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2 INCLINE VILLAGE  
3 GENERAL IMPROVEMENT DISTRICT  
4 BOARD OF TRUSTEES  
5  
6  
7  
8  
9 TRANSCRIPT OF HEARING  
10 PUBLIC MEETING  
11 Live and Via Zoom  
12  
13 Held at the Boardroom  
14 893 Southwood Boulevard  
15 Incline Village, Nevada  
16  
17 Wednesday, March 13, 2024  
18  
19  
20  
21  
22  
23  
24 Reported by: Brandi Ann Vianney Smith  
25 Job Number: IVGID 29

1 APPEARANCES  
2  
3 **BOARD MEMBERS PRESENT**  
4 SARA SCHMITZ, CHAIR  
5 MATTHEW DENT, VICE CHAIR  
6 MICHAELA TONKING, SECRETARY (via Zoom)  
7 RAY TULLOCH, TREASURER  
8 DAVE NOBLE, MEMBER  
9  
10  
11 **ALSO PRESENT**  
12 SERGIO RUDIN, LEGAL COUNSEL  
13 HEIDI WHITE, DISTRICT CLERK  
14  
15 -o0o-  
16  
17  
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1 Incline Village, Nevada - 3/13/2024 - 6:00 P.M. 4  
2 -o0o-  
3  
4  
5 CHAIR SCHMITZ: It is six o'clock on  
6 March 13th. We're here to kick off the Incline  
7 Village General Improvement District Board of  
8 Trustees meeting at the Boardroom at 893 Southwood  
9 Boulevard, Incline Village, Nevada.  
10 A. PLEDGE OF ALLEGIANCE  
11 (Pledge of Allegiance.)  
12 CHAIR SCHMITZ: Continuing on, the roll  
13 call of trustees.  
14 B. ROLL CALL OF TRUSTEES  
15 CHAIR SCHMITZ: We have Trustee Tonking  
16 online.  
17 TRUSTEE TONKING: Here.  
18 CHAIR SCHMITZ: Trustee Tulloch?  
19 TRUSTEE TULLOCH: Here.  
20 CHAIR SCHMITZ: Trustee Noble?  
21 TRUSTEE NOBLE: Here.  
22 CHAIR SCHMITZ: Trustee Dent?  
23 TRUSTEE DENT: Here.  
24 CHAIR SCHMITZ: And myself, Sara Schmitz,  
25 here. Moving on to initial public comments.

5

1 C. INITIAL PUBLIC COMMENTS

2 MR. SINK: Hello, members of the Board.

3 I'm here today to talk about our new

4 general manager and his remote work arrangement and

5 how he can serve everyone. Why am I here today as

6 opposed to last week when you discussed this?

7 Because I think this board has made it really hard

8 for people with working families to come to special

9 meetings.

10 So last week, you had a special meeting at

11 3:30. Every school in this town gets out at 3:00.

12 For those with kids at ski team, it gets out at

13 4:00. It's really tough.

14 I look back in history, April 5th, 2023, I

15 remember because it was my birthday, there was a

16 special meeting about the beach deed and do we allow

17 kids on the beach whose parents don't have passes.

18 Right? So this is kids of employees, kids in our

19 local schools that wanted to go down for swim safety

20 and that kind of thing. So that meeting was

21 opposite a school district meeting about closing the

22 middle school, where every parent in town should

23 have been, as well as Passover, for those who are

24 observant. So that is really tough to get to. The

25 decision was made to keep those kids off the beach.

6

1 June 23rd last year, special meeting to

2 discuss the prior general manger's separation.

3 5:00 p.m. on a Friday, opposite Music on the Beach,

4 which is something that I think pretty much every

5 kid in town goes to because it's a lot of fun, it's

6 a family-oriented event.

7 And then we had last week, which was an

8 awkward time for all of us.

9 I don't think you're doing this

10 intentionally, I don't think there's a plot. What I

11 do think is you're not thinking about us. You're

12 not thinking about the people with kids that have

13 got to get their kids around town and get them

14 involved in activities.

15 So the prior general manager, whatever his

16 faults may have been -- I never even met the guy,

17 quite honestly -- he was a big supporter of youth

18 and families. He supported activities, he coached

19 youth sports, was trying to expand the Rec Center,

20 the boys and girls club offerings, IVGID offerings

21 in the Rec Center. That voice is gone. Right?

22 So now you've hired someone who lives 500

23 miles away. I don't have an issue with Bobby, he's

24 done a great job remediating our issues in finance.

25 It's his right to insist on living wherever he needs

7

1 to live to take care of his situation and his

2 family. That's negotiations for you.

3 But my question's about remote work. I'm

4 a remote worker. I spend 50 percent of my time

5 here, the other 50 percent with my clients in New

6 York, Salt Lake City, London, other places. I have

7 a great relationship with them. I manage my

8 projects, their business, I manage their

9 spreadsheets really well, 50 percent remotely. But

10 am I involved in civics and family stuff in New York

11 City? No. Because my family is here. That's what

12 I'm involved here. I care about my family here.

13 That's where people care about their youth and

14 families.

15 How is he going to be maximally focused on

16 something that's so important when his family is

17 somewhere else? Now, I'm not saying that's -- I'm

18 trying not to throw a rock at you, that's not my

19 point, but if you can't be, you guys have to be. At

20 least you live here. And so far, I haven't seen

21 that. Have we gotten a Rec Center expansion? No.

22 Have we had a hearing on the ice rink that would

23 have been great for kids? No. We don't even have

24 clean bathrooms at the beach.

25 Think about who you're representing.

8

1 Thanks.

2 MS. CARS: Good evening, Trustees.

3 With regard to the Town Hall scheduled for

4 the end of the month, it is important for the

5 moderator not be biased. Definition: A town hall

6 is a public meeting at which a politician or

7 official speaks about his or her policies and

8 answers questions from members of the public.

9 There are impartial community members who

10 would offer to ask the questions for and not charge

11 the District. Trish McKowen was a television news

12 reporter for many years, and she has said she would

13 take on this role as a moderator at no charge to the

14 community and guarantee she would be impartial and

15 fair.

16 And in addition, questions should be

17 addressed to Trustees Tonking and Noble and should

18 be asked -- everybody would be asked equal amounts

19 of questions. You've asked that questions be

20 submitted in advance, they should be organized and

21 divided evenly between all five of the trustees.

22 You should also have limits.

23 Regarding the announcement of the new GM

24 Magee on the IVGID website, the following is

25 written -- this needs to be to us so we can see our

9

1 time.

2 "At their March 6th board meeting, the

3 IVGID Board of Trustees expressed their unanimous

4 support for Mr. Magee to assume the leadership role

5 within the District." This is false information and

6 misleading to people who did not attend that

7 meeting. The vote was not unanimous. It is your

8 honorable duty to report the facts. Please change

9 this immediately to state the vote was three to two.

10 This is on the website.

11 In a positive note, it was good to hear

12 about topics on the agenda that will improve

13 facilities.

14 We also hope that the new GM Magee will

15 devote time focusing on employee morale, which has

16 been a serious problem since January of 2023. The

17 community wants employee morale to be addressed as a

18 top priority for GM Magee. We ask him to prioritize

19 this.

20 I ask you: What is the most invaluable

21 asset of our community? It's our employees. And as

22 you start your tenure with IVGID, I hope that this

23 is what is foremost in your mind every day when you

24 come to work or Zoom with the staff.

25 Thank you.

10

1 DR. RINER: Hi, Trustees. Myles Riner,

2 Valerie Court, Incline Village.

3 Today I would like to recognize Kate

4 Nelson, IVGID's interim Director of Public Works,

5 and the staff of the Public Works department for the

6 amazing effort they put in to fix the water main

7 break on March 1st that left our home and some 70

8 other on and off middle Tyner without water services

9 just as the largest snowstorm in the season hit the

10 basin. This happened early that Friday morning and

11 caused several deep sinkholes that left Tyner

12 impassable and put gas and electronic services at

13 risk as well.

14 The staff of Public Works along with

15 Southwest Gas and our local Sheriff's Department and

16 the Washoe County road department responded as a

17 team and had our service up and running by 2:00 p.m.

18 and the sinkholes temporarily filled in. This made

19 it possible for snowplows to diversify the damaged

20 road and clear our streets later that day.

21 This event represented a major emergency

22 that threatened our homes and potentially even our

23 health, as this break could have isolated hundreds

24 of homes at the worst possible time.

25 You all deserve to be commended for your

11

1 expeditious response under difficult conditions, and

2 this action should remind us all of how important

3 IVGID and these other agencies are to our ability to

4 live and work in this community.

5 I especially want to commend Kate for her

6 great work keeping the Public Works department

7 running efficiently since August, despite the recent

8 loss of so many members of the IVGID leadership

9 team, securing federal funding for the effluent

10 pipeline and tank, and getting the whole project

11 under construction after years of delays.

12 She's done this despite micromanagement by

13 some of the trustees and has received praise from

14 every agency around.

15 It is time for this Board to commend the

16 real heroes of this district, the ones that keep it

17 running and keep us and our homes secure. Thank you

18 for making sure our aging infrastructure is being

19 replaced and that our community will be safe in the

20 future. We are grateful you are watching out for

21 us.

22 And I also want to say that I'm very

23 pleased to see that now the general manager is

24 allowed to sit at the dais again.

25 Thank you.

12

1 MS. WELLS: Thank you for saying that,

2 Myles, because it just shows how petty Mr. Dent was

3 last year removing Mr. Winqest.

4 Anyways, hi, Trustees. Christy Wells,

5 Incline Village resident.

6 I did not plan to make a comment tonight,

7 but I've spent the last couple of days going through

8 almost 200 pages of documents that were published in

9 a public records request, and in them I found

10 something that put me inside of this chair.

11 What I was looking forward was copies of

12 all communications between interim Director of

13 Finance Bobby Magee and trustees, as well as Magee's

14 communications with the audit chairman, Chris Nolet.

15 I was curious about the discussions taking

16 place around the forensic audit, and in these

17 documents, I actually found something unexpected.

18 It seems Trustee Sara Schmitz has been colluding

19 with interim Director of Finance Bobby Magee to

20 unofficially investigate an employee.

21 On November 8th, the director of IT Mike

22 Gove extracted a file from the Barracuda email

23 message archive, and emailed the file to Schmitz as

24 well as to Mike Bandelin, the interim General

25 Manager, who was Herron's manager. The file

13

1 contained the email search history of the Director  
 2 of Administrative Services Susan Herron. Three  
 3 hours after Schmitz received this log, she forwarded  
 4 it to interim Director of Finance Bobby Magee  
 5 accompanied by the note "Mike got it." Mike got it?  
 6 It's kind of weird.

