

NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at **5:00 p.m.** on **Wednesday, May 6, 2020** in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

In compliance with State of Nevada Executive Department, Declaration of Emergency Directive 006 and 016, this meeting is closed to the public and attendance is limited to members of the Board of Trustees and essential staff. Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to info@ivgid.org by 2:30 p.m. on Wednesday, May 6, 2020) or via telephone (the telephone number will be posted to our website on the day of the meeting).

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*
- C. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- D. APPROVAL OF AGENDA (*for possible action*)

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

-OR-

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

- E. DISTRICT STAFF UPDATE (*for discussion only*)
 - 1. Interim District General Manager Indra Winquest – **pages 4 - 12**
- F. REPORTS TO THE IVGID BOARD OF TRUSTEES*
 - 1. District General Counsel: Law Firm of Hutchison & Steffen
 - 2. Board Treasurer Sara Schmitz
 - 3. Audit Committee Chair Matthew Dent
- G. GENERAL BUSINESS (*for possible action*)
 - 1. Review and discuss criteria for pending capital improvement projects (Requesting Staff Members: Interim District General Manager Indra Winquest and Director of Finance Paul Navazio) – **pages 13 - 20**

Incline Village General Improvement District

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

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

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NOTICE OF MEETING

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2. Review, Discuss, and Possibly Authorize Staff to issue the Notice to Proceed for the Bocce Ball Courts– 2020/2021 Capital Improvement (adjusted) Project: Fund: Community Services; Division: Recreation Center; Project # 4378LI1804B; Vendor: Rapid Construction in the amount of \$68,860. (Requesting Staff Member: Director of Public Works Joe Pomroy) – **pages 21 - 42**
3. Review, discuss and possibly take action to approve the amendments to Policy 15.1.0.; these changes will take effect upon the completion of the transition plan (Requesting Trustee: Trustee Sara Schmitz) – **pages 43 - 52**

PUBLIC COMMENT WILL BE TAKEN ON AGENDA ITEM G.4.

Limited to a maximum of three (3) minutes in duration

4. Review, discuss and possibly approve (1) the draft scope of work and (2) proceed with advertising for a Request for Qualifications for a qualified professional consulting firm for project review, infrastructure assessment, assessment of preliminary design work, value analysis, alternative analysis, scheduling, and cost estimating for the District's Effluent Export Pipeline and Pond Lining Projects which includes the components to store and transport wastewater effluent from the Water Resource Recovery Facility in Incline Village to the disposal facility 21 miles away in Douglas County (Requesting Staff Members: Interim District General Manager Indra Winquest and Director of Public Works Joe Pomroy) – **pages 53 - 60**
5. Review, discuss and possibly direct the Interim District General Manager and the District Director of Finance to determine a scope of work and cost estimate for an external entity i.e. professional services contractor, to conduct a construction project audit and internal controls review on a sampling of projects (Requesting Trustee: Trustee Sara Schmitz) – **pages 61 - 63**
6. Case No. CV18-01564 Mark E. Smith v. IVGID (Requesting Staff Member: Interim District General Manager Indra Winquest) – **page 64**
 - (A) Review, discuss and possibly approve a payment in the amount of \$42,282.79 to Erickson, Thorpe & Swainston, Ltd.
 - (B) Review, discuss and possibly approve a not-to-exceed amount of \$50,000 for legal services to achieve settlement of the above referenced case
7. Review, discuss and possibly approve amending legal services contract to expand the scope of legal services provided to the District (specifically Task 3) by Best, Best & Krieger (BBK) effective May 7, 2020, and with a proposed budget of \$50,000 (Requesting Trustee: Chairman Tim Callicrate) – **pages 65 - 67**

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- H. APPROVAL OF MINUTES (*for possible action*)
 - 1. Meeting Minutes of April 11, 2020 – **pages 68 - 134**
- I. BOARD OF TRUSTEES UPDATE (**NO DISCUSSION OR ACTION**) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*
- J. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- K. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (*for possible action*) – **page 135**
- L. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, May 1, 2020 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of May 6, 2020) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following seven locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID Anne (Administrative)
2. Incline Village Post
3. Crystal Bay Post
4. Raley's Shopping
5. Incline Village
6. IVGID's Recreation
7. The Chateau at

SUSPENDED – STATE OF NEVADA EXECUTIVE DEPARTMENT, DECLARATION OF EMERGENCY, DIRECTIVE 006 (SECTION 3) AND 016

- Vorderbruggen Building Offices)
- Office
- Office
- Center
- Branch of Washoe County Library
- Center
- Incline Village

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

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

Board of Trustees: Tim Callicrate - Chairman, Matthew Dent, Sara Schmitz, Kendra Wong, and Peter Morris.

