office,” the District Clerk’s Office Continues and its New Employee is Melissa Robertson⁵:

So Why Do We Need a New Admin Services Director Position?

Whose Possible Taxks Are the Subject of Nothing More Than “Conversations?”

And One That Pays an Additional \$169,201-\$109,401 Annually?

And Name For Me Another Public Agency Which Maintains Such an Employee Position:
Because I’m aware of *NONE!*

Are you Starting to Smell a Couple of Rats Here?

My E-Mails of November 2 and 3, 2022: For these very reasons, on November 2, 2022 I sent the IVGID Board an e-mail alerting members to the same, and asking, in part, why the creation of this position was necessary⁶?

The next day I sent the IVGID Board an e-mail providing additional evidence of the lack of need for this position and that it really represents “pay back” to Ms. Herron for the years of covering our GM’s behind⁷.

My November 3, 2022 Public Records Request: So do I believe anything that comes out of Ms. Herron’s mouth? Of course not! Do I believe IVGID staff volunteer financial transparency so the public will not have to make public records request after request? Of course not! So how does the public learn the truth? By making 165 annual formal public records requests⁵. And that’s exactly what I have done⁸.

⁵ See page 38 of the current edition (2022/23 Annual Report) of the IVGID Quarterly (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Qrtly_Oct2022.pdf). For the reader’s easier reference, this page is attached as Exhibit “A” to this written statement.

⁶ This e-mail is attached as Exhibit “B” to this written statement.

⁷ This e-mail is attached as Exhibit “C” to this written statement.

⁸ The reader is directed to my public records request of November 3, 2022. This request is attached as Exhibit “D” to this written statement.

The reader will see where I have asked to examine the particulars of this new Director of Admin Services position. Let's discover the fabricated reasons for creating such a position; shall we? I predict staff will ask for more time to allegedly locate/produce the requested records because it needs time TO FABRICATE THEM! After all, at this stage they can't possibly exist. Because Ms. Herron and our GM are only talking "about (thei)r goals and we are working to formalize them, so stay tuned." Right?

Conclusion: What we have here ladies and gentlemen, is "pay back." Pay back to Ms. Herron because she has gone out of her way to cover her boss' (GM Winquest's) back. But since she is nothing more than an admin ass't, what kind of promotion can Indra offer in the admin field? Since there is none anywhere else, let's create one. And voila, here it is!

And let's created an enhanced compensation schedule to go along with the new position. Voila again!

And how is Indra able to do this without Board approval? Resolution 1480⁹ whereby the Board has abdicated away on behalf of the IVGID Board, all responsibility for creating and compensating our valued employees.

And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees Which Pay For This Garbage Local Parcel Owners Are Forced to Involuntarily Pay is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

⁹ Go to https://www.yourtahoepace.com/uploads/pdf-ivgid/IVGID_PolicyAndProcedure105_Resolution1480.pdf.

EXHIBIT "A"

COMMUNICATIONS & MARKETING

Below are a selection of reviews and testimonials about Diamond Peak and the Incline Village Golf Courses during the 2021-22 fiscal year:

- "The Mountain vaults to the top of the list when it comes to the best short courses in the country. At the whim of a playing partner, we played a three-club challenge. I was able to negotiate all the hills, creeks and tight, tree-lined corridors with one ball. It was great fun. It took the seriousness out of the game. Whether you want to have fun or give your short game a serious workout, this is the place. It's scenic and challenging. Well worth your time and money."
- JasonDeeganGA (Golf Advisor, 4 stars)
- "Course is in excellent shape. Greens are true and speed was very consistent. AND we

played with two members that were super fun and excellent help in knowing where to hit and in reading greens."

- Championship Course Survey Taker

- "Loved skiing at Diamond Peak this past week, great resident rate at \$25 a day. As someone who was getting back into skiing after 10+ years, the resort was big and also not too crowded during the week. Everyone that worked there was super nice and the cafeteria had quite a few options. My husband does blue/black runs and grew up at this resort and had a great time as well. It definitely has a hometown feel and I love that." - Lindsey H. (Google 5 stars)
- "Jeff and Bobbi at the ticket office have been friendly and welcoming to us as new residents. As has the young lady whose name I don't

remember who helped me with my locker yesterday. And the women's ski class and the 55 class we both do are well run and happily cost effective. So thank you!"

- Diamond Peak Survey Response

Stay in the loop: Residents looking to stay in the know about everything happening at our District venues are encouraged to follow District social media accounts, subscribe to our email newsletters and make sure your current email is on file with the Rec Counter. We also love sharing your photos and testimonials so feel free to tag us on social media or email to marketing@ivgid.org.

Paul Raymore

Paul Raymore,
Marketing Manager

ADMINISTRATIVE SERVICES

ADMINISTRATIVE SERVICES SUSAN HERRON

The Administrative Services department - formerly called the District Clerk's office - has seen some changes recently. In September, we welcomed Melissa Robertson as our new District Clerk, and I moved into the position of Director of Administrative Services.

Melissa will be taking care of all aspects of Board meeting management and eventually she will transition over to handling public records. Melissa comes to IVGID with a ton of background in meeting management having been in the HOA field for a number of years. Melissa enjoys traveling and spending time with her family and friends. She is settling in nicely and is enjoying getting to know all the wonderful people who work here at IVGID.

As the Director of Administrative Services, I will be working very closely with the District's General Manager on a variety of tasks. We have had conversations about our goals and we are working to formalize them, so stay tuned.

ACCOMPLISHMENTS

This past fiscal year our department serviced 165 public records requests - an average of just over three requests per week. While that may not seem like a lot, a typical organization in a neighboring community serviced four requests all year.

In addition to servicing requests for information from our community, our department works to ensure that the yourtahoepace.com website is loaded with information on the District's operations, policies and

procedures, ongoing capital improvement projects, Board of Trustees meeting agendas and packets, budget details, and other relevant information that is available any time. Those who wish to receive our Board meeting agendas via email in advance of each meeting can send an email to info@ivgid.org with "agenda" as the subject line.

COMMUNITY IMPACT

I will still maintain my Notary Stamp so that I can continue to provide that vital service to our community members and Staff on a by-appointment basis.

Another service our department provides is to issue Washoe County marriage licenses. Two of us in the Administrative offices are Deputy County Clerks, and we have the authority to work with our partners in Reno to issue marriage licenses here in Incline Village on a by-appointment basis.

Both of these services improve the community by allowing individuals to save a trip over the Mt. Rose highway or down into Carson City to find the required services.

LOOKING AHEAD

We will continue to provide these services on an appointment basis, and be of help/service to those in need.

Susan Herron

Susan Herron,
Director of Administrative Services



EXHIBIT "B"

Another Example of Everything That's Wrong here! Ms Herron is Now a Director of Admin Services and Her Basic Salary Has Increased by 0% or More!

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>, <sellingtahoe@sbcglobal.net>
Subject: Another Example of Everything That's Wrong here! Ms Herron is Now a Director of Admin Services and Her Basic Salary Has Increased by 0% or More!
Date: Nov 2, 2022 1:25 PM

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

Well, well, well, as my friend DJ Khalid testifies, "here's another one." It just never, never ends. And you Michaela, Tim and Kendra as the public's watchdogs, YOU STINK!

But don't worry. The Calvary is coming! I'm certain that slobbering trustee candidates Krolick and Noble will get to the bottom of the travesty I depict below which ultimately comes at local parcel owners' expense.

So let's start by examining the 2021-22 Admin personnel budget assigned to our General Fund (schedule B-10 at). The employees assigned to this category are a: 1) Director of Human Resources; 2) Sr. Human Resources Analyst/Risk Management; 3) Human Resources Analyst; 4) Payroll/Benefits Coordinator; 5) Receptionist/Sr. Administrative Clerk (go to page 92 at ((https://www.yourtaohoeplace.com/uploads/pdf-ivgid/H.1._Budgets.pdf (https://www.yourtaohoeplace.com/uploads/pdf-ivgid/Final_Budget_State_Form_4404LGF_06.09.21.pdf))). And how much was budgeted for salaries and benefits? \$54,487. Even if we add the \$295,671 in salaries and \$128,958 in benefits assigned to the GM (over half of which is assigned to Indra), and the \$128,112 in salaries and \$39,380 in benefits assigned to you trustees (roughly half of which is assigned to Board members), we end up with a total of \$646,608.