7 It's clear that Schmitz and Magee were  
 8 having conversations around Herron based on these  
 9 three simple words that she did not need to explain  
 10 what the file was when she sent it to him. But why?  
 11 Why was Schmitz researching Herron's search history?  
 12 And why would Schmitz send Herron's search history  
 13 to Magee, the interim Director of Finance? Herron  
 14 doesn't report to him. What is Magee's interest in  
 15 Herron's search activity? It's curious and a bit  
 16 suspicious.

17 I will be including a screenshot to be  
 18 attached to my comment, but it's in the public  
 19 records if anybody would like to see it directly.

20 And what feels directly related to all of  
 21 this, a couple of days later, Herron was placed on  
 22 paid administrative leave. IVGID then launched an  
 23 investigation into this 20-year employee that lasted  
 24 three and a half months and cost this is district  
 25 tens of thousands of dollars.

14

1 Herron has since been cleared of any  
 2 wrongdoing and was able to resume her duties on  
 3 February 26th. This is another investigation  
 4 wasting the District's time and resources and  
 5 another employee's reputation that has been  
 6 maliciously tainted.

7 Also, this is not all that I found. There  
 8 were several emails that Schmitz sent to IVGID  
 9 employees as well as to Bandelin where Schmitz  
 10 included Magee in the bcc, which means, for those  
 11 that don't know, no one on the email thread knew  
 12 that Magee was being the recipient of these emails  
 13 at that time. So why was there this secrecy? If  
 14 Magee was supposed to be part of the conversation,  
 15 why not put him as a recipient?

16 Trustee Schmitz and newly minted General  
 17 Manager Bobby Magee, as we were not able to meet  
 18 before tonight's meeting, please explain yourself  
 19 here tonight. This activity seems well outside the  
 20 bounds of both of your roles and could be perceived  
 21 as harassment. What were you looking for in  
 22 Herron's email logs, and are you doing the same to  
 23 other employees? What are you two up to?

24 Thank you.

25 CHAIR SCHMITZ: Do we have any online?

15

1 MR. DOBLER: Cliff Dobler, Incline  
 2 Village.

3 I have two items on the agenda which must  
 4 be explored. First is item G 2, the request for  
 5 additional funds for services and equipment as a  
 6 water resource recovery facility. The request  
 7 incorrect. Here are the facts:

8 The 2023/24 budget, including carryovers,  
 9 is \$267,000. In December 2023, a \$172,000 contract  
 10 was issued for two centrifuges, thus the remaining  
 11 budget balance was only 96,000. It does not matter  
 12 that only one centrifuge has been completed, the  
 13 commitment for another centrifuge remains  
 14 outstanding under the 12/23 contract. The request  
 15 for tonight is for another 136,000 to purchase other  
 16 types of services. As such, 40,000 must be drawn  
 17 down from reserves, not 8,000.

18 The second item, D 1, there are two  
 19 distinct projects which should not be mixed with one  
 20 another. The first item is the \$300,000 request  
 21 from utility fund reserves to keep up with the  
 22 expenses for water transmission repairs. The  
 23 operating budget was only 190,000, and 131,000 has  
 24 been incurred for repairs in three county roads and  
 25 one state road. There is an additional repair

16

1 required in the state road where bids are in  
 2 process, however with the wrong delivery date, and  
 3 one county road where repairs were completed for an  
 4 unknown amount, it is unclear if the road cut permit  
 5 fees are for all of the work or just the permits.

6 The second item is a request to defund the  
 7 entire \$400,000 budget for the water pump station  
 8 number 1, and redirect the funds to purchase and  
 9 replace water meter registers and transponders.  
 10 There are 4,460 locations, which probably should  
 11 have been disclosed.

12 In August of last year, 600 units were  
 13 purchased for \$199 each, and 432 were to be  
 14 installed by staff using overtime at a cost of \$71  
 15 each. Did that ever happen?

16 Assuming the same installation technique  
 17 is used, then 1,500 units would be installed with  
 18 the 400,000. Is that possible with only  
 19 three months to go in the fiscal year, or is a  
 20 carryover being initiating?

21 What is bothersome is the statement that  
 22 the water pump station number 1 improvements can be  
 23 delayed because of changes in staffing levels and  
 24 receipt of the utility master plan report. It may  
 25 not be done --

17

1 (Expiration of three minutes.)  
2 MR. WRIGHT: Frank Wright, Crystal Bay.  
3 It is nice to give employees accolades  
4 when they do things right, but when then do things  
5 wrong, you gotta accept that too. So we have an  
6 employee who's a manager who decided that the recall  
7 was very important, that she should get her bosses,  
8 and so she went to the Rec Center and had all the  
9 Recreation Center employees sign the recall petition  
10 while they were at work and while the manager was at  
11 work.  
12 Now, some people may say, well, that's not  
13 too bad, why not use our public time and our public  
14 facilities to collect recall signatures?  
15 But it's a violation of the Hatch Act.  
16 Incline is a government entity that receives federal  
17 funds, and it's illegal to do any kind of  
18 campaigning or politicking on grounds that belong to  
19 a public agency. This is being investigated by the  
20 Secretary of State, as is the recall in its  
21 entirety.  
22 The recall was one of the worst things  
23 that's ever happen to this community, and Ms. Cars  
24 has been very adamant about bringing it up every  
25 week. I'm surprised she didn't bring it up this

19

1 stuff like. This is horrible. Absolutely horrible.  
2 Thank you.  
3 MATT: That was our last public comment.  
4 CHAIR SCHMITZ: That'll close out agenda  
5 item C.  
6 D. APPROVAL OF THE AGENDA  
7 CHAIR SCHMITZ: Staff has requested that E  
8 2, the report on the beach year end food and  
9 beverage, be removed from tonight's agenda. They  
10 intend to bring that back in a more clear and  
11 understandable format.  
12 Are there any other suggestions for  
13 changes to the agenda?  
14 Seeing none, the agenda, then, will move  
15 forward.  
16 E. REPORTS TO THE BOARD  
17 E 1. General Manager's Report  
18 CHAIR SCHMITZ: The first is from the  
19 District General Manager's monthly report. The  
20 written report is on pages 4 through 24.  
21 MR. MAGEE: I'll say that the first week  
22 on the job has been quite a whirlwind. I've heard  
23 from an awful lot of people who would like to get on  
24 my calendar and express their opinions in a myriad  
25 of things. And I certainly appreciate the interest.

18

1 week.  
2 But the recall, from day one, was a joke.  
3 I warned the people that had that recall going to  
4 make sure that your statements at the top of the  
5 recall were accurate. They were not. They were  
6 false, they couldn't be proven, they still can't be  
7 proven, and there's an investigation going on that  
8 part of the recall too. Because when you sign a  
9 recall petition and you put your name up there,  
10 Ms. Kleingartner, Mr. Callicrate, and I think  
11 Ms. White, you can't do this. You cannot have a  
12 recall petition with false information at the time  
13 at the top. So that is also being investigated. By  
14 the way, that's a Class C felony.  
15 So you people that got involved in this  
16 thing, it's dead. And as far as the recall, it was  
17 dead after the first 45 days because you didn't read  
18 the directions, and you didn't cure all your  
19 signatures in a 45-day period that were collected  
20 before them.  
21 It is a mess been and it's been a mess and  
22 it's going to continue to be a mess. So if you're  
23 really caring about your community and you really  
24 want your community to be progressive and outgoing  
25 community of people that get along, you don't do

20

1 I'm doing my best to accommodate  
2 everyone's request; however, my priorities this  
3 first week have been really focused on the staff,  
4 inside the building and throughout the District,  
5 making sure that I have an opportunity to meet with  
6 the senior leadership team as well as employees  
7 throughout the District. And I've heard from a  
8 number of them, they are interested in discussing  
9 morale, just in general, and I told them I'm happy  
10 to meet with them on a one-on-one basis or as a  
11 group. And so we've already had three meetings in  
12 various settings that this is something we will  
13 focusing on very early.  
14 Just wanted to say I apologize to everyone  
15 that we have not been able to get on my calendar  
16 yet. I am working on that, and we will get those  
17 planned.  
18 A couple of things that are in the written  
19 report that I wanted to draw attention to tonight is  
20 one is the human resources report that talks about  
21 the Washoe County economics report. And so there  
22 was a number of items in here that I personally  
23 found very interesting when we saw this data that  
24 Nevada now ranks number one in the nation for job  
25 growth with a 3.1 percent job growth between 2022

1 and 2023. January. 21

2 As of December 2023, the median sale price

3 for homes in Washoe County is now \$505,000, with the

4 average rent in Northern Nevada being about -- just

5 short of \$1,800 per month. And there's estimated to

6 be only a 5.3 percent vacancy rate for rental

7 properties throughout Northern Nevada.

8 In 2023, 12 new manufacturing companies

9 moved to Northern Nevada and of the -- in total, 16

10 new employers, seven of those reported an average

11 hourly wage of \$40 for their employees.

12 So I thought it was as some rather

13 interesting data that came of that report.

14 Moving on to Public Works, in the recent

15 past couple of weeks, we've had multiple underground

16 water leaks and impacts to the road, and just wanted

17 to let the community know that Christmas Tree

18 Village will have to have its water shut off for

19 emergency repairs. That water shutoff will occur

20 from March 19th through 21st, and as part of health

21 and safety requirements, the food establishments

22 within Christmas Tree Village will have to remain

23 closed from March 19th through March 21st.

24 I'm very happy -- I'd like to move on to

25 the finance department, and I'm very happy to report

22

1 that the financial reports on the website are now,

2 finally, up to date. That is something that we have

3 been working on diligently for a long time. The

4 Board has heard me say that in my previous role as

5 the interim finance director a number times. We

6 have changed -- made one change; we've changed the

7 payment of bills from a weekly report to a monthly

8 report. It just makes more sense to do it that way

9 and not have duplication of effort. We can run it

10 one time at the end of month as the month is closed.

11 And then we wanted to highlight that the

12 information on the website is now current as of the

13 month end January 31st for both sources and uses and

14 the statement of revenues, expenses, and net

15 positions. I'd just like to take a moment to give

16 the finance team a shout-out. It has been a very,

17 very heavy lift for them to get caught back up, and

18 we're extremely proud to report that we're there, we

19 finally got there.

20 And the last thing that I had to report to

21 the Board tonight was we are in the final stages of

22 wrapping our annual audit. We are anticipating, we

23 have requested of the Board that there be a special

24 meeting on March 28th. There are a couple of

25 time-sensitive items that need to go forward on that

23

1 particular date, if the Board is amenable to calling

2 a special meeting. One of them would be the results

3 of the audit, and we're hoping to present the audit

4 on that date.

5 With that, I'm happy to answer any

6 questions that the Board may have.

7 CHAIR SCHMITZ: Questions?

8 TRUSTEE TULLOCH: First thing I want to

9 respond, General Manager Magee, responding to the

10 public comment earlier, let's make sure the special

11 meeting is properly noticed at a time that works.