Notes: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoeplace.com; go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

*NRS 241.020(2) and (10): 2. Except in an emergency, written notice of all meetings must be given at least 3 working days before the meeting ...10. As used in this section, "emergency" means an unforeseen circumstance which requires immediate action and includes, but is not limited to: (a) Disasters caused by fire, flood, earthquake or other natural causes; or (b) Any impairment of the health and safety of the public.

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
Interim General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of May 6, 2020

DATE: April 30, 2020

Interim General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Filing of Preliminary Budget to Department of Taxation by 4/15/2020	Completed	GM Winqest/Director of Finance Navazio/Board of Trustees	Budget Workshop 5/7. Public Hearing on Final Budget/Rec Roll 5/27
Effluent Pond Lining Project Review Scope of Services	5/6/2020	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being presented for possible action 5/6/20
Effluent Pipeline Project Review Scope of Services	5/6/2020	GM Winqest/Director of PW Pomroy Trustees Wong/Dent	Scope of Services being presented for possible action 5/6/20
USFS Parcel Acquisition	Ongoing	GM Winqest	Met with USFS Staff 4/2/20 process of filing a special use permit. Will be delayed as a result of COVID-19
Burnt Cedar Pool Project	10/31/2021	Engineering/GM Winqest	Interviewed top 3 firms on 4/30/20 as selected through RFQ process
Guest Access Ticket Revision	Completed	GM Winqest	Included details of new process in GM Report on 4/1 and 4/14.
No Smoking/Vaping Policy	Completed	GM Winqest	Resolution approved by BOT on 4/1. Implementation beginning.
Internal Controls Audit/Questions regarding the 18-19 Audit/CAFR	6/30/2020	Audit Committee/GM Winqest	In beginning Stage. Scope of Services Development
Audit Charter/Policy 15.1.0 Update	5/06/2020	Audit Committee	Will be on 5/6 Agenda

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Ordinance 7 Administrative Revisions	TBD	GM Winquest	Public Hearing - Postponed due to COVID – 19 Virus impact
Smith vs IVGID Litigation	5/20/2020	Legal Counsel/Board of Trustees/GM Winquest	Has met with third party Legal Counsel to review case. Court has set a status hearing date of May 12, 2020. Agenda item to address funds 5/6
Utility Reserve Fund/Rate Study	TBD	GM Winquest/Board	Need to discuss a target date
2020-22 Strategic Plan	7/1/2020	Senior Management Team/Board of Trustees	Planning for workshop in June 2020
2020-21 Budget Workshop	Completed	Senior Management Team/Board of Trustees	Scheduled for 5/7/20

COVID–19, Impacts to the District & update on closures and restrictions

Diamond Peak and the Recreation Center closed on Monday, March 16th. Additionally, all community programming has been cancelled or postponed until further notice. Public Works, Administration, and Chateau all closed to the public on Tuesday, March 17th. The Parks remain open for drop in use and social/physical distancing is being monitored closely. Parks Staff is gradually being brought on to address needs to maintain and prepare the venues for seasonal operations.

As of April 30th, the beaches are accessible. Key operational aspects:

- High Sierra Patrol is currently on site 11:30am – 9:30pm
- All Beach Parking lots open 11am – 8pm Mon – Thu, 9am – 8pm Fri – Sun
- Beach Gates are currently Staffed 11am - 7pm Mon – Thu, 9am – 7pm Fri – Sun (High Sierra Patrol locks gates at 8pm)
- Ski Beach Boat Ramp Currently closed per TRPA
- Beaches are currently open to IVGID Picture Pass Holders only
- Physical/Social Distancing required
- No pop up tents

Beach operations are constantly changing and staff has and will remain flexible as restrictions are ready to either lifted or added dependent on impact of COVID – 19 and observed behavior at the beach properties. Staff is currently working on extending the hours that the beach gates are staffed in particular Ski Beach.

Many full time staff are working from home and/or are working a combination of on site and home as well as utilizing sick and/or vacation leave. Additional cost savings steps, as they relate to Full Time Year Round and Seasonal Management staff have been implemented and include a combination of temporary hourly furloughs and percentage pay decreases. Part Time Seasonal and hourly staff are currently working on a critical need basis only. Our Human Resources team is doing an outstanding job of working through the State and Federal guidelines for our workforce.

The Community Services teams are working on developing reopening strategies to make sure a healthy and safe environment is provided so that our residents and guests are comfortable visiting our venues and participating in activities. Additionally, Staff is working on digital and online resources to keep the community active and engaged. The golf courses and parks staff will continue with normal preparation for upcoming seasons although it is universally understood that there may be impacts as a result of COVID-19. The Recreation Center is closed until further notice, however, Recreation Counter Staff is available to answer phone calls and respond to emails. Recreation Counter staff is working on methods to open up access to services in the best interest of health and safety. This includes additional sanitization, barriers at the counter, line distancing, PPE measures.