Now let's compare the above to the 2022-23 Admin personnel budget assigned to our General Fund (again schedule B-10 at). The employees assigned to this category are UNdiscernible because no longer are they grouped collectively under General Fund Admin. Notwithstanding, there is a: 1) Director of Administrative Services; 2) Director of Human Resources; 3) Sr. Human Resources Analyst/Risk Management; 4) HR/Payroll Analyst; 5) Payroll/Benefits Coordinator; 6) Receptionist/Sr. Administrative Clerk (go to pages 051-054 at https://www.yourtaohoeplace.com/uploads/pdf-ivgid/G.1._Budgets_FY22.23.pdf). And how much was budgeted for salaries and benefits? \$86,601. Even if we add the \$428,796 in salaries and \$203,528 in benefits assigned to the GM (over half of which is assigned to Indra), and the \$93,582 in salaries and \$33,896 in benefits assigned to you trustees (roughly half of which is assigned to Board members), we end up with a total of \$846,403.

If we compare 2022-23 to 2021-22 General Fund Admin personnel costs, we see they have increased by nearly \$200,000 (\$199,795 to be exact) or nearly 31%. In a single year! And why?

Because now we have a "Director of Administrative Services!" And who is this employee? Susan Herron!

Let's return to page 051 at . What is the pay category for District Clerk (Ms. Herron's old job title)? 33. What is the pay category for Director of Administrative Services (Ms. Herron's new job title)? 40. What is the difference in salary ranges? 055 at ((https://www.yourtaohoeplace.com/uploads/pdf-ivgid/G.1._Budgets_FY22.23.pdf (https://www.yourtaohoeplace.com/uploads/pdf-ivgid/G.1._Budgets_FY22.23.pdf))) provides the answer. Between \$120,245-\$140,286 annually for a category 33 employee. And between \$169,201-\$197,401 annually for a category 40 employee.

Now go to page 118 at https://www.yourtaohoeplace.com/uploads/pdf-ivgid/G.1._Budgets_FY22.23.pdf under "FY 2022-23 Budget Highlights Staffing – The FY22/23 budget reflects an increase in full-time equivalent

positions related to: Reclassification of the District Clerk position to new Director of Administrative Services, and Increasing the Deputy District Clerk position to full-time District Clerk position (0.4 FTE)."

So there you go! Based upon the discretion you as a Board have given to Indra, he justified this empowerment by sneaking in the addition of a new, wasteful, over compensated position (Director of Administrative Services) for his buddy Susan Herron! And at a base salary of between \$169K-\$197K annually no less! A substantial increase from roughly the \$100K annually she was being paid before!

I and others have called for Ms Herron's termination as an IVGID employee how many times before? Didn't she cost of \$237K in just the Mark Smith litigation? How much more in Public Records Act violations which haven't resulted in actual litigation? How much has she cost us in OML violations? What does an ethical public agency do with an employee like this? Here in IVGIDville, we give her a promotion and increase in salary/benefits. And that's exactly what has happened here...Again. Thank you for your service.

I don't know of any other public agency administrative ass't who has been elevated to the position of "director." Do you? I don't know of any other public agency which pays its admin ass't between \$169K-\$197K annually. Do you? Maybe People Soft or Oracle. But a public agency?

Don't you get it Board members? This happens NO PLACE other than here. And it's not warranted Gail Krolick. Do you pay your admin ass't over \$200K annually in salary and benefits? I'm guessing not. So why is it appropriate here? We're the equivalent of a limited purpose mosquito district. And why did Indra have to sneak this change through as he did with the latest budget?

Hey Gail and Dave Noble. Where's the money going to come from for the enhanced over spending like this? And where's the projected \$50M in new bonding the two of you want so you can bring all of these wasteful capital projects that the majority of us don't want and definitely don't want to pay for to completion? Get ready for a massive increase in the Rec Fee; your only possible funding source. How savvy!

But what do I know? I'm not the one doing the wasteful overspending. Respectfully, Aaron Katz

EXHIBIT "C"

Another Example of Everything That's Wrong here! Ms Herron is Now a Director of Admin Services and Her Basic Salary Has Increased by 0% or More! P.S. - But Wait There's More!

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>, <sellingtahoe@sbcglobal.net>
Subject: Another Example of Everything That's Wrong here! Ms Herron is Now a Director of Admin Services and Her Basic Salary Has Increased by 0% or More! P.S. - But Wait There's More!
Date: Nov 3, 2022 5:47 PM

Chairperson Callicrate and Other Honorable Members of the IVGID Board -

After my e-mail of November 2, 2022 on this very subject, I had the displeasure of picking up my mail and examining the latest edition (2021/22 Annual Report) of the IVGID Quarterly Magazine which had been mailed to Judy and me. Page 38 includes an half page propaganda piece authored by our new Director of Admin Services...Susan Herron. The same person who was the subject of the propaganda piece referenced above. So I thought there I would learn the reasons for creating her meaningless, wasteful and wasteful position. And guess what? I did. Really. You don't know what you're going to do Ms Herron? You've had nothing more than "conversations" with Indra? And yet you've determined a new \$170K position is required? Are you for real? And there's another revealing fact in Ms Herron's piece I would like to bring to the Board's attention. Announcement of the District's new clerk; Melissa Robertson. "Melissa comes to IVGID with a ton of background...having been in the HOA field for a number of years." Really?How about hiring someone with a ton of experience in WORKING FOR A PUBLIC AGENCY? This continues to be another one of the District's major problems. Staff don't realize what it means to be working for a public agency. So let's hire more and more employees who are clueless. And let's fail to adequately train them so they understand the differences between a public agency and a private HOA. And because we don't, we're surprised when we learn down the road that staff have acted improperly because they think the District is only quasi public? Give me a break.

More evidence that the real reason for creation of this new position is "pay back." To Ms. Herron for having Indra's "back." Hey Indra. I thought Ms Herron was retiring soon. This doesn't sound like retirement to me. How about you?

Respectfully, Aaron Katz

EXHIBIT "D"

Records Request - Job Duties for IVGID Director of Admin Services - Function of Admin Services Department

From: <s4s@ix.netcom.com>
To: Herron Susan <Susan_Herron@ivgid.org>
Subject: Records Request - Job Duties for IVGID Director of Admin Services - Function of Admin Services Department
Date: Nov 3, 2022 11:02 AM

Hello Ms. Herron -

Two records requests I would like to examine are:

1. The District's job description for the position of Director of Admin Services;
2. The Function of the District's Admin Services Department;
3. The positions included in the District's Admin Services Department;
4. The District's chart of account number assigned to the District's Admin Services Department;
5. The District's job description for the revised position of Clerk;
6. The positions included under the "Clerk" Department;
7. The District's chart of account number assigned to the District's "Clerk" Department.

If I haven't adequately framed my requests because of the perceived distinctions between Admin Services and Clerk, I expect you to assist in recommending changes to my requests in order to secure access to the records requested.

Thank you for your cooperation. Aaron Katz

WRITTEN STATEMENT TO BE ATTACHED TO AND MADE A PART OF THE WRITTEN MINUTES OF THE IVGID BOARD'S REGULAR NOVEMBER 9, 2022 MEETING – PUBLIC COMMENTS – MORE EVIDENCE OUR IVGID WATER BILLS ARE GROSSLY UNFAIR BECAUSE NOTWITHSTANDING IVGID AND ITS COLLABORATORS USE 70% OR MORE OF ALL ANNUAL WATER USE IN INCLINE VILLAGE/CRYSTAL BAY, THEY DON'T PAY ANYWHERE NEAR 70% OF THE COSTS THE PUBLIC INCURS TO MAKE THIS WATER AVAILABLE FOR THEIR COMMERCIAL USE

Well “here’s another one” according to my friend DJ Khalid!