12 I have a few questions for you. On page 6

13 of the financial -- of the document on the financial

14 report, the internal controls project, can I ask,

15 are we actually going to do something with internal

16 controls on this occasion since your predecessor

17 finance director told us multiple occasions there's

18 work going on, and all that was ever produced was a

19 list of the internal controls that we should have.

20 Are we -- I'm assuming this project is

21 actually going to deliver something?

22 MR. MAGEE: The answer is yes. We are not

23 looking at these things and doing nothing with them.

24 We have actually asked Baker Tilly to assist us with

25 an implementation action plan to make sure that

24

1 they're recommendations are either implemented

2 internally or if we have a compelling operational

3 reason that we figure out -- to not do that, that we

4 figure out a better way to do what Baker Tilly has

5 suggested to us.

6 TRUSTEE TULLOCH: Thank you. I'm glad to

7 hear that since I had made that suggestion that we

8 use some contractors or consultants to do it on

9 multiple occasions in the past on the Audit

10 Committee.

11 With regard to the up-to-date finance

12 numbers, are the bank reconciliations up to date

13 now?

14 MR. MAGEE: Partially. What I will say is

15 the bank reconciliations have been competed, the

16 work has been completed, however, as I've mentioned

17 to the Board at previous meetings, completing the

18 bank reconciliation does not mean that there are not

19 outstanding items.

20 And so there are still outstanding items

21 that we need to research, reconcile. These are

22 usually due to timing issues, but as of today, we

23 are current on our bank reconciliations.

24 TRUSTEE TULLOCH: Excellent. Thank you.

25 Moving on to the venue report for Diamond

25

1 Peak. I see a lot of numbers about visitors  
 2 numbers, and then I see decreases of 20 percent in  
 3 non-Picture Pass Holder tickets sold. Do we have  
 4 any actual revenue numbers against budgets here?  
 5 Obviously, this season's been kind of up and down,  
 6 so just wondering how this is going to leave us.  
 7 MR. MAGEE: I'm not familiar. If we do  
 8 have revenue numbers, I've not specifically asked  
 9 staff for those reports. I can certainly ask  
 10 Mr. Cripps if he can produce a report in the  
 11 upcoming days.  
 12 TRUSTEE TULLOCH: That would be helpful.  
 13 It would give us some indication. When I see  
 14 numbers down and past tickets sold down and decrease  
 15 in sales, it's -- little warning bells go off.  
 16 We've always relied on Diamond Peak being the cash  
 17 cow, so we want to make sure -- if there's going to  
 18 drop off here, I'd like to see what's coming there.  
 19 Otherwise, that was it. Thank you -- oh  
 20 no, there was one other. In terms of the HR report,  
 21 I don't see the vacancy for the purchasing contracts  
 22 manager that we approved a few months ago.  
 23 MR. MAGEE: I followed up with HR this  
 24 week, we are anticipating having that out to the  
 25 public within the next two weeks.

27

1 MR. MAGEE: Yeah. My apologies. I don't  
 2 know on that one. I think that would be an  
 3 appropriate question for Ms. Nelson.  
 4 CHAIR SCHMITZ: That's fine. Thank you.  
 5 Any other questions for the General  
 6 Manager?  
 7 Seeing one, we will close out that agenda  
 8 item.  
 9 E 3. Treasurer's Report  
 10 CHAIR SCHMITZ: It can be found on pages  
 11 29 through 85. I will hand the floor over to  
 12 Trustee Tulloch.  
 13 TRUSTEE TULLOCH: I'm just following up.  
 14 There's no major changes to the treasurer's report,  
 15 apart from the numbers, of course, since last month.  
 16 The Board direction last month was to focus on the  
 17 more critical and finance department areas that we  
 18 still have there.  
 19 If we look at page 31, we can see the big  
 20 gross payroll expenses. Were starting to shoot well  
 21 over in terms of there, and if you look on page 32,  
 22 you'll see that year-to-date payroll expenses, we're  
 23 about 1 million bucks over budget at the moment.  
 24 That's obviously something that I'm sure General  
 25 Manager will be taking account of.

26

1 TRUSTEE TULLOCH: Excellent. Thank you.  
 2 CHAIR SCHMITZ: I have a follow-up  
 3 question to that, if I may. In addition, my  
 4 understanding is you're going to be also adding the  
 5 open positions in Public Works as well?  
 6 MR. MAGEE: Yes. That is a recommendation  
 7 that I made to interim Director Nelson, that she  
 8 does have a couple of vacancies over there, and I  
 9 have encouraged her to fill those immediately, to  
 10 work with human resources to get them out as soon as  
 11 possible.  
 12 CHAIR SCHMITZ: So there will be a couple  
 13 of additions to this list?  
 14 MR. MAGEE: We sure hope so.  
 15 CHAIR SCHMITZ: I just have a question,  
 16 and if it's better to wait until Ms. Nelson is here,  
 17 but on her report on page 9, I seem to recall  
 18 Director of Public Works Leijon talking about grant  
 19 funding for the replacement of the walking bridge  
 20 between Incline Beach and Ski Beach, but I don't see  
 21 that on the list anywhere. Is that still moving  
 22 forward?  
 23 And my understanding is they were going to  
 24 have funding to potentially begin that project this  
 25 summer. I just don't see it here.

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1 Accounts payable, hard to tell. We're  
 2 still doing a huge amount of non-EFT transactions,  
 3 which we're looking at.  
 4 Total investment, still sitting there.  
 5 I'm trying to find the interest number for this  
 6 month. I had it marked somewhere. I don't see the  
 7 interest there on the operating account.  
 8 MR. MAGEE: Yes, the operating account  
 9 says "operating checking," and the monthly interest  
 10 earned on that was \$40,765.  
 11 TRUSTEE TULLOCH: Excellent. So we're  
 12 still picking up money. That's excellent. That's  
 13 over the last few months. Certainly, you've  
 14 probably covered your salary in terms of that with  
 15 this new investment, which wasn't -- running the  
 16 money sitting there before.  
 17 Looking at page 35, again we'll see the  
 18 costs --  
 19 CHAIR SCHMITZ: It's page number 5.  
 20 TRUSTEE TULLOCH: There we can see the  
 21 costs -- the expenses against revenues for all the  
 22 different operating areas. If I look at -- ski is  
 23 ahead, which is reassuring considering the visitor  
 24 numbers are down. We can see on the beaches, I  
 25 think while it shows as revenues against the

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1 beaches, I believe that blue line, General Manager  
2 Magee, is actually the beach fees, rather than  
3 actual revenues. Is that correct?  
4 MR. MAGEE: Yes. I believe we looked at  
5 that previously, and that figure did include that  
6 fee. Yes.  
7 TRUSTEE TULLOCH: We can look at -- I  
8 think we can maybe modify this further to show  
9 what's actually subsidies as opposed to revenues.  
10 MR. MAGEE: I believe I saw Assistant  
11 Director Cripps out in the hall, and we'll make sure  
12 that he communicates that to staff. We can remove  
13 that and footnote that in the future on the report.  
14 TRUSTEE TULLOCH: Excellent. Otherwise, I  
15 think it's all moving forward.  
16 If we look at --  
17 CHAIR SCHMITZ: Can we stop for a second  
18 there?  
19 TRUSTEE TULLOCH: Surely.  
20 CHAIR SCHMITZ: I have a question on this  
21 particular page. We don't have Public Works and we  
22 don't have the general fund and it doesn't have  
23 budget, but my overall question is -- this is really  
24 nice -- until we have comparisons to budgets, it  
25 really isn't helping us to understand how are we

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1 you know, in governmental, especially when you have  
2 seasonal operations, it really doesn't make sense to  
3 have a month-by-month budget because golf courses  
4 closed right now, so it doesn't have a perfect way  
5 to show this.  
6 What I can tell you is is Assistant  
7 Director Cripps has been working on a concept called  
8 "estimated actuals," in where he will be presenting  
9 to the Board on a periodic basis what the budget  
10 numbers are, next to that you'll see a column that  
11 has actual numbers, and next to that will be what's  
12 called "an estimate actual," which is where the  
13 finance department works with the various venues  
14 and department heads, and we come up with where we  
15 think we will be at the end of year.  
16 Now, that's always a little bit of a  
17 moving target, but that's one of the best practices  
18 in government finance, and it's something he's been  
19 working on, we just haven't got there yet.  
20 CHAIR SCHMITZ: Thank you. And then the  
21 question about the general fund and Public Works?  
22 MR. MAGEE: If the treasurer so directs,  
23 we'd be happy to add that.  
24 CHAIR SCHMITZ: I'll let him make that  
25 call.

30

1 performing compared to budget.  
2 But in light of everything that's going on  
3 in accounting, how much time does it take you to put  
4 this report together, and should we sort of hit a  
5 bit of a pause button to allow you to catch up in  
6 finance with what needs to be done, and at the same  
7 time, give us actual budget numbers and complete  
8 things so that it's more meaningful?  
9 That's my question.  
10 MR. MAGEE: To answer your first question,  
11 staff's really starting to get this report dialed  
12 in, and it takes a few hours, really, to pull the  
13 data and put it together.  
14 We hope you enjoy the new graphics and the  
15 new layout of it. We've been working very hard on  
16 -- we knew there would be a lot of effort up front,  
17 but the amount of effort would go down. And the  
18 amount of effort has gone down significantly.  
19 It's not something that I feel is time  
20 prohibitive for the finance department at this time.  
21 I feel like it's been well received by the  
22 community, and I believe we should probably continue  
23 to do it given that it's not a real heavy lift for  
24 staff.  
25 With respect to the budget numbers, so as

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1 If there aren't any other questions on  
2 that section of the report, please feel free to move  
3 on. Thank you.  
4 TRUSTEE TULLOCH: A couple of things.  
5 Now, as we're moving into the budget season now, and  
6 we know we have two major seasonal operations, I  
7 mean, typically what we do when we're doing the  
8 month-by-month budget is not just for seasonal  
9 operations, it's just do a weighted budget. Would  
10 that be possible as we're preparing the budget  
11 this year?  
12 MR. MAGEE: If we were to do that,  
13 understand we're building almost a second set of  
14 financials, it's not what I would recommend, it's  
15 not something that the State would require us to do.  
16 Could we do it? Absolutely. We can do a  
17 lot of things, but it would be some significant  
18 additional staff time to start pulling those types  
19 of data together.  
20 TRUSTEE TULLOCH: I was thinking more in  
21 terms of when the department heads or division  
22 heads, I can't remember which we call them, they  
23 basically know what their staffing -- they know  
24 their staffing profile, and the payroll is a major  
25 driver, in most cases. I was wondering whether that