The Public Works & Utilities team continues to provide outstanding service while protecting the water and sewer infrastructure during this extremely crucial and challenging time. Engineering staff continues to work on project development and management, Public Works Administration is closed to the public but Staff is answering phones and responding to emails during normal business hours.

- *IVGID Public Works will temporarily suspend disconnections and penalty charges for delinquent accounts during this time. We will work with customers facing financial hardship to develop payment plans in order to assist with past due balances. We encourage any of our customers to contact us if they have concerns about their account balances.*

On April 29-30, Nevada's Governor Sisolak issued an extension to the "Stay at Home" order until May 15. However, beginning May 1, restrictions on activities including Golf, Tennis, and Pickle Ball have been lifted and will be allowed if operated safely by agencies maximizing prevention of the spread of COVID-19. Golf courses staff are finalizing a plan to begin opening the golf courses as early as May15. Additionally, Parks & Recreation Department staff is finalizing a plan to safely begin opening the Tennis and Pickle Ball Center on May15. These venues will see a phased opening with safety and distancing requirements and measures in place. Group activities are not currently being planned as part of a phase 1 opening. Staff will continue to provide information to the community as these plans further develop.

Capital Projects Update April 30, 2020

Design

Championship Golf Maintenance Building Drainage and Washpad Improvements

A 2020 Capital Improvement Project, this project will improve surface and sub-surface drainage, construct a modern wash pad facility, and spot treat pavement failures at the Championship Golf Maintenance Building. Moving forward with this project will address health and safety issues and prevent future damage to this facility. A local engineering consultant has completed the design and is currently preparing the final bid documents. The project is scheduled to be publically advertised for bids on May 8th, and bid results will be presented at the June 24th Board of Trustees meeting. Construction is anticipated to start in mid-August 2020.

Martis Peak Road - Water Main Replacement

A 2020 Capital Improvement Project, this project includes slip lining a 14-inch water main under State Route 28 and replacing aging steel water main in Martis Peak Road and Rifle Peak Court. IVGID Engineering staff completed the design. The project is currently being publically advertised for bids and bid results will be presented at the June 24th Board of Trustees meeting. Construction is anticipated to start in mid-July 2020.

Tennis Center Renovation

The Board approved on June 19 for staff to begin the design of the tennis center renovation. The architectural, design and permitting services scope of work was approved at the August 14 BOT meeting with the removal of Bocce Courts. The key project objectives are renovation of the pro-shop buildings and surrounding site to renovate aging restrooms, expand the pro-shop by enclosing outdoor kitchenette area, expand and enhance the deck area, improve wayfinding and flow of traffic through the Tennis Center. The Board selected a design development alternative on November 13th and authorized public advertisement for bids on March 11th. The video conference Pre-bid meeting on April 29th was well attended by prime and sub-contractors and staff is optimistic we will receive multiple bids on this project. Bid results are scheduled to be presented to the Board on June 10th.

Effluent Pipeline Project

District Staff provided a detailed Effluent Export Project update to the Board of Trustees on January 29, 2020. The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and mitigate a potential future leak site. At the February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board to begin replacement of Segment 3, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. The annual CIP amount of \$2,000,000 will be allocated to this project. At the March 11, 2020 Board of Trustees meeting, the Board of Trustees unanimously approved to restrict \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020.

Effluent Pond Lining Project – 2599SS2010 (this is a new capital project #) – PO#

A component of the Water Resource Recovery Facility (WRRF) operation is a non-permitted 2.4 million gallon effluent storage basin located adjacent to the wastewater resource recovery facility (Plant). The WRRF Effluent Storage Alternative Analysis Memorandum, September 2018, recommends a reinforced concrete or the combination of concrete and shotcrete lining that provides the best long term value, maximizes storage volume, and has low maintenance to keep in service. At the February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board for lining the pond, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project. On February 27, 2020, Staff set up a new capital project for the Effluent Pond Lining and that project number is noted above. It is also included as an unbudgeted project for the 2020-21 CIP Budget

Construction

Lakeview Ski Lift Maintenance and Improvements

This project includes electrical upgrades to the ski lift. Upgrades consist of the replacement of the Main Low Voltage Control Panel, DC Motor Drive Panel, Return Station Controls, Loading System Controls and Drive panel. The project also includes the replacement of the communication cable from the top terminal to the bottom terminal. There are three distinct components to the project including electrical engineering and design, bidding and procurement for the fabrication of the panels as well as bidding a contracted installation of the replacement panels. An electrical engineer has been hired to complete the design and is currently working with staff to develop the electrical design documents for bidding the panel fabrication and installation. Panel fabrication bid results are tentatively scheduled to be presented to the Board in June.