I keep telling you that our IVGID water and sewer bills are grossly unfair because they discriminate against residential customers in that IVGID’s commercial businesses and their favored collaborators’ usage is the subject of preferential rates. And now I have additional evidence which is the purpose of this written statement.

IVGID’s August 2022 Public Works Newsletter Admission: Did you receive this newsletter along with your August 2022 utility billing? For those of you who may have thrown it away, I have attached it as Exhibit “A” to this written statement. Note the admission next to the asterisk I have placed on the first page:

“Almost 70% of the annual water use for Incline Village and Crystal Bay is for irrigation” purposes.

Can this be true? If so, staff is admitting that IVGID uses nearly all of this water for irrigation purposes! Think about it for a moment. Who irrigates the landscaping at our two golf courses? What about Incline Park which is used for no cost as the Middle School’s athletic fields? What about Preston Field? What about the Village Green? What about the ball fields adjacent to Incline Park? What about the landscaping at Burnt Cedar and Incline Beaches? What about snowmaking at Diamond Peak? Other than the residential water customer, what other IVGID water customer irrigates such a large amount of landscaping? I can’t think of anyone other than the lower athletic field¹ at Incline High School. Can you?

According to Our Utility Rate Consultant², Systemwide, the District Uses in Excess of 1 Billion Gallons of Water Annually: And of this amount, the District uses nearly 185 million gallons annually

¹ I believe the upper one has had artificial turf installed.

² Did you know we hired a high cost consultant (HDR Engineering) at the beginning of the year to conduct a utility rate study? You can read that study at pages 030-119 of the packet of materials prepared by staff in anticipation of the Board’s April 27, 2022 Board packet [“the 4/27/2022 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/Packet_Regular_-_04-27-22.pdf)].

or 17.3% of all District water usage (not just for irrigation purposes). Below is a spreadsheet of water usage by customer class which comes directly from the utility rate study:

FY 2021 Budgeted (By Customer Class) Water Consumption³ (Per 1,000 Gallons)		
Residential	282,659	
Tier One Excess	158,747	
Tier Two Excess	58,581	
Total Residential	499,987	46.78%
Multi-Family	260,185	24.34%
Commercial	73,639	6.89%
IVGID Commercial	5,394	
Irrigation	50,161	4.69%
IVGID Irrigation	121,590	
IVGID Snowmaking	57,854	
Total IVGID	184,838	17.30%
Totals		
	1,068,810	

According to Our Utility Rate Consultant², the District Expects to Charge its Water Customers in Excess of \$5.131 Million in FY 2023 Rates, Tolls and Charges: And of this amount, the District proposes paying \$369,717, or 7.2% of all proposed revenues. Below is a spreadsheet of proposed water revenue by customer class which again, comes directly from the utility rate study:

FY 2023 Budgeted (By Customer Class) Water Use Revenues⁴		
Residential	\$ 2,429,076	47.34%
Multi-Family	\$ 1,799,909	35.08%
Commercial	\$ 355,041	6.92%
IVGID Commercial	\$ 39,799	
Irrigation	\$ 177,882	3.46%
IVGID Irrigation	\$ 219,568	
IVGID Snowmaking	\$ 110,350	
Total IVGID	\$ 369,717	7.20%
Totals		
	\$ 5,131,625	

³ See page 053 of the 4/27/2022 Board packet.

⁴ See page 058 of the 4/27/2022 Board packet.

According to Our Utility Rate Consultant², the District Has Budgeted to Charge its Residential Water Customers More Than \$266,000 in Excess Water Rates, Tolls and Charges: In contrast, the District proposes paying essentially *nothing* in excess water charges. Below is a spreadsheet of water use which again, comes directly from the study:

FY 2021 Budgeted (By Customer Class) Excess Water Use Revenue		
Residential ⁵		
Tier One Excess	\$ 151,188	78.22%
Tier Two Excess	\$ 55,792	76.72%
Multi-Family ⁴		
Tier One Excess	\$ 10,124	5.24%
Tier Two Excess	\$ 6,195	8.52%
Commercial ⁶		
Tier One Excess	\$ 17,284	8.94%
Tier Two Excess	\$ 688	0.10%
IVGID Commercial ⁷		
Tier One Excess	\$ 548	
Tier Two Excess	\$ 0	0.00%
Irrigation ⁸		
Tier One Excess	\$ 14,045	7.26%
Tier Two Excess	\$ 10,046	13.82%
IVGID Irrigation ⁹		
Tier One Excess	\$ 108	
Tier Two Excess	\$ 0	0.00%
IVGID Snowmaking ⁸		
Tier One Excess	\$ 0	0.00%
Tier Two Excess	\$ 0	0.00%
Total IVGID		
Tier One Excess	\$ 656	0.34%
Tier Two Excess	\$ 0	0.00%
Totals		
Tier One Excess	\$ 193,298	
Tier Two Excess	\$ 72,721	

⁵ See page 048 of the 4/27/2022 Board packet.

⁶ See page 049 of the 4/27/2022 Board packet.

⁷ See page 051 of the 4/27/2022 Board packet.

⁸ See page 050 of the 4/27/2022 Board packet.

⁹ See page 052 of the 4/27/2022 Board packet.

According to Our Utility Rate Consultant², the District Consumes in Excess of a Billion Gallons of Water Annually: Below is a spreadsheet of water use and revenues, by customer class, which again, comes directly from the study:

FY 2021 Budgeted (By Customer Class) Water Consumption¹⁰ (Per 1,000 Gallons) Plus Annual Revenues		
Residential	282,659	
Tier One Excess	158,747	
Tier Two Excess	58,581	
Total Residential	499,987	
Total Residential Revenues		\$ 2,429,076
Multi-Family ¹¹	260,185	
Total Multi-Family Revenues		\$ 1,799,909
Median Customer	36,000	
Median Customer Revenues ¹²		\$ 441
Commercial	73,639	
Total Commercial Revenues		\$ 354,852
IVGID Commercial	5,394	
IVGID Commercial Revenues		\$ 39,799
Irrigation	50,161	
Total Irrigation Revenues		\$ 177,834
IVGID Irrigation	121,590	
IVGID Irrigation Revenues		\$ 219,568
IVGID Snowmaking	57,854	
IVGID Snowmaking Revenues		\$ 110,350
Total IVGID	184,838	
Total IVGID Revenues		\$ 369,717
Totals	1,068,810	

¹⁰ See page 053 of the packet of materials prepared by staff in anticipation of the Board's April 27, 2022 Board packet ["the 4/27/2022 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/Packet_Regular_-_04-27-22.pdf)].

¹¹ There are approximately 4,700 multi-family water customers who do not receive individual water bills as do residential customers, because they are typically part of an homeowners' association which is treated as a single water "account for billing purposes. This puts the total number of District water customers at closer to 9,000, and the median (rather than average) monthly water consumption/water customer at closer to 3,000 gallons.

¹² See page 041 of the 4/27/2022 Board packet.

Below is a spreadsheet of just FY 2021 water revenues, by customer class, which again, comes directly from the study:

FY 2021 Budgeted (By Customer Class) Water Revenues¹³		
Residential	\$ 2,427,652	47.34%
Multi-Family	\$ 1,798,519	35.07%
Commercial	\$ 354,852	6.91%
IVGID Commercial	\$ 39,760	
Irrigation	\$ 177,834	3.47%
IVGID Irrigation	\$ 219,561	
IVGID Snowmaking	\$ 110,350	
Total IVGID	\$ 369,671	7.21%
Totals	\$ 5,128,528	

One of the Major Explanations For the Disparity Between Residential and District Water Revenues is the District’s Adoption of a Special “Public Service Recreation” Exemption For Itself: That’s right! ¶2.40 of our Water Ordinance No. 4¹⁴ states that:

“Accounts where the primary irrigation water use is for outdoor parks and recreation accessible to the public...are not subject to excess water charges as defined in the current Schedule of Service Charges. These include parks and recreation facilities, golf courses, snowmaking, and school playgrounds and fields.”