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1 would be possible for them to actually weight it  
 2 according to that?  
 3 MR. MAGEE: We can certainly ask them to.  
 4 Yes, we can see what we can put together, for sure.  
 5 TRUSTEE TULLOCH: That would be helpful.  
 6 Unless, of course, our two seasonal operations just  
 7 cancel each other out.  
 8 Otherwise, looking at Appendix B, we'll  
 9 see now it's multiple pages when it's doing the  
 10 monthly printout. It's actually been very  
 11 interesting because it's helped myself and General  
 12 Manager identify some areas for consideration when  
 13 we see about 120-something different transactions  
 14 with AT&T, it seems like we're paying every cell  
 15 phone bill individually. I think there's got to be  
 16 better ways of doing that. Maybe our new contracts  
 17 and purchasing person will take that over and get us  
 18 to a single account and things like that.  
 19 Otherwise, it's interesting to see there.  
 20 I know Trustee Schmitz has previously expressed some  
 21 concerns over the number of very small, low-dollar  
 22 transactions still going through as checks, but it's  
 23 a work in progress.  
 24 Thank you.  
 25 CHAIR SCHMITZ: I wanted to just share

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1 consent calendar, the approval of the  
 2 meeting minutes and to revise Policy 21.1.  
 3 TRUSTEE TONKING: I move to approve the  
 4 consent calendar.  
 5 TRUSTEE DENT: I'll second.  
 6 CHAIR SCHMITZ: A motion's been made and  
 7 seconded. Any discussion?  
 8 Seeing none, I'll call for the vote. All  
 9 those in favor?  
 10 TRUSTEE TONKING: Aye.  
 11 TRUSTEE TULLOCH: Aye.  
 12 TRUSTEE NOBLE: Aye.  
 13 TRUSTEE DENT: Aye.  
 14 CHAIR SCHMITZ: Aye.  
 15 Motion passes, 5/0.  
 16 Moving on to general business.  
 17 G. GENERAL BUSINESS  
 18 G 1. Operating Budget Augmentation  
 19 CHAIR SCHMITZ: Subject: Review, Discuss  
 20 and Possibly Approve the Augmentation and the  
 21 Appropriation of FY 2023/24 Operating Budget  
 22 20002224-7510 in the Amount of \$300,000 from the  
 23 Utilities Reserve Fund to Cover Costs of Water Main  
 24 Repairs; and, Defunding \$400,000 from the FY 2023/24  
 25 CIP #2299DI1702 - Water Pump Sta. 2-1 Improvements,

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1 that I did find a couple of things that didn't show  
 2 up on the disbursements over 50,000 on page 11 and  
 3 on page 42. I don't know why they would have not  
 4 appeared here and maybe my eyes are playing tricks  
 5 on me.  
 6 But on page 11, there was another check to  
 7 the State of Nevada for 181,000, I don't see -- oh  
 8 no, that is there. I'm sorry I missed it. It was  
 9 in the very first line.  
 10 And then on page 42, maybe my eyes were  
 11 playing tricks on me. I will look through it again  
 12 and just let you know.  
 13 But I want to make sure that everything  
 14 that is over 50, it ends up here. I had sent both  
 15 of you an email on -- there were two of them, but  
 16 the one is the very first line item. I just missed  
 17 it on the very top. Thank you for taking the time  
 18 to review all of this.  
 19 Are there any other questions for the  
 20 treasurer from any of the trustees?  
 21 Seeing none, that will close out agenda  
 22 item E.  
 23 F. CONSENT CALENDAR  
 24 F 1. Meeting Minutes Approval  
 25 F 2. Board Policy 22.1.0 Revisions  
 CHAIR SCHMITZ: We have two items on the

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1 Account Number - 20002299-8120 and Reappropriating  
 2 \$400,000 to CIP #2299DI2603 - Residential Meter and  
 3 Electronics Replacement, Account Number -  
 4 20002299-7510 to Fund the Procurement of Additional  
 5 Water Meter Registers and Transponders. (Requesting  
 6 Staff Member: Interim Director of Public Works Kate  
 7 Nelson).  
 8 MS. NELSON: On item G 1 on page 167 of  
 9 your board packet, we've got two different requests  
 10 here, all affecting the water fund.  
 11 The first one is in regards to the water  
 12 transmission budget. Basically, this is budgeting  
 13 to cover water leaks throughout the District that we  
 14 have anytime during the year. As you're aware,  
 15 we've had some significant leaks over the past  
 16 couple of weeks. One on Tyner specifically, we had  
 17 another one on Jennifer yesterday, and the one  
 18 adjacent to the Christmas Tree Village.  
 19 Currently, that budget was 190,000. We've  
 20 spent to date 130,000 and some change. We have a  
 21 known total that we will spend after next week of  
 22 171,612, and we have not received invoices for  
 23 three additional payment reinstatements. Those  
 24 invoices will be seen at a later date when the work  
 25 can be completed, either late spring, early summer.

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1 We are looking to augment that budget with -- by  
 2 \$300,000 to cover these unknown invoices.  
 3 The second item is to defund the water  
 4 pump station 2-1 improvements project that has not  
 5 moved forward to date. The total budgeted amount  
 6 for that was \$400,000. We are requesting to utilize  
 7 that money to purchase additional meter  
 8 transponders -- meter electronics and transponders.  
 9 They are currently dying at a rate that we  
 10 anticipated not as many.  
 11 So we actually had it outlined in the  
 12 five-year fiscal year plan to, every year, we would  
 13 be replacing these meters; however, the die-off rate  
 14 has increased, and we are also running into supply  
 15 chain, long-lead items, so it's taking longer to  
 16 actually receive the equipment when we place the  
 17 order.  
 18 We're trying to get ahead of things so we  
 19 won't be waiting for equipment, so we can actually  
 20 have it on the shelf. We currently have the meter  
 21 tech on staff now, and he is actually doing the  
 22 change-outs, which is working out pretty well.  
 23 At this time, I'll turn it over to the  
 24 Board, if you have any questions for either of these  
 25 items.

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1 accounting question and determination.  
 2 TRUSTEE TULLOCH: Let's just check and  
 3 make sure we're using the right asset life for them  
 4 going forward.  
 5 Will we get these, the number you're  
 6 ordering, within this financial year?  
 7 MR. YOUNGBLOOD: That's undetermined at  
 8 this time. I have put the supplier on notice that  
 9 we are potentially going to order them, but at this  
 10 time, they haven't provided a time frame.  
 11 TRUSTEE TULLOCH: It was brought up in  
 12 public comment that we need to authorize the money  
 13 first, so even if it then becomes a carryover.  
 14 CHAIR SCHMITZ: Any other questions?  
 15 I have great concern about our utility  
 16 fund balance. I don't know where we are with our  
 17 utility fund balance. At our last meeting, I recall  
 18 we dipped into our utility fund balance by \$800,000,  
 19 now another 3, and my recollection is is that we are  
 20 out of compliance with Board policy for what the  
 21 reserve was before we started this budget year. And  
 22 if dip into it another million one between these  
 23 last two activities, I'm very concerned, and the  
 24 memo doesn't tell us anything about where we are  
 25 with our utility fund balance.

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1 TRUSTEE TULLOCH: Just in terms of you say  
 2 we have a meter tech on staff now so we're not doing  
 3 these change-outs on overtime anymore?  
 4 MS. NELSON: Correct.  
 5 TRUSTEE TULLOCH: Excellent. That's good.  
 6 What's the lifespan you're seeing of these  
 7 meters now, and it is under the projected original  
 8 ten years?  
 9 MS. NELSON: I'll ask Jim Yougblood, our  
 10 utilities specialist on that. I know they're stated  
 11 at ten years.  
 12 MR. YOUNGBLOOD: The battery life on those  
 13 units is ten years, guaranteed. So up to that  
 14 point, the manufacture will replace them for free,  
 15 and we're approaching the 20-year lifespan of these  
 16 units.  
 17 TRUSTEE TULLOCH: So the displays are  
 18 going as well. My experience, usually the displays  
 19 go.  
 20 MR. YOUNGBLOOD: Correct.  
 21 TRUSTEE TULLOCH: Have we been  
 22 capitalizing these at 20-year life, so we're going  
 23 to be taking a writeoff as -- write downs as we  
 24 replace these?  
 25 MS. NELSON: I would say that's an

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1 And I know that staff has been talking  
 2 about not having staff, and I don't know whether  
 3 there are potentially funds that could be  
 4 reallocated so that we don't have to go and take  
 5 money out of a reserve fund that is already below  
 6 our standard for the Board. And I think anytime  
 7 something comes to the Board wanting to use fund  
 8 balance, the Board should be informed of what is the  
 9 current fund balance and what is policy for that  
 10 fund balance.  
 11 I'm very uncomfortable after just taking  
 12 \$800,000, to go and take another \$300,000, when I  
 13 don't know what the fund balance is.  
 14 MS. NELSON: I spoke with Mr. Cripps today  
 15 and was provided with that revenues are over our  
 16 expenses, so we actually have about a million  
 17 dollars that we're flush because we aren't spending  
 18 as much. We do have some salary savings that is  
 19 available to use.  
 20 And then we can also go through the  
 21 actuals of where we are today and see if there's any  
 22 other funding that we can pull from. I know one off  
 23 the top of my head, which is the rate study, we  
 24 didn't move forward with that, so out of the water  
 25 fund, there's \$25,000.

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1 We can look at other funds if that's the  
 2 direction of the Board. We're happy to do that.  
 3 CHAIR SCHMITZ: Thank you.  
 4 Any other comments or questions?  
 5 TRUSTEE TULLOCH: I would support that.  
 6 Let's go through the different funds and see what  
 7 we've got rather than before we start drawing down  
 8 reserves.  
 9 It's slightly theoretical in some  
 10 respects, since the unspent stuff is still sitting  
 11 in reserves. The way we show it, it's not a  
 12 dedicated reserve account, but let's start looking  
 13 at where -- because I know there's several projects  
 14 that we've authorized, and when they came to the  
 15 Board, we pointed out those savings, 20-, 30-,  
 16 40,000 bucks in each of them. And I did ask that  
 17 went back into fund balance.  
 18 Let's take look at that and just see how  
 19 much -- see whether we can avoid taking it out of  
 20 the reserve fund. That would be the normal way of  
 21 doing it.  
 22 CHAIR SCHMITZ: Just to add on to that.  
 23 If you recall, we budget every year, we have been  
 24 budgeting \$100,000 for potential repairs to the  
 25 effluent pipeline. And I know as we've been

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1 similar to the general fund, I'm assuming that all  
 2 directors and him are looking at replenishing all of  
 3 our reserves, given some of the decisions that were  
 4 made over this last year; is that correct?  
 5 MR. MAGEE: Yes, that exactly what he's  
 6 doing right now. He's meeting with all of the  
 7 departments and evaluating, literally, every single  
 8 line item, fund balances. They're going through  
 9 that process right now, very much in depth.  
 10 He and I have met on that a number of  
 11 times already, and he's starting to pull together  
 12 some pretty quality data now.  
 13 TRUSTEE NOBLE: What is downside to the  
 14 Board not taking action on this item for the next  
 15 two or four weeks?  
 16 MS. NELSON: Currently, knowing that we  
 17 have the cost coming in for state route repair next  
 18 week, we would be left with only about \$20,000 in  
 19 that account, we couldn't -- if we got an invoice,  
 20 we couldn't pay it.  
 21 CHAIR SCHMITZ: So for clarification, I  
 22 think what he's asking and what we're asking is that  
 23 if you have funds, we can authorize reappropriating  
 24 funds to cover these costs; correct?  
 25 MS. NELSON: Yes. But would we need to

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1 replacing more of the pipeline, that should reduce  
 2 the amount of probability of leaks. If there's  
 3 money that you don't anticipate spending in that  
 4 type of an emergency repair budget, we could  
 5 potentially look at that.  
 6 And I agree, it is a matter of shifting  
 7 around, but it's also a matter of due diligence in  
 8 looking at how are we spending our money, and let's  
 9 make sure we're doing things right and not just  
 10 automatically dipping into fund balance.  
 11 Thank you for that.  
 12 TRUSTEE TULLOCH: I can just add to that.  
 13 I think this is a good reminder for all our projects  
 14 that we're doing. Just because we authorize a  
 15 certain amount for the project and the project comes  
 16 in underspent, that money -- that these savings  
 17 should all go back into fund balance. It should not  
 18 just be, oh, great, we can spend this on some extra  
 19 beach chairs or something like that.  
 20 We need to make sure when we successfully  
 21 deliver projects under budget, that the savings do  
 22 go back, otherwise, they're not savings.  
 23 TRUSTEE TONKING: It's my understanding  
 24 too -- and this is probably a question for GM Magee  
 25 -- that when Mr. Cripps goes and does the budgeting

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1 come back to the Board to identify exactly where  
 2 those funds are coming from, or can we work with  
 3 accounting to get that done?  
 4 CHAIR SCHMITZ: I think that the Board  
 5 could direct that you work with accounting on that.  
 6 MS. NELSON: Okay.  
 7 CHAIR SCHMITZ: Any other comments or  
 8 questions?  
 9 TRUSTEE DENT: So from what I'm hearing is  
 10 we wouldn't be authorizing additional fund balance  
 11 to be used. And then what if we come up short and  
 12 we can't do we need to, then they'll come back to us  
 13 again?  
 14 (Inaudible response.)  
 15 TRUSTEE DENT: Okay. Do we want to go  
 16 that route or do we want to approve up to this  
 17 amount for a fund balance with a report that comes  
 18 back -- a detailed report that comes back to the  
 19 Board at the special meeting of the 28th? That way,  
 20 we can get the resources that we need for the water  
 21 meters and still understanding of where we're at.  
 22 CHAIR SCHMITZ: I'm going to look to  
 23 General Manager Magee. What's your recommendation  
 24 on that?  
 25 MR. MAGEE: The staff recommendation is to

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1 appropriate the money from the fund balance, because  
 2 that does give us legal authority to write the  
 3 check.  
 4           We can certainly accept Board direction to  
 5 try to find all of the funds within existing  
 6 appropriations, if we can, we will make sure that  
 7 gets used. And then any unused appropriations, we  
 8 can report back to the Board that we either needed a  
 9 portion of that or some portion of that or no  
 10 portion of that, and then, essentially, staff would  
 11 be of the understanding to freeze those  
 12 appropriations and not use those even though the  
 13 Board gave us the legal authority to write the check  
 14 if we needed to.  
 15           So, ultimately that is why you see the  
 16 staff recommendation here.  
 17           MR. RUDIN: Additionally, NRS 354.598005  
 18 requires that the governing body authorize the  
 19 transfer of appropriations from a contingency  
 20 account. That's one of the reasons staff are here.  
 21           With respect to cost savings within, say,  
 22 the existing water fund from a specific project, NRS  
 23 actually authorizes the person authorized to  
 24 administer the budget transfer appropriations within  
 25 any function, so that would not -- that could be

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1 same thing, if we could bring it within the next  
 2 month, if we could get a listing of where these  
 3 potential savings are. That would be educational  
 4 for the Board as well, particularly as we move into  
 5 budget season.  
 6           CHAIR SCHMITZ: Would anyone care to make  
 7 a motion?  
 8           TRUSTEE TONKING: I move that the Board of  
 9 Trustees augment and appropriate the FY 2023/24  
 10 Operating Budget 20002224-7510 in the amount of  
 11 \$300,000 from the Utilities Reserve Fund; and defund  
 12 \$400,000 from the FY 2023/24 CIP #2299DI1702 - Water  
 13 Pump Station 2-1 Improvements, Account Number -  
 14 20002299-8120 and reappropriate \$400,000 to CIP  
 15 #2299DI2603 - residential meter and electronics  
 16 replacement, account number - 20002299-7510. And  
 17 look for cost savings from other accounts and report  
 18 back to the Board within the next month on those  
 19 savings.  
 20           CHAIR SCHMITZ: Motion's been made.  
 21           TRUSTEE DENT: I'll second.  
 22           CHAIR SCHMITZ: Motion's been made and  
 23 seconded. Any further discussion?  
 24           TRUSTEE TULLOCH: Just a slight deviation.  
 25 It's a question for counsel. Do we actually need to

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1 done at the staff level by accounting already.  
 2           CHAIR SCHMITZ: So what we would recommend  
 3 is to say that we, the Board, would authorize the  
 4 \$300,000 to be appropriated, but at the same time  
 5 direct staff to reappropriation budget and report back  
 6 to the Board of what they actually needed to use; is  
 7 that correct?  
 8           MR. MAGEE: If counsel is in agreement  
 9 here, I would say that feels like a very appropriate  
 10 direction from the Board.  
 11           MR. RUDIN: Yeah, that would actually give  
 12 staff the most amount of flexibility in terms of  
 13 insuring that you're not running out of funding to  
 14 pay bills as they become due.  
 15           CHAIR SCHMITZ: And we can get that report  
 16 back on an agenda within the next month?  
 17           MR. MAGEE: I look to Assistant Director  
 18 Cripps and interim Director Nelson on that one.  
 19           CHAIR SCHMITZ: Okay. We can work on that  
 20 offline.  
 21           MR. MAGEE: We understand what the Board's  
 22 desires are, and we will make every effort to get  
 23 that back within the month.  
 24           CHAIR SCHMITZ: Thank you.  
 25           TRUSTEE TULLOCH: I was going to ask the

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1 go through and repeat every word of these or can we  
 2 pass these motions as written?  
 3           MR. RUDIN: You can just say "move the  
 4 staff recommendation," if that's preferable.  
 5           TRUSTEE TULLOCH: Thank you.  
 6           TRUSTEE TONKING: That's a game changer  
 7 for life.  
 8           CHAIR SCHMITZ: All those in favor?  
 9           TRUSTEE TONKING: Aye.  
 10           TRUSTEE TULLOCH: Aye.  
 11           TRUSTEE NOBLE: Aye.  
 12           TRUSTEE DENT: Aye.  
 13           CHAIR SCHMITZ: Aye.  
 14 Passes five to zero. Thank you.  
 15           Moving on to agenda Item G 2.  
 16           G 2. Water Resource Recovery Facility  
 17 Controller  
 18           CHAIR SCHMITZ: Review and discuss and  
 19 possibly approve services for the water resource  
 20 recovery facility controller. I'll just hand it  
 21 over to interim Director of Public Works.  
 22           MS. NELSON: This item is to purchase  
 23 equipment that ultimately will help our treatment  
 24 staff manage the -- it's a natural process through  
 25 the wastewater treatment plant, and we've had

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1 difficulty year after year when our flows increase  
 2 and the temperatures increase. What happens is the  
 3 plant basically has an upset. It's like if you go  
 4 out and have a super heavy, fatty meal that your  
 5 body is not used to, you have an upset. And so it's  
 6 similar to what happens in the plant. We get  
 7 treatment taking place in the clarifiers when all  
 8 the treatment should be happening in the aeration  
 9 basins. It causes havoc, and it's not a quick fix,  
 10 like if you were to just take some Tums and feel  
 11 better. We have to add a lot of chemicals to  
 12 reverse that, and it's not just days, it's weeks, to  
 13 take that and get the plant back operating.  
 14         So what this equipment is going to help us  
 15 do is actually have realtime data so we can start to  
 16 log and manage the treatment process so we're able  
 17 to adjust in realtime based on the information that  
 18 we're getting from these sensors.  
 19         Our goal in this is to reduce the amount  
 20 of chemicals that we have to add. We're hopeful  
 21 that the return activated sludge that our new bugs,  
 22 we want to take as much of those new bugs and put  
 23 them at the beginning of the treatment process as  
 24 opposed to having to create more biosolids that we  
 25 have to off haul. So we're hoping to actually to be

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1 able to use more bugs, not off haul as much.  
 2         And then the main important part of this  
 3 is that we stay within our discharge permit limits.  
 4 We have gotten close where we've gone over certain  
 5 criteria that's outlined, but we've never violated  
 6 our discharge permit. We've gotten close, and we've  
 7 seen this year after year after year. That's why  
 8 we're trying to adjust how we can manage this  
 9 process better.  
 10         So with that, I'm going to go through the  
 11 costs, because I think that was a question in public  
 12 comment. So current budget with carryovers, the  
 13 \$267,561, we've have the centrifuges that are under  
 14 contract. Basically that contract was a not to  
 15 exceed of \$85,940 per centrifuge, that's the total  
 16 of the 171880. I'm under section four. I don't  
 17 have --  
 18         TRUSTEE DENT: Page 173.  
 19         MS. NELSON: So we already have received  
 20 one of centrifuges back, it's been reconditioned,  
 21 and the cost of that was \$53,480. So knowing that  
 22 the second centrifuge can't exceed the \$85,940,  
 23 that's where the math proves out that if we add the  
 24 \$136,200, that we're only short \$8,000.  
 25         I will say that after our previous

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1 discussion about finding money elsewhere, because  
 2 we've asked for it to come out of the reserve fund,  
 3 we can take this shortfall out of the rate study  
 4 that we're not doing that had a budget of \$25,000 in  
 5 the sewer fund.  
 6         With that, I think I will turn it over to  
 7 questions.  
 8         CHAIR SCHMITZ: Questions? We lost  
 9 Trustee Tonking.  
 10         TRUSTEE TULLOCH: Coming back to your  
 11 comparison, would it help if we asked the community  
 12 to avoid having heavy fatty meals from time to time?  
 13         MS. NELSON: I wasn't going to blame it on  
 14 the community, but they're the ones that are feeding  
 15 the plant.  
 16         CHAIR SCHMITZ: I have a question about  
 17 your loading that you talked about in the  
 18 summertime. We're now adding these condominiums at  
 19 947, are we doing analysis to say do we have the  
 20 capacity to handle this? Because now if we're  
 21 already on the cusp and now you start adding to it,  
 22 I mean, what's the plan?  
 23         MS. NELSON: In general speak, we have the  
 24 capacity to treat. Our treatment plant if designed  
 25 for a five-million-gallon per day. Even with the