Insofar as the rest of us are concerned, ¶2.24 of our Water Ordinance No. 4¹⁴ imposes excess water charges which are described as:

“That portion of the monthly billing to (allegedly) pay excess costs of supplying water above baseline amounts.”

Excess amounts for customers are calculated in two steps:

“Tier 1 determines the cost for all water used greater than the gallon threshold set in the current Schedule of Service Charges multiplied by the capacity adjustment factor. Tier 2 determines the cost for all water used greater than the gallon threshold set in the current Schedule of Service Charges multiplied by the capacity adjustment factor.”

¹³ See page 033 of the 4/27/2022 Board packet.

¹⁴ Go to https://www.yourtahoepplace.com/uploads/pdf-ivgid/Ordinance_4_-_04102019_Resolution_1867.pdf.

So the residential water customer consumes 20,000 gallons in a monthly billing period and the cost of his/her excess use increases 60% (from \$1.55 to \$2.48/1,000 gallons¹²). And he/she consumes 60,000 gallons in a monthly billing period and the cost of his/her excess use increases 246% (from \$1.55 to \$3.82/1,000 gallons¹²). Yet the District consumes nearly 30 million gallons of water just for snowmaking in November¹⁵, and over 24.5 million gallons of water just for irrigation in July¹⁶, and somehow there is no excess cost for supplying water to the District? *Come on!*

So the District has created a preferential and discriminatory water rate provision for itself and its favorite collaborators to the prejudice of residential customers. Below is a spreadsheet of excess water revenues, by customer class, which again, comes directly from the study:

FY 2021 Budgeted (By Customer Class) Excess Water Revenues¹⁷		
Residential	\$ 206,980	77.81%
Multi-Family	\$ 16,319	6.14%
Commercial	\$ 17,972	6.76%
IVGID Commercial	\$ 548	
Irrigation	\$ 24,091	9.06%
IVGID Irrigation	\$ 108	
IVGID Snowmaking	\$ 0	
Total IVGID	\$ 656	.025%
Totals	\$ 266,018	

If the “Public Service Recreation” exemption were eliminated and the District had to pay excess water charges like the rest of us, the amount of revenue required by the residential customer would be *hundreds of thousands if not millions of dollars less annually!*

Another Major Explanation For the Disparity Between Residential and District Water Revenues is the District’s Adoption of a Woefully Low Capacity Adjustment Factor (“CAF”): ¶2.12 of our Water Ordinance No. 4¹⁴ has adopted a series of CAFs based upon the diameter of a commercial customer’s water meter; the larger the water meter, the greater the monthly fixed¹⁸ and capital¹⁹ charge. Sounds fair in a vacuum, doesn’t it? Well not so when one examines the numbers assigned.

¹⁵ See page 046 of the 4/27/2022 Board packet.

¹⁶ See page 045 of the 4/27/2022 Board packet.

¹⁷ See pages 041-046 of the 4/27/2022 Board packet.

¹⁸ See ¶2.25 of Water Ordinance No. 4¹⁴: “That portion of the monthly billing to pay for fixed costs of services. For billing purposes, commercial customers will be billed this rate *multiplied by the appropriate capacity adjustment factor.*”

Let's start by examining the number of water meters, system wide, that have a diameter of 3" or greater²⁰. Out of a total of 4,266 meters²¹, there are only 24 meters with a diameter of 3" or greater²². And of the 24, 8 (33.3%) are District water meters²³! Now why is a 3" diameter water meter noteworthy? Because the CAF assigned is 10.00 times that of the residential customer's water meter. Let's jump to a 8" diameter water meter (remember, there is only one such meter system wide). The CAF assigned is 53.33 times that of the residential customer's water meter. Finally, let's jump to a 10" diameter water meter (remember, there is only one such meter system wide and it is an IVGID snow-making meter). The CAF assigned is 76.65 times that of the residential customer.

According to Our Utility Rate Consultant², the District Has 4,266 Water Accounts: Of this number, 48 or 1.12% system wide, represent District accounts. Below is a spreadsheet of water accounts by customer class which again, comes directly from the study:

FY 2021 Budgeted (By Customer Class) Water Accounts²¹ (by Meter)		
Residential	3,694	86.59%
Multi-Family	258	6.04%
Commercial	204	4.78%
IVGID Commercial	27	
Irrigation	62	1.46%
IVGID Irrigation	20	
IVGID Snowmaking	1	
Total IVGID	48	1.13%
Totals	4,266	

Although There May Be 4,266 District Water "Accounts,"²¹ There Are Between 8,058-8,992 District Water "Customers:" For years District staff used to bury data like this in the District's yearly budget booklets. But this is before people started reading those booklets, and seizing upon the

¹⁹ See ¶2.41 of Water Ordinance No. 4¹⁴: "That portion of the monthly billing to pay for capital costs of service. For billing purposes, commercial customers will be billed this rate *multiplied by the appropriate capacity adjustment factor.*"

²⁰ In contrast, residential customers are assigned a CAF of 1.

²¹ See page 047 of the 4/27/2022 Board packet.

²² 13 commercial meters (see pages 42 and 43 of the 4/27/2022 Board packet), 10 irrigation meters (see pages 43 and 45 of the 4/27/2022 Board packet), and 1 snowmaking meter (see page 46 of the 4/27/2022 Board packet).

²³ See pages 44-46 of the 4/27/2022 Board packet.

admissions staff were making. The last budget booklet I have been able to discover which includes this data is the one for fiscal year 2015-16²⁴. So the reader can see where I have gotten the data I share, page 87 of the District's 2015-16 Budget is attached as Exhibit "B" to this written statement. Listen to what it admits:

"The District reads approximately 4,450 (water and sewer) meters monthly, covering these customers: Approximate (water) users - 8,058; equivalent dwelling units ("EDUs"²⁵) - 8,992; accounts billed - 4,226."

So although District staff deceitfully given the impression there are only 4,266²¹ customers, in reality there are closer to 9,000! This is primarily because hotels, motels and homeowner associations are billed as a single "account" even though each includes many EDUs. If we separate out the EDUs serviced by each of these accounts, we see there are an additional 4,700 or more water customers, than simply the "accounts" by which they are billed.

Conclusion: The typical District median residential water customer (as opposed to account) consumes approximately 3,000 gallons of water/month²⁶, and incurs a monthly water bill of roughly \$36.75. In contrast, the District consumes over 15.4 million gallons of water/month, and incurs monthly water bills totaling roughly \$30,810. In other words, on average the District consumes 5,134 times the water the median residential water customer consumes on a monthly basis, yet pays only 838 times what the median residential water customer pays. Now does that sound fair? Shouldn't the District be paying 5,134, or even more²⁷, times the amount the median residential water customer pays? Or roughly \$188,674/month? Or approximately \$2.264 million/year?

²⁴ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf.

²⁵ "For example a single family home is one EDU."

²⁶ If you examine your monthly District utility bill, you will see where the District identifies "consumption for (the) median single family user during (the) current month." Although this number is a bit skewed because it doesn't include consumption for the 4,700 or more multi-family water customers, when everything is said and done I believe the number is closer to 3,000 gallons of water/month. Although this isn't a large number, you have to understand that according to staff, more than sixty percent (60%) of single family dwelling units are second/vacation homes. And in addition, there are a whole lot of "bluebirds" who only occupy their dwelling units during the summer months.

²⁷ I say "even more" because the infrastructure/maintenance/storage requirements to deliver this amount of water for golf course landscaping and snowmaking purposes, are legions more than what is required for the typical median residential water customer. Consider that Diamond Peak requires millions of gallons of water storage for peak snowmaking times. And to get that much water up to those storage tanks, requires a series of high volume water pumps. None of this is required for the residential water customer.