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1 additional units coming on, we can accommodate that.  
 2         However, with the use of, say, low-flow  
 3 toilets and low-flow shower heads, it increases the  
 4 strength of the wastewater coming into the plant.  
 5 So that's where we really need to start analyzing  
 6 and seeing what's happening to the plant ahead of  
 7 time, we want to be reactive -- proactive, not  
 8 reactive, and that's how we've been is reactive.  
 9         So it's a manner of seeing what is coming  
 10 into the plant, seeing when that starts to hit, and  
 11 being able to adjust. We've got six basins, whether  
 12 were two in series or three in parallel, that is all  
 13 taken care of by the treatment staff, and this  
 14 equipment will help to make that sure we're able to  
 15 treat what we're receiving when we're receiving it.  
 16         CHAIR SCHMITZ: My question -- I'm looking  
 17 to legal counsel because my questions are really  
 18 sort of a little bit different than this, and it is  
 19 talking about capacity and what is the capacity that  
 20 we have. Is that analysis part of the utility's  
 21 master plan and will that be coming back to us as  
 22 part of that report?  
 23         MS. NELSON: Yeah, I believe that they're  
 24 going to touch on what we have today and looking at  
 25 what our growth could be. We have a couple of large

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1 developments on the horizon, and we are taking those  
2 into account as we're moving forward.  
3 CHAIR SCHMITZ: Right. Because the  
4 Crystal Bay development also.  
5 MS. NELSON: Yeah, the old Biltmore.  
6 CHAIR SCHMITZ: Thank you. I don't want  
7 go off topic.  
8 MR. RUDIN: I assume this is relative to  
9 the need for the proposed improvements.  
10 CHAIR SCHMITZ: It is, so thank you for  
11 that help.  
12 Any other questions?  
13 And we do have modifications to the  
14 contract; correct? Does it impact the language of  
15 the motion? I believe it might in some small dollar  
16 amount. This is the revised motion here also for  
17 us?  
18 MS. NELSON: The \$136,200 and to  
19 appropriate \$8,100.  
20 CHAIR SCHMITZ: Okay. This is 81, not  
21 8,000.  
22 MS. NELSON: 8,100.  
23 CHAIR SCHMITZ: Okay. Thank you.  
24 TRUSTEE TONKING: I move that the Board  
25 takes the staff recommendation.

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1 CHAIR SCHMITZ: Yes.  
2 Is that acceptable? Do we have to go  
3 through this process again or can we vote?  
4 MR. RUDIN: I would say as long as you're  
5 movant and seconder both agree that that is the  
6 motion, then, yes, you can vote.  
7 TRUSTEE TONKING: I agree.  
8 TRUSTEE DENT: I agree.  
9 CHAIR SCHMITZ: A motion has been made,  
10 seconded, clarified, call for the vote. All those  
11 in favor?  
12 TRUSTEE TONKING: Aye.  
13 TRUSTEE TULLOCH: Aye.  
14 TRUSTEE NOBLE: Aye.  
15 TRUSTEE DENT: Aye.  
16 CHAIR SCHMITZ: Aye.  
17 Motion passes five to zero.  
18 Moving on to item G 3.  
19 G 3. Active Network Point of Sale Software  
20 CHAIR SCHMITZ: This is possibly  
21 authorizing staff to execute a point of sale  
22 software contract. It's on pages 191 through 306 in  
23 your board packet.  
24 Mr. Gove, if you could please clarify for  
25 us what the supplemental material on our desk is

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1 CHAIR SCHMITZ: Thank you for that.  
2 TRUSTEE DENT: I'll second.  
3 MR. RUDIN: As modified and revised.  
4 TRUSTEE TONKING: As modified and revised,  
5 yeah.  
6 CHAIR SCHMITZ: So the modification, just  
7 for the record to be clear, the agreement is for a  
8 total amount of \$160,200, and the augmentation is  
9 not 8,000; it's \$8,100; correct?  
10 MS. NELSON: Correct. And that is not  
11 coming out of the utility reserve fund, but that  
12 will be coming out of the budgeted rate study under  
13 the sewer fund.  
14 CHAIR SCHMITZ: Okay. That's another  
15 revision to staff's recommendation.  
16 TRUSTEE NOBLE: I may have misheard you,  
17 but I think you said \$160,200, and it's \$136,200.  
18 CHAIR SCHMITZ: Let me attempt this again.  
19 Staff's recommendation is going to be  
20 modified to be instead of \$135,800, it's 136,200,  
21 and instead of 8,000, it's 8,100, and the \$8,100  
22 will not be coming out of the utility reserve fund,  
23 but will be reappropriated from other budget in the  
24 utility fund.  
25 MS. NELSON: Other budget savings, yes.

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1 for, that will be great.  
2 MR. GOVE: I will do that. I have a  
3 little written statement prepared here, so I may  
4 repeat some of the things that you said there.  
5 Thank you for allowing me to get this on your agenda  
6 tonight. Mike Gove, Director of Information  
7 Services and Technology for the District.  
8 On pages 191 through 306 of your packet  
9 tonight is an item I have been in front of you  
10 previously to discuss, the point of sale system  
11 assessment. I do need to point out, quick  
12 clarification, there is an error on page 193 in your  
13 packet that has been corrected. On that page,  
14 there's a table that references the split of the  
15 requested budget augmentation. If you look at that  
16 table, the fund allocations listed are transposed.  
17 It should be 15 percent to the beaches and 85  
18 percent to community services. I messed up and  
19 goofed on that table. I'll blame it on the system,  
20 but, ultimately, that's my responsibility too.  
21 I would like to thank BBK for their work  
22 in negotiating the agreement with Active Network.  
23 They were very helpful, and I appreciate their  
24 support.  
25 With that, I'm here to request your

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1 authorization to proceed with the agreement with  
2 Active Network, as well as to request your approval  
3 for a budget augmentation in the amount of \$267,500,  
4 with 15 percent of that, or \$40,125, being  
5 appropriated from the beach fund balance, and 85  
6 percent of that, or \$227,375, being appropriated  
7 from the community services fund.

8 With that, I'm happy to answer any  
9 question that anyone may have.

10 CHAIR SCHMITZ: Could you please just  
11 clarify why we have all of this huge supplemental  
12 packet?

13 MR. GOVE: Sure. I wanted to ensure that  
14 the Board has all of the information going into  
15 this. What's included in the packet is the  
16 entire -- I'm sorry. Are you saying --

17 CHAIR SCHMITZ: So this packet was on our  
18 --

19 MR. GOVE: Okay. It looks like the entire  
20 item may have been re-sent out. It was just one  
21 page that needed to be corrected. Just one page.  
22 There's no changes. The only correction, the only  
23 change that's in there was page 193, and it's the  
24 table where the budget augmentation numbers are  
25 transposed. It is correct in the text, but when I

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1 here is I'm going to allow the consultant to provide  
2 recommendations to myself and ultimately to you on  
3 potential solutions that work for a broader range of  
4 systems than what we have right now.

5 The system that we have right now is built  
6 proprietarily around the punch cards. And so  
7 changing the punch card functionality in any way, we  
8 have to change that proprietary software, because  
9 the functionality of the punch cards is extremely  
10 proprietary to the District.

11 Part of what I would like to do with this  
12 assessment is to bring forth recommendations to  
13 continue the functionality in the end goal of the  
14 punch card, but also sort of standardize it with  
15 something that might make sense to a broader range  
16 of business processes and software operating  
17 systems.

18 TRUSTEE TULLOCH: So there's a move to  
19 standard operating platform rather than custom code  
20 and industry -- virtual industry standard?

21 MR. GOVE: There may need to be custom  
22 code. Being what we do as a district, the parcel  
23 master software that we use, which is called  
24 "Capstone," which also manages the punch card more  
25 than likely will need to be custom coded. I don't

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1 got fancy and wanted to make a table for you guys, I  
2 goofed, and thought we took it out. We missed it  
3 when we went back to review, so it stayed.

4 CHAIR SCHMITZ: I was worried we had to be  
5 looking through all sorts of contract language for  
6 changes.

7 MR. GOVE: No, ma'am. I apologize for  
8 that.

9 CHAIR SCHMITZ: Any questions for  
10 Mr. Gove?

11 TRUSTEE TULLOCH: Is this going to give us  
12 a standard point of sale system across the --

13 MR. GOVE: That's the intention. It may  
14 not be a standard front end for the end users, but  
15 the back end that we all use for the really  
16 important stuff like your financial reports as well  
17 as the financial tracking for the sales that happen  
18 at the point of sales, my goal there is to have  
19 everything consolidated in one system that then  
20 feeds to Tyler.

21 TRUSTEE TULLOCH: Excellent. Will this  
22 let us do other things with, say, the punch cards  
23 and things to load up against the point of sale  
24 system?

25 MR. GOVE: Part of what I want to achieve

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1 think we're going to find something off the shelf.  
2 Part of this assessment will deliver that  
3 answer to us is if there's a potential for something  
4 off the shelf with minor modifications, I would be  
5 open to that, but my gut tells me that it's going to  
6 need to be something that's proprietary.

7 But the goal there would be to have a  
8 maintenance contract and a support contract that  
9 would keep that software updated and up to date  
10 moving forward in the future. The current software,  
11 I won't tell you how long it's been since it was  
12 patched. I don't have a custom coder on site, on  
13 property.

14 TRUSTEE TULLOCH: Understood. I mean, I'm  
15 sure your consultant could also bring forward  
16 recommendations and changes we could make to  
17 facilitate the end -- to increase the capability and  
18 the standardization of it.

19 What's the estimated life span of this  
20 system in terms of future proving?

21 MR. GOVE: My hope is to get 10 to  
22 15 years out of it. Technology changes every day.  
23 For all we know, there could be something written in  
24 AI in three minutes in two years, so I can't promise  
25 that we would be on it in 15 years, but I think that

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1 it's a massive investment that we would see, as  
 2 staff, we would expect to get 10 to 15 years out of  
 3 it.  
 4 TRUSTEE TULLOCH: That was my real  
 5 question. On a 10-year basis it's good. If it was  
 6 five years, I'd be more concerned, but 10 years  
 7 sounds good.  
 8 MR. GOVE: I can tell you the current  
 9 system was written somewhere back in the mid-90s.  
 10 CHAIR SCHMITZ: Any other questions for  
 11 Mr. Gove?  
 12 Seeing none, I have a question. I know  
 13 that the venue managers will be working closely to  
 14 identify specifically the needs of their venues.  
 15 Will they also be identifying the needs from a user  
 16 perspective?  
 17 Because as a user, I know trying to make a  
 18 golf reservation or cancel a golf reservation, it  
 19 isn't easy, it is impossible, same thing even with  
 20 Rec Center activities and whatnot. Is there going  
 21 to be a customer-facing aspect of this point of  
 22 sales system also?  
 23 MR. GOVE: Absolutely. I would argue that  
 24 in that example that you provide with staff having  
 25 feedback or input on the customer experience, I'm

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1 going to rely heavily on Active Network to provide  
 2 us the business (inaudible) that they're providing  
 3 for everybody in 2024 versus the folks that have  
 4 been using or software -- sorry to say it -- for the  
 5 last 15 years that are kind of used to our systems.  
 6 We want the latest and greatest, we want  
 7 what's out there, we want -- I won't say apps and  
 8 things like that, but we want a full-functioning  
 9 software that the residents and the guests expect to  
 10 use when they show up at venues like ours.  
 11 CHAIR SCHMITZ: And much less frustration  
 12 for staff. I know staff gets really frustrated with  
 13 the system.  
 14 MR. GOVE: And if there's staff listening,  
 15 by no means I'm trying to discredit their experience  
 16 or their ability to provide that feedback. I would  
 17 look to Active Network to provide us that  
 18 recommendation.  
 19 CHAIR SCHMITZ: And thank you for all of  
 20 your efforts on this, and too to BBK, because we  
 21 wanted to bring -- you and I had wanted to bring  
 22 this forward probably last fall, late fall, and it's  
 23 taken much longer than anticipated.  
 24 But I think it's given us time to make  
 25 some other organizational adjustments, and now we're

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1 ready to move this forward. This is really  
 2 important, not only for staff, but for our residents  
 3 and our community in trying to have a better  
 4 experience.  
 5 I look forward to seeing this project  
 6 through to fruition, so thank you.  
 7 MR. GOVE: So do I. I just want to thank  
 8 you for your support, and you helped out greatly.  
 9 Good things take time.  
 10 CHAIR SCHMITZ: Any other discussion?  
 11 TRUSTEE TULLOCH: Just one small point.  
 12 Hopefully we won't waste time and effort trying to  
 13 make the new system look like the old system. It's  
 14 incredibly frustrating and expensive.  
 15 MR. GOVE: Absolutely not. I'm not tied  
 16 to the current system in any way. We just need the  
 17 functionality moving forward.  
 18 CHAIR SCHMITZ: We need a system that  
 19 works.  
 20 MR. GOVE: Absolutely.  
 21 TRUSTEE DENT: I move to accept staff's  
 22 recommendation.  
 23 TRUSTEE TONKING: Second.  
 24 CHAIR SCHMITZ: All those in favor?  
 25 TRUSTEE TONKING: Aye.

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1 TRUSTEE TULLOCH: Aye.  
 2 TRUSTEE NOBLE: Aye.  
 3 TRUSTEE DENT: Aye.  
 4 CHAIR SCHMITZ: Aye.  
 5 Passes, 5/0.  
 6 **Moving on to long range calendar.**  
 7 I. LONG RANGE CALENDAR  
 8 CHAIR SCHMITZ: We have one thing to add,  
 9 and that is a report from Public Works on the  
 10 savings and the use of a fund balance.  
 11 I'll work with you, Mr. Magee, to make  
 12 sure that we get that on the calendar, and I'll hand  
 13 it over to you.  
 14 MR. MAGEE: I know we've kind of gone  
 15 through these individually in the past, and I'm  
 16 looking for direction from the Board, obviously, I'd  
 17 kind of like to do it as a batch. If there's  
 18 anything that the Board would like to add, we're  
 19 absolutely all ears at this time on any of these.  
 20 As I did mention, we are hoping to have a  
 21 special meeting coming up, and so I need to work on  
 22 that particular one.  
 23 CHAIR SCHMITZ: I do have one thing, the  
 24 March 28th that we discussed, I know that there's  
 25 conflicting schedules between Trustee Dent and



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1 Trustee Tonking, who disappeared again.  
 2 But our thought process was to have that  
 3 special meeting beginning at 4:30, and then knowing  
 4 that we will have Trustee Dent at roughly  
 5 five o'clock, Trustee Tonking has to leave at 6:00,  
 6 so hopefully an hour, we'll be able to conduct our  
 7 business between the audit and the urgent need by  
 8 Public Works.  
 9 MR. MAGEE: Yes. The intention would be  
 10 to limit this item to only the time-sensitive items  
 11 that need to move forward on this. Anything that  
 12 can move forward on a routine basis would be pushed  
 13 to the April 10th meeting.  
 14 CHAIR SCHMITZ: The special meeting would  
 15 be on the 28th, starting at 4:30. Does that work?  
 16 TRUSTEE TONKING: I emailed Heidi and  
 17 Bobby and told them I have a -- well, if we could  
 18 finish -- I have a hard, drop dead time of 6:00,  
 19 because We the People dress rehearsal is that day.  
 20 CHAIR SCHMITZ: We think that it should be  
 21 fine. We're going to start at 4:30, we're having  
 22 only two agenda items.  
 23 TRUSTEE TONKING: It will be fine, then.  
 24 As long as we don't keep adding as things happen.  
 25 CHAIR SCHMITZ: No. It's just -- only

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1 we have to submit to the State, which is a  
 2 preliminary budget, and I think that happens before  
 3 the 24th.  
 4 CHAIR SCHMITZ: I think it's April 15th,  
 5 isn't it?  
 6 TRUSTEE DENT: Yeah. So just a heads-up  
 7 on that.  
 8 CHAIR SCHMITZ: I believe the tentative  
 9 budget is due to the State on the 15th?  
 10 MR. MAGEE: Yeah. So the tentative budget  
 11 needs to be submitted to the State in advance of  
 12 that, but we anticipate that there will be some  
 13 additional Board direction modifying what the  
 14 staff's recommended budget is. There typically is  
 15 in any given budget cycle.  
 16 And so right now, we're recommending to  
 17 leave the adoption of the final budget on April  
 18 24th, which is perfectly acceptable to the State.  
 19 CHAIR SCHMITZ: So we're not going to  
 20 review the tentative budget; we're only reviewing  
 21 the final budget?  
 22 MR. MAGEE: The preliminary one. That's  
 23 -- I'd have to ask -- I don't have it with me. I'd  
 24 have to ask Assistant Director Cripps on that one,  
 25 on what the specific dates are that he has.

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1 agenda items that were of urgent nature, and that  
 2 was receiving the audit report, and also the Public  
 3 Works contract that needs Board urgent approval.  
 4 So that'll be on the 28th at 4:30.  
 5 TRUSTEE TONKING: That's fine.  
 6 TRUSTEE TULLOCH: I may be in transit at  
 7 that time, on the 28th, coming back from Sun Valley.  
 8 I'll see what I can do. As long as I can dial in,  
 9 it'll be okay.  
 10 CHAIR SCHMITZ: Okay. Any other comments?  
 11 Know that Mr. Magee and our District Clerk  
 12 and myself are working on trying to fill out this  
 13 agenda a bit more. We have contracts that we need  
 14 to get onto our calendar, so we're working through  
 15 some of that.  
 16 Any other comments or questions about the  
 17 long range calendar?  
 18 TRUSTEE TULLOCH: The April 10th, the CMAR  
 19 for the effluent storage tank, do I see that was  
 20 being moved up to March 28th?  
 21 MR. MAGEE: That is item that we intend to  
 22 move to the March 28th meeting.  
 23 TRUSTEE DENT: I just noticed on April  
 24 24th, adoption of the final budget. Shouldn't that  
 25 be, like, April 29th? I know there's a budget that

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1 CHAIR SCHMITZ: We need to look at that  
 2 because those dates are important.  
 3 MR. RUDIN: Yeah, so I just pulled this  
 4 up, NRS 354.596, you gotta submit a copy of the  
 5 tentative budget on or before April 15th.  
 6 And additionally, you gotta have a notice  
 7 of public hearing on the tentative budget, which you  
 8 have to publish notice not more than 14 days and not  
 9 less than seven days before the date of the hearing.  
 10 MR. MAGEE: Yeah. So we -- I know that  
 11 Assistant Director Cripps has been work the State on  
 12 that, and he's assured me we'll be within full  
 13 compliance of what the NRS says.  
 14 TRUSTEE TULLOCH: I'm just more concerned  
 15 when we see it -- I remember, last year, we had  
 16 several of those, the tentative budget.  
 17 MR. MAGEE: Sure. Understood.  
 18 CHAIR SCHMITZ: Any other comments?  
 19 MR. RUDIN: Lastly, I guess, one other,  
 20 the public hearing on the tentative budget must be  
 21 held by the Board not sooner than the third Monday  
 22 in May and not later than the last date in May.  
 23 TRUSTEE TONKING: I was just going to  
 24 reiterate what Trustee Tulloch said that I would  
 25 love to see some versions of the budget before

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1 trying to adopt the final budget, and we'll all have  
 2 different opinions if we haven't seen it before.  
 3 I'm just putting that on everyone's radar. It would  
 4 be helpful to at least have two opportunities to be  
 5 looking through it.  
 6 CHAIR SCHMITZ: And with that tentative  
 7 budget, we need to be looking at rates, and these  
 8 rates need to tie back our pricing policy and our  
 9 pricing pyramid. And so that's why that pricing  
 10 pyramid has been floating around is because that's  
 11 the expectation is that we will be doing all of  
 12 that.  
 13 We will have to make sure that we get that  
 14 on the calendar.  
 15 MR. MAGEE: Understood. Thank you.  
 16 CHAIR SCHMITZ: Any other comments on the  
 17 long range calendar?  
 18 Closing out long range calendar. Moving  
 19 on to Board of Trustees updates.  
 20 J. BOARD OF TRUSTEES UPDATE  
 21 CHAIR SCHMITZ: Do we have any updates  
 22 from various committees?  
 23 TRUSTEE TONKING: I have two updates, just  
 24 as we were talking about the budget. We're having a  
 25 meeting this week of the Golf Advisory Committee

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1 any online?  
 2 MR. DOBLER: This is Cliff Dobler again.  
 3 I want to talk to you guys a little bit  
 4 about that fund balance in the utility fund. If you  
 5 recall, we have about \$15 million in restricted  
 6 funds that was for the pipeline. Then what we did  
 7 is we went out and and we got a borrowing  
 8 arrangement for an amount of money that has it  
 9 worked out with a grant that we're going to be  
 10 getting from the Federal Government and the actual  
 11 CMAR costs, which is a maximum not to exceed, it  
 12 can't go higher than that, there was going to be  
 13 about 15 million left over.  
 14 I had assumed that you wouldn't borrow  
 15 that 15 million and the use the restricted funds,  
 16 but what you actually did, decided to borrow the  
 17 entire amount.  
 18 Now, if that entire amount is borrowed,  
 19 then the \$15 million of restricted funds is sitting  
 20 in a bank account. My recommendation would be --  
 21 because you have no fund balance, you think you do,  
 22 but you don't have any -- to take a portion of those  
 23 restricted funds, probably 9 million because you  
 24 haven't got that \$6 million grant yet, and  
 25 un-restrict it, just go and say, gee, you know, we