Let's assume that "70% of annual water use for Incline Village and Crystal Bay is for irrigation" as staff represents. Given total annual Incline Village and Crystal Bay water use is 1.0688 billion gallons according to our Utility Rate Consultant², nearly 750 million gallons are used for annual Incline Village and Crystal Bay irrigation and snowmaking. And given 78.2% of District water is used for District irrigation purposes, this translates into approximately 586 million gallons annually. In other words, nearly fifty-five percent (55%) of all Incline Village and Crystal Bay annual water use. And given proposed annual District water revenues total \$5,128,528, the District should be paying fifty-five percent (55%) of this number or approximately \$2.82 million.

So according to our Utility Rate Consultant², the District is paying \$369,671 for its annual water usage. Only approximately \$2.45 million short! Which coincidentally, is somewhat close to the \$2.264 million/year calculation above?

Ladies and gentlemen. Please understand that the District's discriminatory and preferential water rate schedules amount to a massive subsidy to its commercial, for profit (or in this case loss), business enterprises which cater to the world's tourists rather than we local residents. *Thank you IVGID!*

And You Wonder Why the Recreation ("RFF") and Beach ("BFF") Facility Fees, and the Water Rates, Tolls and Charges Local Parcel Owners Are Forced to Involuntarily Pay Which Support This Garbage Behavior is Out of Control? I've now provided more answers.

Respectfully, Aaron Katz (Your Community Watchdog Because Nearly No One Else Seems to be Watching).

EXHIBIT "A"

AUGUST 2022

IVGID Public works is available 24/7 to respond to Water/sewer emergencies. Call 775-832-1203.

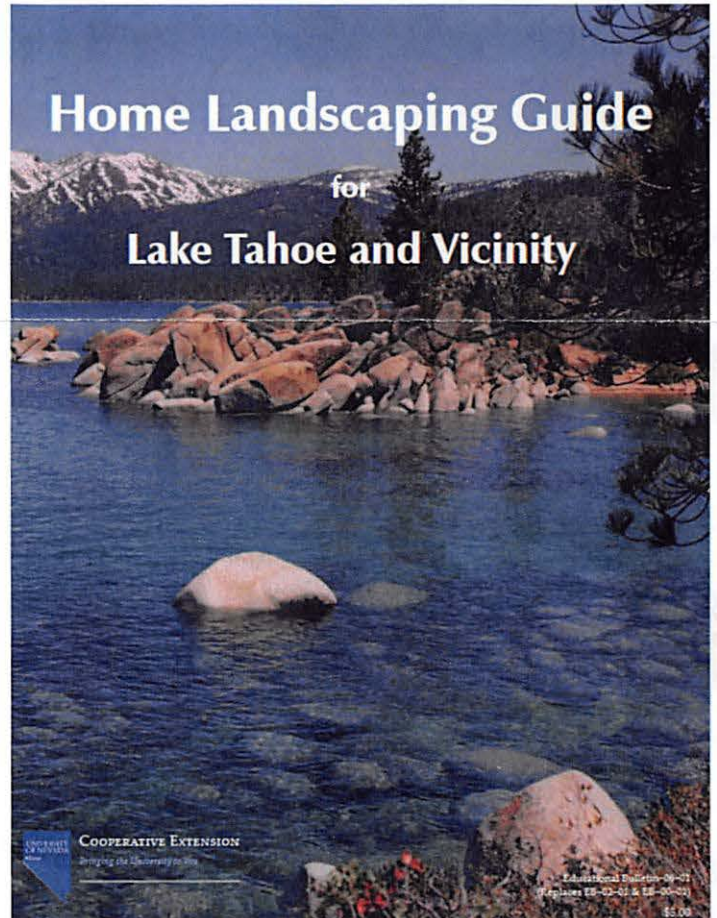
LANDSCAPE WATER USE

efficiency protects Lake Tahoe

No matter what kind of landscape you have, it is important to know exactly how much water your plants need before you turn on the sprinkler. Smart watering reduces runoff and produces healthy plants. You can maintain a beautiful and healthy yard without wasting water or money. Home-owners can save water and save money by making sure irrigation systems are properly maintained. Your landscape will typically require one inch of water a week, including rainfall, and that can vary depending on where you live, recent weather, and the plants in your landscape. Avoid watering in the middle of the day when the hot sun will evaporate much of the water before it can get to thirsty plants. Almost 70% of the annual water use for Incline Village and Crystal Bay is for irrigation. Here are a few tips:



- After you turn on the system run the entire sprinkler system, one zone at a time. Check for signs of leakage, especially for damage to sprinkler heads, backflow devices, valves or piping. You may need to clean clogged nozzles and sprinkler heads.
- Replace the controller batteries each spring and check that the controller is working. Program your irrigation timing to be heavier in late spring/early summer to encourage new growth, then reduce irrigation as plants mature in summer.
- Adjust your sprinkler heads so they water your landscape, not sidewalks or pavement. Also make sure their spray isn't blocked by plants or other materials. You may want to consider replacing old sprinkler heads with new MP Rotator style heads, which are designed for much greater efficiency.
- Set it, but don't forget it. Automatic sprinkler systems aren't completely automatic. They don't adjust themselves when it gets hotter or when it rains. Most controllers have a feature for easily adjusting your schedule.
- Also, remember to regularly check for broken or misguided sprinklers.
- The Tahoe Regional Planning Agency (TRPA) recommends the use of phosphorus-free fertilizer in order to protect our beautiful water source, Lake Tahoe. Tahoe soils have an adequate source of phosphorus. Look for a fertilizer in which the middle number, phosphorus, is 0 (i.e. 10-0-10). Choose organic fertilizer options to reduce environmental impacts to soil and water.



Lake Tahoe Home Landscaping Guide

A fabulous resource for learning about water conservation strategies is the UNR Cooperative Extension publication, *"The Home Landscaping Guide for Lake Tahoe and Vicinity"*. Hardcopies are available at the Public Works office or for free download via: <https://tahoercd.org/wp-content/uploads/2016/02/LandscapingGuide.pdf>.

IVGID Public Works' water conservation information is posted at: <https://www.yourtahoeplace.com/public-works/water/water-conservation/outdoors>. Contact IVGID Public Works for more information at 775-832-1203.



UPCOMING

GREAT SIERRA BEACH CLEANUP ON SATURDAY, SEPTEMBER 17 @ 9 AM

CHECK-IN AT THE REC CENTER: 980 INCLINE WAY

Litter pickup tools, bags, buckets, safety vests, disposable masks and gloves will be available.

Please wear sturdy shoes, work clothes, long sleeved shirt, wide brim hat and work gloves.

Dates and details are tentative and subject to change. For more information call: 775-832-1284 or email: wastenot@ivgid.org



Meet the new Public Works Administrative Manager, Diana Robb. Diana assumed management duties for Public Works' front

office in early July; transferring over from the IVGID accounting division where she served for 14+ years. Diana and her family live and work in Incline Village.



REPORT LITTER & TRASH ISSUES

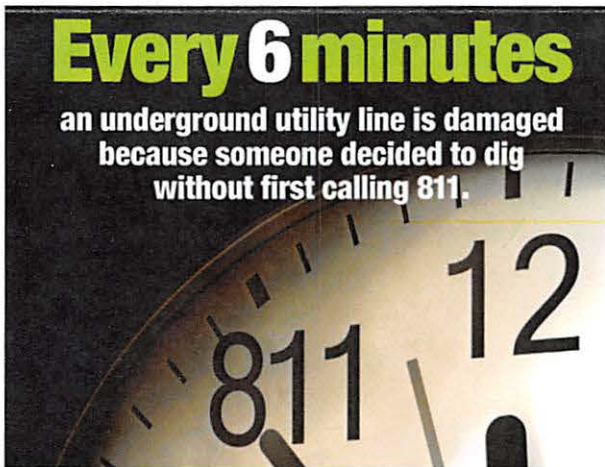
Clean Tahoe Hotline
530-544-4210
northshore@clean-tahoe.org



Tahoe Bear Box 'paddle style handles' are being opened by a yearling bear. Owners should strongly consider calling for repair or adding an extra latch.

For more information visit their website: www.bearbox.org
Phone: (530) 546-3154
Toll-Free: (877) BEAR BOX
Email: info@bearbox.org

Every 6 minutes
an underground utility line is damaged because someone decided to dig without first calling 811.




Know what's below.
Call 811 before you dig.

RESIDENTS OF INCLINE VILLAGE AND CRYSTAL BAY MAY DROP OFF HOUSEHOLD HAZARDOUS AND ELECTRONIC WASTE BY APPOINTMENT ONLY

CALL (775) 832-1284 OR GO ONLINE:

WWW.IVGIDHHW.COM




EXHIBIT "B"

EXECUTIVE SUMMARY

The Utility Fund provides water, sewer, and solid waste services to the Incline Village and Crystal Bay communities and sewer service for Nevada State Parks at Sand Harbor, Memorial Point and Spooner State Parks. The IVGID service area is substantially built-out at this point.

The water and sewer rates are based on the water and sewer budgets and are made up of three main components - fixed charges, variable charges, and capital improvement charges. This type of rate structure is called the commodity-demand method. Commodity costs vary with the quantity of water or sewer processed. Demand costs are based on providing facilities to meet the potential demand on the water and sewer system by the customer. Each major division in the water and sewer budget has a portion of fixed and variable costs and the rates are designed to fund these expenses. The capital component of rates has been the primary basis for increases, to fund the anticipated replacement of 6 miles of the effluent export pipeline.

Performance Metrics

Season/Service Period

Water and Sewer distribution and treatment is staffed and operated 24 hours every day.
Administration and customer service hours are non-holiday weekdays 8 to 4:30.
Solid Waste Services are scheduled over a variety of plans on weekdays.
Solid Waste Transfer Station is open 7 days per week.

Performance Measures

The District reads approximately 4,450 meters monthly, covering these customers:

	Water	Sewer
Approximate Users	8,058	7,966
Equivalent Dwelling Units (EDU)	8,992	8,490
Accounts Billed	4,226	4,148
Gallons Processed	1000 million	350 million

Disruption of Water Service	AWWA Median Per 1000 customers
< 4 Hours	2.5
Between 4 & 12 Hours	1.1
> 12 Hours	0.1

Water Pipeline System	AWWA Median
Renewal Rate	2.7%

Customer Service Accounts	AWWA Median
Billing Accuracy Rate	
Errors/10,000 Bills	7 per 10,000 bills

Michael Abel - Public comments 11/9/22

I was pleasantly surprised today to see that for once our chair has seen to, actually do the right thing, and has at long last asked that employee access to our beaches be terminated. Even a broken clock is correct twice a day. Unless my ears deceived me, I heard that our lame duck trustee Wong (who resides in a state of perpetual absentia) and our non-property owner trustee Tonking indicated an intent to vote against this proposal. Without boring our trustees with details on this point, I just want to know from Wong and Tonking where in the beach deed is employee access permitted. If our Trustees foolishly do not endorse the GM's initiative, I would hope that the issue will be revisited in January when a literate board takes their seats.

Now to the dog park rope-a-dope. Sadly this is starting to look like Duffield part 2 for this board and IVGID staff. Why I ask would anyone want to develop a dog park on Santini-Burton land. Another lame idea gone amok. Like Wong's co-location of the pipeline, the abortive cart path project last year, the pond lining disaster, or the coming effluent pipeline financial disaster..... this board and IVGID management seem to have a knack for messing up even the simplest projects.

Finally, I want to address Mr. Callicrate's comments on page 6 of the IVGID quarterly. His politicization of this informational booklet is truly outrageous and illegal. But, at least I have finally found a club to belong to, since no other club would have me as a member. I am now officially a member of the "Club of the perpetually aggrieved." And yes Mr. C, I am well aware that Incline is a phenomenal place. I enjoy almost all of the facilities. I only wish that we had a board and a GM who managed and ran these entities properly. I only wish that upon you exit next month that a new board will do their job and not mess up almost everything like you and your cohorts.

It's said that, "a picture is worth a thousand words", so the picture above should qualify and then some! The points denoted on this picture of Nevada are surface level geothermal springs located at over 400 locations throughout our state. even within the tahoe basin, there's robust access to earth's bountiful heat resources. so, after decades of routine power outages here in incline village, we decided to explore how to turn this scalable resource into a permanent power solution. while doing so, we quickly realized that we could use our town's wastewater effluent, ~327MM gallons/year which otherwise gets discarded into a highly toxic Carson river watershed, to make liquid hydrogen. USDOE agrees with us about an urgent need to innovate and has expressed serious interest in federally financing our entire project.

Should our microgrid project here in incline perform as expected, we can couple local geothermal baseload power sources to effluent conversion throughout NV (& our entire nation), changing the economics and diversifying the availability of renewable energy forever. what a wonderful way to create wealth and a carbon free legacy to be proud of.



November 5, 2022

IVGID Board of Trustees
c/o Mr. Tim Callicrate, Chairman
893 Southwood Blvd.
Incline Village, NV 89451

Dear Tim:

Thank you for our meeting on October 14 with you, Indra Winquest and Brad Underwood, and your follow-up letter dated November 1, regarding the possibility of installing a geothermal plant in Incline Village. As discussed, we would like to utilize a small portion of IVGID land to install a closed-loop geothermal power plant. This plant would supply all of its generated electric power to NV Energy ensuring renewable baseload power for Incline and the Tahoe Basin.

Since our meeting, we have had follow-on meetings with NV Energy, the United States Department of Energy (DOE) and green-energy investors. NV Energy and the DOE continue to support creation of a microgrid in Incline Village. NV Energy has expressed interest in the purchase of all renewable power generation and associated renewable benefits; and we are actively engaged with the DOE in our application for renewable energy funding in accordance with federal guidelines.

Attached is a summary description of the Project for your review and for the upcoming Board of Trustees meeting on November 9.

Our attorney has also drafted a proposed geothermal lease agreement for your consideration. The lease provides for substantial benefits to IVGID as the Lessor in the form of advance rental and pre-paid royalties. The lease is also an essential component of the proposed geothermal plant financing in accordance with the updated provisions for renewable energy in the recently-passed Inflation Reduction Act.

We are excited about the possibility of generating clean, geothermal energy in Incline. The generated power will increase energy security for Tahoe; and assist the State of Nevada in meeting its renewable energy goals.

I look forward to further discussions with you and briefing the trustees on the Project. Thank you for your interest and support.

Regards,

A handwritten signature in black ink, appearing to read "W. Chastain", written over a horizontal line.

William J. Chastain
Manager
(775) 636-4637 chastain748@gmail.com

cc: Indra Winquest, General Manager, IVGID
Brad Underwood, Director of Public Works, IVGID

Enclosure

774 Mays Blvd. #10-465, Incline Village, NV 89451

Incline Geothermal Microgrid Project

November 2022

Overview

The purpose of the Incline Geothermal Project (the "Project") is to build a geothermal power plant that will provide Incline Village and the surrounding Tahoe Basin area with reliable electric power that is clean and renewable with zero emissions and zero contaminants.

Lake Tahoe is an ecological treasure and the environmental resources in Incline Village are abundant and pristine. However, these resources and the resiliency of our community are threatened by climate change. In January 2022, the US Environmental Protection Agency (EPA) reported:

Global climate change is projected to have unprecedented impacts on the health of the environment and economy in the Lake Tahoe Basin. As temperatures rise and more precipitation falls as rain rather than snow, management efforts to protect the watershed's forests, fish and wildlife, and famed water clarity will face unique challenges.¹

The Project offers Incline and the surrounding area with a green energy solution to the damaging effects of climate change while, at the same time, providing reliable baseload (*i.e., on-all-the-time*) power. Due to its remote location and its distance from the generation source of power, Incline will never have reliable power unless it has a microgrid self-contained power system.