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1 tomorrow, and we're hopefully going to have some  
 2 recommendations.  
 3 I'm hoping that can be on that April 10th  
 4 meeting. We will have recommendations to the Board  
 5 before that meeting.  
 6 And then my other update is more community  
 7 oriented. The We the People team is going to  
 8 Washington, D.C., and so if the community would like  
 9 to donate, that's available on their website. Just  
 10 throwing that out there.  
 11 CHAIR SCHMITZ: Any other updates? Public  
 12 Works, construction?  
 13 I have one that the pickleball group has  
 14 submitted to management their analysis and  
 15 recommendations and thoughts related to rates as it  
 16 relates to pickleball. They're aware that it's  
 17 management's responsibility to be looking at the  
 18 budget and looking at our pricing policy. But they  
 19 did put forward some thoughtful ideas for  
 20 consideration.  
 21 That's my only update that I have. Moving  
 22 on, then, to final public comments.  
 23 K. FINAL PUBLIC COMMENTS  
 24 CHAIR SCHMITZ: Do we have any public  
 25 comment here in the room? Seeing none, do we have

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1 had this set aside for the pipeline but the  
 2 borrowing rates were such a good deal, they were  
 3 like a good banana, and we wanted to do the  
 4 borrowing and take 9 million of the restricted  
 5 funds, put in the fund balance, and everything would  
 6 be cured.  
 7 Because right now, if you have the  
 8 restricted funds, you have no fund balance. Okay?  
 9 That's a guarantee because I did the analysis the  
 10 last year and the year before.  
 11 That might be a good option for you. I'm  
 12 willing to talk to Magee about it, willing to talk  
 13 to anybody who is willing to listen, but that's how  
 14 I see solving that problem.  
 15 Thank you very much.  
 16 MATT: That was our only public comment in  
 17 the queue at this time.  
 18 TRUSTEE TULLOCH: It's not so much a  
 19 public comment. I think it's just point of  
 20 information.  
 21 I seem to recall that we agreed we  
 22 wouldn't necessarily draw down the full balance of  
 23 the loan, that we would use the funds. That was my  
 24 recollection, we would use the funds that we  
 25 collected in the first place.

1 I need to go back and check some of the  
 2 agreements, but that was my recollection.  
 3 TRUSTEE DENT: I don't know if we can have  
 4 discussion right now during public comment.  
 5 CHAIR SCHMITZ: No.  
 6 TRUSTEE TULLOCH: It's just point of  
 7 information.  
 8 CHAIR SCHMITZ: That closes out our final  
 9 agenda item.  
 10 L. ADJOURNMENT  
 11 CHAIR SCHMITZ: It's 7:32 p.m. Thank you  
 12 all for being here, thank you to staff, and have a  
 13 great evening.  
 14 (Meeting adjourned at 7:32 p.m.)

1 STATE OF NEVADA )  
 2 COUNTY OF WASHOE ) ss.  
 3  
 4 I, BRANDI ANN VIANNEY SMITH, do hereby  
 5 certify:  
 6 That I was present on March 13, 2024, at  
 7 the Board of Trustees, via Zoom, and took stenotype  
 8 notes of the proceedings entitled herein, and  
 9 thereafter transcribed the same into typewriting as  
 10 herein appears.  
 11 That the foregoing transcript is a full,  
 12 true, and correct transcription of my stenotype  
 13 notes of said proceedings consisting of 74 pages  
 14 inclusive.  
 15 DATED: At Reno, Nevada, this day of 23rd  
 16 day of March, 2024.  
 17  
 18 /s/ Brandi Ann Vianney Smith  
 19  
 20 BRANDI ANN VIANNEY SMITH  
 21  
 22  
 23  
 24  
 25

# INVOICE

**BAVS SM-LLC**  
brandiavsmith@gmail.com  
United States

**BILL TO**  
**Incline Village General Improvement  
District**  
Susan Herron / Heidi White

775-832-1218  
AP@ivgid.org

**Invoice Number:** IVGID 29

**Invoice Date:** March 23, 2024

**Payment Due:** April 13, 2024

**Amount Due (USD): \$794.00**

Items	Quantity	Price	Amount
<b>Base fee</b> March 13, 2024 BOT meeting	1	\$350.00	\$350.00
<b>Per page fee</b> March 13, 2024 BOT meeting	74	\$6.00	\$444.00

**Subtotal:** \$794.00

**Total:** \$794.00

**Amount Due (USD): \$794.00**

Good Evening Trustees,

With regard to the Town Hall Scheduled for the end of the month, it is important that the moderator not be biased.

DEFINITION: A Town Hall “is a public meeting at which a politician or official speaks about his or her policies and answers questions from members of the public.”

- There are IMPARTIAL community members who would offer to ask the questions for and not charge the district.
- Trish McKowen was a television news reporter for many years and she has said she would take on this role as a moderator at no charge to the community and guarantees she would be impartial and fair.
- In addition, questions should be addressed to each trustee and Trustees Tonking and Noble should be asked equal amounts of questions.
- Since you have asked that questions be submitted in advance, they should be organized and divided evenly between all 5 Trustees.
- Final note, Trustees should have limits to their answers so everyone has equal amounts of time; no one Trustee should consume tons of time

Regarding the announcement of the new GM Magee on the IVGID website: The following is written:

“At their March 6 board meeting, the IVGID Board of Trustees expressed their unanimous support for Mr. Magee to assume the leadership role

within the District. “ This is false information and misleading to people who did not attend the meeting. The vote was not unanimous. It is your honorable duty to report the facts. Please change this immediately to state that the vote was 3 to 2.

On a positive note, it was good to hear about topics on the agenda that will improve facilities.

We also hope the new GM Magee will devote time focusing on employee morale which has been a serious problem since January of 2023. The community wants Employee morale to be addressed as a top priority for GM Magee. We ask him to prioritize this matter.

I ask you GM Magee, what is the most valuable asset of our Community? It's our employees and as you start your tenure with IVGID, I hope this is what is foremost in your mind every day!

Myles Riner, MD  
Valerie Ct, Incline Village

Today I would like to recognize Kate Nelson, IVGID's Interim Director of Public Works, and the staff of the Public Works Department for the amazing effort they put in to fix the water main break on March 1 that left our home and some 70 others on and off middle Tyner without water service just as the largest snow storm of the season hit the basin. This happened early that Friday morning, and caused several deep sink holes that left Tyner unpassable, and put gas and electric service at risk as well. The staff of Public Works, along with Southwest Gas and our local Sheriff's Department and the Washoe County Road Department responded as a team and had our service up and running by 2 pm and the sink holes temporarily filled in. This made it possible for snow plows to traverse the damaged road and clear our streets later that day. This event represented a major emergency that threatened our homes and potentially even our health, as this break could have isolated hundreds of homes at the worst possible time. You all deserve to be commended for your expeditious response under difficult conditions; and this action should remind all of us how important IVGID and these other agencies are to our ability to live and work in this community.

I especially want to commend Kate for her great work keeping the Public Works Department running efficiently since August, despite the recent loss of so many members of the IVGID leadership team, securing federal funding for the effluent pipeline and tank, and getting the whole project under construction after years of delays. She has done this despite micromanagement by some of the Trustees, and has received praise from every agency around. It is time for this Board to commend the real heroes of this district. The ones that keep it running and keep us and our homes secure. Thank you for making sure our aging infrastructure is being replaced and that our community will be safe in the future. We are grateful you are watching out for us.

Kristie Wells | March 13, 2024  
Incline Village resident

I did not plan to make a public comment tonight, but I have spent the last couple of days going through almost 200 pages of documents published in a public records request, and I found something that put me in this chair. ([PRR 24-12](#))

What I was looking for was "*copies of all of the communications between Interim Director of Finance Bobby Magee and Trustees as well as Magee's communications with the Audit Chairman Chris Nolet.*" I was curious about the discussions taking place around the forensic audit, and in these documents, I found something unexpected.

It seems Trustee Sara Schmitz has been colluding with Interim Director of Finance, Bobby Magee, to unofficially investigate an employee.

On November 8, 2023, the Director of IT, Mike Gove extracted a file from the Barracuda Email Message Archive labeled "AuditLog-01.23-11.08-SAH.csv" and emailed the file to Schmitz as well as Mike Bandelin, the Interim General Manager. The file contains the email search history of the Director of Administrative Services, Susan Herron. (<https://ivgid.nextrequest.com/documents/30468274>)

Three hours after Schmitz received this log, she forwarded it to Interim Director of Finance, Bobby Magee, accompanied by the note "Mike got it."

"Mike got it." That's weird. It is clear Schmitz and Magee were having conversations around Herron based on these three simple words as she did not need to explain what the file was when she sent it to him. But why? Why was Schmitz researching Herron's search history? And why would Schmitz send Herron's search history to Magee, the Interim Director of Finance? Herron does not report to him. What is Magee's interest in Herron's search activity? It is curious, and, suspicious.

I have included a screenshot to be attached to my comment. The original file can be found here: <https://ivgid.nextrequest.com/documents/30468947>

In what feels directly related, a couple of days later Herron was placed on paid administrative leave. IVGID then launched an investigation into this 20-year employee that lasted 3.5 months and cost this District 10s of 1000s of dollars ([PRR 24-02](#) and [PRR 24-33](#)). Herron has since been cleared of any wrongdoing and was able to resume her duties on February 26, 2024. Another investigation wasted the District's time and resources, and another employee's reputation that has been maliciously tainted.

Also, this is not all that I found. There were several emails that Schmitz sent to IVGID employees, as well as to Bandelin, where Schmitz included Magee in the BCC, meaning, no one on the email thread knew Magee was receiving the email at the time. Why the secrecy? If Magee was supposed to be part of the conversation, why not put him as a recipient?



Trustee Schmitz and newly minted General Manager Magee, as we were not able to meet before tonight's meeting, please explain yourself here. This activity seems well outside the bounds of both of your roles and could be perceived as harassment.

What were you looking for in Herron's email logs; and, are you doing the same to other employees? What are you two up to?

**From:** Sara Schmitz <trustee\_schmitz@ivgid.org>  
**Sent:** Wednesday, November 8, 2023 5:39 PM  
**To:** Bobby Maqee  
**Subject:** Fwd: Audit log from Barracuda Message Archive  
**Attachments:** AuditLog-01.23-11.08-SAH.csv

Mike got it.

Sent from iPhone.  
925-858-4384

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**From:** Mike Gove <mag@ivgid.org>  
**Sent:** Wednesday, November 8, 2023 2:36:15 PM  
**To:** Sara Schmitz <trustee\_schmitz@ivgid.org>  
**Cc:** Mike L. Bandelin <MLB@ivgid.org>  
**Subject:** Audit log from Barracuda Message Archive

Sara,

Per your request, attached is a .csv file of the user audit log from the Barracuda's message archive.

Please let me know if you have any questions.

Thanks,

Mike