Minimal Environmental Impact

There are already several residential geothermal installations operating in Incline Village. The geothermal resources in the area are vast and well-researched. The Project will deploy strategic technology that greatly improves the availability and energy potential of these geothermal resources with minimal environmental impact.

- Geothermal closed-loop technology provides renewable, clean power with no harmful emissions, no steam, and quiet operation.
- Minimal environmental impact from drilling.
- Minimal visual impact of plant and equipment.
- Smallest above-ground footprint of any renewable power. Except for the generating plant itself, everything is underground. No sprawling solar farm or wind turbines.
- No noise or odor impact after drilling is completed.
- Neighbor and neighborhood friendly. Closed-loop heat harvesting eliminates manmade seismicity concerns from water removal & injection and irritating gas or odor associated with traditional geothermal methods.

Additional Benefits to the Community

- Upfront and annual revenues to IVGID for the life of the Project.
- Reliable power for all residents and businesses.
- Reliable power for Diamond Peak Ski Resort and the Public Works facilities.
- Potential for underground utilities throughout the village; aids in fire prevention.
- Power generation dedicated to the village complements other important community services already in place, such as water, sewer and sanitation.
- At capacity, the plant could service the entire Tahoe Basin.

¹ "About Lake Tahoe", US EPA, 12 Jan. 2022, www.epa.gov/lake-tahoe/about-lake-tahoe. Accessed 3 Nov. 2022.

Generating Capacity

The generation capacity of the plant is based on the intensity of the heat, the transmission capacity and the desired generated power output. In Incline Village, the heat intensity and the transmission capacity are optimal. The desired output depends on how much power the Project wants to generate. For example, a 50 megawatts electric (MWe) plant would service Incline Village and a 250 MWe plant would service the entire Tahoe Basin. In each case, the Project has the potential to eliminate vast quantities of carbon dioxide while generating significant revenue.

Eliminating CO₂ Emissions and Estimated Power Sales

While it produces significantly more power compared to traditional geothermal practices, the technology solution of the Project also has the benefit of being much more green. Legacy geothermal plants emit excessive and harmful quantities of carbon dioxide through their energy production. As a closed-loop system, the geothermal renewable power produced by the Project will emit no carbon dioxide. Based on current non-renewable emissions:

- At 50 MWe label power, the Project has the potential to eliminate a lifetime 24MM tons of carbon dioxide while generating approximately \$49MM in electric power sales per year with large margins.
- At 250 MWe label power, the Project has the potential to eliminate a lifetime 119MM tons of carbon dioxide while generating approximately \$243MM in electric power sales per year with large margins.

Power sales are based on \$110/megawatt hour (MWh) once the Project is fully commissioned and on-line.

In addition to measureable climate solutions, the Project eliminates the recurring business expense of purchasing, transporting and burning carbon-based fuels. Fuel availability issues and market pricing variability are likewise eliminated.

Technology Description

The Project's key advantages come from its portfolio of proprietary intellectual properties for accessing and extracting heat from geologic formations.

- Scalable technology that incorporates patented proprietary aspects coupled with new enabling technologies, targeted at reducing carbon dependent power generation.
- Closed-loop heat harvesting technology that delivers abundant energy production with zero emissions and zero contaminants.
- Eliminates the byproduct from traditional geothermal energy which is typically discarded or reinjected into the substrata with deleterious environmental effect.
- Exceptionally cost competitive with natural gas at \$4 per MMBTU, and free from availability issues and market variations. Baseload power, always there. A replacement for coal and gas.
- Proprietary drilling technology produces deeper wells, faster. The new well depth expands the zones of usable geothermal energy, making qualified geothermal generation sites nearly ubiquitous.
- Technology is protected by traditional IP rights.

Project Participants

- **Aidlin Operating Company, LLC (AOC)** - Developer and Operator of the Incline Geothermal Plant. AOC is a Nevada Special Purpose Entity (SPE) for the Project; headed by long-time local residents of Incline Village and staffed with experienced senior geothermal personnel from The Geysers and China Lake.² AOC sells the generated power, renewable energy certificates (RECs) and investment tax credits (ITCs). (*Note: Proposed Power Purchase Agreement (PPA) with NV Energy pending.*)
- **DTS Technologies, LLC (DTS)** - Proprietary Technology Solution & Implementation.³
- **Incline Village General Improvement District (IVGID)** - Landowner, Lessor and Community Partner. IVGID receives upfront and annual revenues for the life of the Project (*Note: Proposed lease submitted to IVGID by AOC.*)
- **NV Energy** - Public Utility Offtaker. NV Energy purchases the generated electric power and associated RECs and ITCs. NV Energy is a public utility which generates, transmits and distributes electric service in northern and southern Nevada. (*Note: Proposed PPA pending.*)
- **Tule River Economic Development Corporation (TREDC)** - A designated Section 17 corporation.⁴ TREDC is a tribal entity that facilitates government funding for renewable energy projects in partnership with the U.S. Government and private entities. TREDC is a direct beneficiary of these projects through proceeds that support the livelihood of the Tule River Tribe members and their community.
- **U.S. Department of Energy (DOE)** - Government funding source for community-scale geothermal projects. (*Note: Project application pending.*)

Project Site Location

An ideal site identified for the Project is in proximity to an existing NV Energy substation and IVGID's water and wastewater facilities. The Project requires the smallest above-ground footprint of any renewable power at only 10 - 25 acres.

Project Jobs

Five full-time employees per MWe

Project Timeline

24 - 36 months

Life of Plant

50 years

² The Geysers, located in Northern California, is the world's largest geothermal field with 18 geothermal power plants. China Lake, located in the western Mojave Desert area of California, is one of the top three producers of geothermal electrical power in the U.S.

³ A further description of the proposed technology solution is available upon request. Based on preliminary evaluations of the geothermal specifications and feasibility, we believe DTS's technology solution may be a good fit for the Project; however, there are alternative and/or complementary closed-loop solutions that may also be applicable.

⁴ Formed through a federal charter under Section 17 of the Indian Reorganization Act.

Project Capital

Plant Size	Cost	Service Area	Reserve Power
50 MWe	\$200MM	Incline Village	Yes
250 MWe	\$1B	Tahoe Basin	Yes

Basis: \$4MM per MW

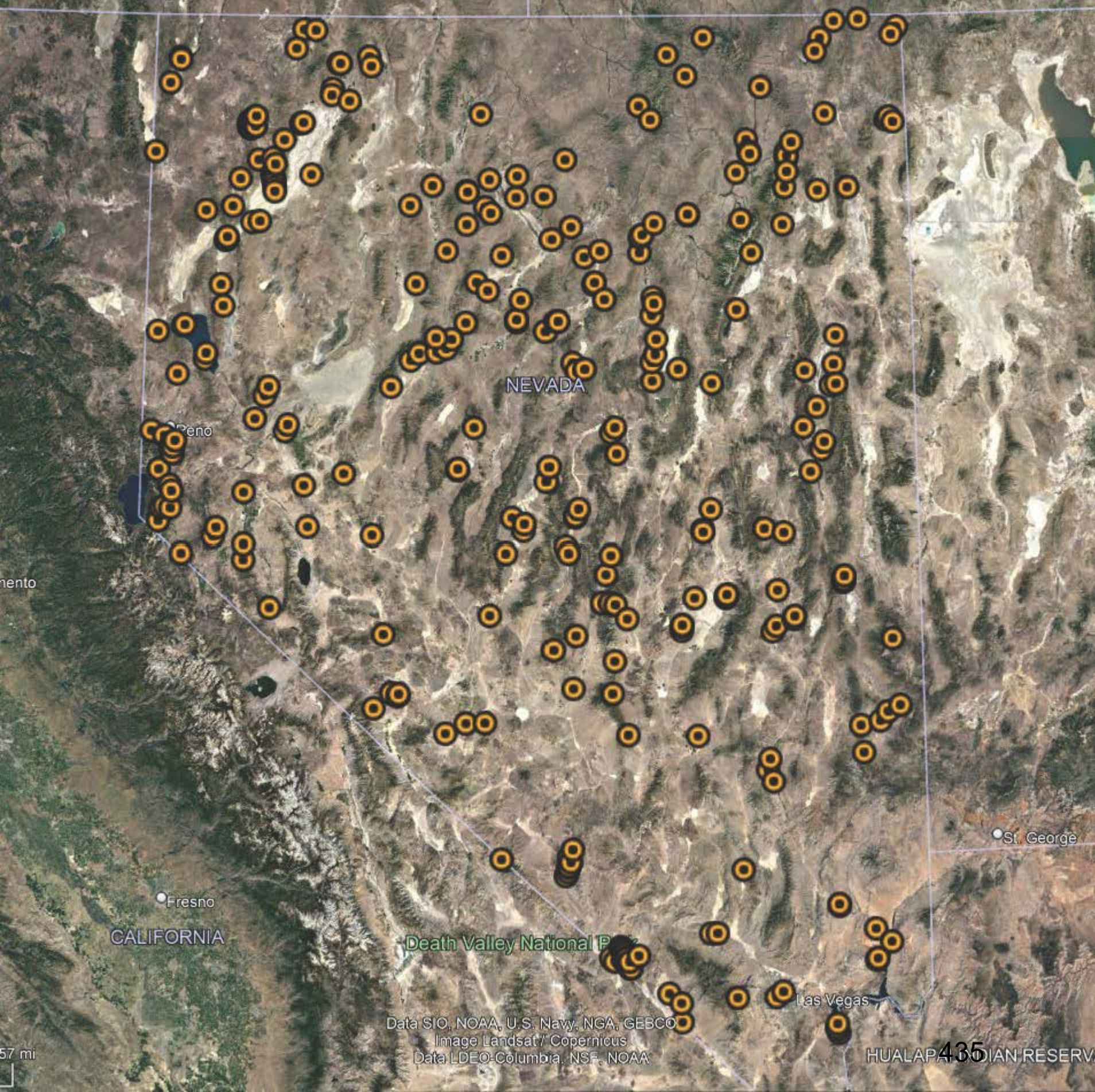
Financing derived from DOE, power purchase sales, RECs and ITCs.

Project Revenue

Plant Size	Annual Gross Revenue Power Sales	Annual Operating Costs	Estimated Annual Royalty to IVGID @ 10% gross
50 MWe	\$49MM	\$7MM	\$4.9MM
250 MWe	\$243MM	\$36MM	\$24.3MM

Basis: \$110/MWH power sales once the Project is fully commissioned and on-line.

Note: IVGID also receives additional royalties for any byproducts sold in addition to power.



NEVADA

Fresno

mento

Fresno

St. George

CALIFORNIA

Death Valley National P

Las Vegas

HUALAPA INDIAN RESERV

Data SIO, NOAA, U.S. Navy, NGA, GEBCO
Image Landsat / Copernicus
Data LDEO-Columbia, NSF, NOAA

57 mi

435

In August, The General Manager selected 6 citizens to form a fact-finding advisory committee to research the decades long issue of creating a permanent dog park for the District. Director of Parks and Recreation, Sheila Leijon, assists and conducts the bi-weekly meetings when the General Manager is unable to attend. Committee members include: Leighton Pratt, Simi Balter, Myles Riner, Michelle Lintzner, Janet Pahl, and myself.

The 2017 survey, conducted in preparation for the 2019 Community Services Master Plan, listed a dedicated dog park as a top priority. Finding a suitable site has long been a challenge. 3 potential sites were identified in the Master Plan: the site next to the Visitor's Center, the Old Elementary Site, and the USFS parcel across from the high school. After the Master Plan was completed, the TTD purchased the elementary school site, and IVGID's request to gain title to the USFS parcel was turned down. Subsequently the Board directed staff to pursue a special use permit with the Forest Service. That application was submitted last year, but due to staffing issues created in part because of the wildfires, the process was put on hold.

As part of that special use permit, the Forest Service requires that the District do public outreach and confirm that the USFS site is preferred over others, so a survey is being developed. Unfortunately, there is still little information from the Forest Service as to what could actually be done on their property. Whether or not the site is a viable option for a community dog park will be determined once important details are obtained.

In addition, several other sites are under consideration for the dog park. They include the Village Green, a portion of the fitness trail, and an area near the Diamond Peak Schoolhouse Lift, for a summer seasonal option coupled with continued winter use at Ski Beach.

We have made site visits to each location. Each one has its plusses and minuses which are being documented for a later report and inclusion in a survey. The committee is evaluating each site based on factors such as ownership, parking, traffic, restrooms, accessibility, displacement of current activities, environmental impact, neighborhood impact, site preparation costs and other costs unique to a particular site. Since ultimately any decisions about the dog park should align with the desires of the property owners and the residents, the survey results will serve as a guide for the Board in choosing both the location and the amenities of a dedicated dog park.

A new page on the IVGID website lists meeting dates, agendas and minutes. Just type dog park in the search. A new FAQ page and list of desirable dog park features is also in process.

So that completes my summary of work to date. Myles will give you a summary of next steps.

Report to the IVGID Trustees re Dog Park Committee 11/09/2022

I have been asked by GM Winquest to provide an outlook on the activities and objectives of the Dog Park Advisory Committee going forward from this point. Currently, we are working on the pros and cons list and the initial scoring of this list for the latest addition, the Diamond Peak site, to the other four sites that we have visited and assessed.

Our next steps will be to continue to assess these five sites, and if possible, eliminate one or two that we may determine to be unworkable (or unavailable, if the US Forest Service decides not to give tentative approval to the site across from the Incline High School). These 5 sites are being evaluated based on several criteria, including current parking and traffic impact, restrooms, accessibility, displacement of current activities, environmental and neighborhood impact, and site preparation, plus additional site-specific considerations. We have also developed a list of optimal attributes for a dedicated dog park in terms of settings, location, design, construction, and amenities and facilities, and we will evaluate each site against these optimal attributes.

We also have been working on the expansion of the Q&A page on the IVGID website, which was originally developed to explain why IVGID applied to the US Forest Service for a special use permit for the property across from the High School. Ultimately, we want to be able to provide our residents and you Trustees with a very detailed overview of the objectives and findings of the Dog Park Advisory Committee, including some history; the list of optimal attributes for a dedicated dog park; our analysis of the pros and cons of each site; possible designs for the dog park at each site, including a list of possible amenities; a preliminary cost analysis, including cost of maintenance; and even an analysis of other funding options to cover these costs.

We also plan to hold outreach meetings with neighborhoods adjacent to some of these sites that might be directly impacted by the dog park. Once we have compiled this information and posted it on the IVGID website, our intention is to obtain through surveys some indication of community members past and current

use of the Village Green, the adjacent walking trails alongside the fitness course, and the Ski Beach area; and their preferences for which potential dog park site they feel would best serve the community. Following this, we will present our findings and recommendations to the Board for review, deliberation, site selection, and potential direction.

At that point the Committee will provide input to the IVGID staff and the Trustees, as requested, on various aspects of park planning and design.

Our overall objective as an advisory committee is to work towards the development of a dedicated dog park for Incline Village / Crystal Bay that is in the best interests of our community. Each of the members of our Committee have slightly different opinions and views on what this means. This can be both beneficial and challenging when it comes to arriving at a consensus on all these different considerations. Some communities approach the development of a dog park with a minimalist philosophy. I personally hope we aim for a dog park that is readily accessible, that will be an asset to the community and for our property owners, that will be cost efficient but of a quality that matches the quality of the other amenities in Incline, that will be appreciated by all of our dog owner residents, and dogs, and that will be a place where dog owners and non-dog owners alike will want to visit and spend time in and use often, throughout the year. As a committee, we understand that your decisions are rarely ever easy, so we hope to provide you with sufficient information and data-driven recommendations that allows for informed decision-making by our Board of Trustees.