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent. The plant has six-200,000-gallon aeration basins with two jet aeration clusters per basin supplied by computer controlled multistage centrifugal aeration blowers. This project funds the design and replacement of the aeration system equipment at the WRRF. The Board awarded the construction contract to the lowest responsive bidder, KG Walters, on December 11. A preconstruction meeting was held on January 15, 2020 and the Contractor is currently preparing submittals for all the required equipment. The project will continue until December 2020. Progress meetings are held every two weeks. Construction will start in mid-April.

K. G. Walters Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,508,500	\$0	\$1,508,500	\$73,539	\$1,434,961

Water Reservoir Safety and Security Improvements – Phase 1

This project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices. The exterior access to the roof area is required to meet the needs of the District to monitor the water quality in the reservoirs and perform routine repairs to radio communication equipment. The ladders also need to be secured from access by the public. The reservoir ladders, fall protection, platforms, and protective railings will meet the current Occupational Safety and Health Administration (OSHA) safety standards. The Board awarded the contract to Resource Development Company on April 10, 2019 for 10 of 13 reservoirs. Construction begins this summer and is expected to be substantially complete by September 30, 2020.

Resource Development Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$362,600	\$0	\$362,600	\$0	\$362,600

Water Reservoir Safety and Security Improvements – Phase 2

The second phase of this project would replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices for the remaining 3 reservoirs. Bid results are under review and are tentatively scheduled to be presented to the Board on June 10, 2020. If awarded, construction is scheduled to begin this summer and is expected to be substantially complete by the end of the year.

WPS 2-1 Incline – (Adjacent to Burnt Cedar Beach)

Water Pump Station 2-1 (WPS 2-1) is located at the Burnt Cedar Water Disinfection Plant (BCWDP) and pumps the disinfected potable water into the water distribution system to serve all customers. This project replaces the electric motor control centers (MCCs) and switchgear at WPS 2-1 dating to the original 1972 installation. Jacobs Engineering completed the design. The Board awarded the contract on August 28, 2019 to San Joaquin Electric. Notice to proceed was issued on September 9, 2019. The project is now complete and retention has been released.

San Joaquin Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$291,000	\$0	\$291,000	\$291,000	\$0

Mountain Course Clubhouse Renovation

On August 11, 2018 a fire occurred in the Mountain Course Clubhouse which led to the closing of the kitchen area. The Board approved renovation plans include a revised allocation of floor space, changes to access and substantial change to customer flow. A new ADA accessibility to the lower level for food service and construction of a new and expanded deck and the installation of new windows and doors. The Board approved the design on May 22, 2019 and authorized advertising for bids which then occurred on June 21, 2019. The Board awarded the construction contract to Houston Smith Construction at the August 14, 2019 BOT meeting. A notice of substantial completion was filed on April 29th, only punchlist and permit closeout items remain. IVGID staff is very pleased with the outcome of the project and is eagerly awaiting the start of the golf season to show off the renovated venue.

Houston-Smith Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$1,006,000	\$83,575	\$1,089,575	\$916,365	\$173,210

IVGID Recreation Center Paver Entrance

A 2020 Capital Improvement Project to replace the cracking concrete entrance at the IVGID Recreation Center with concrete pavers addressed an outstanding safety concern. IVGID staff is very happy with the finish product, all work was completed by local contractor Eric's Concrete Pavers. Moving forward with the project during the COVID-19 pandemic and Rec Center closure significantly reduced the user conflicts and resulted in a cost savings to the District.

IVGID Recreation Center Site Lighting Replacement

A 2020 Capital Improvement Project to replace bollard and site lights with modern LED fixtures. An outside Electrical Engineering firm has completed design and the project has been awarded to Intermountain Electric, Inc. Construction is scheduled to start the week of May 4th.

Incline Village Bocce Courts

At the August 14, 2019 Board of Trustees meeting, the Board prioritized construction of bocce courts. Two bocce courts were initially included in the Tennis Center Remodel Project but were removed in favor of maintaining the existing hitting wall. At the November 13, 2019 Board of Trustees meeting, a preferred site was selected adjacent to the IVGID Recreation Center. Engineering staff has completed design and the Rapid Construction is the lowest responsible bidder. Staff is requesting Board Approval on a Notice to Proceed at its May 6, 2020 meeting. Construction is scheduled to start the week of June 1st.

Priority Projects & Items

Resolution 1480 Update

As stated in Resolution 1480, the General Manager has direct supervision over all District employees, with the exception of the Attorney. The General Manager will ensure that the District's Organizational Chart reflects that Legal Counsel reports to the Board of Trustees while the General Manager coordinates the legal work of the District consistent with Board of Trustees direction. Additionally, all Legal Counsel invoices will be provided to the Board of Trustees for review and approval prior to payment.

Washoe County Collaboration

Washoe County Commissioner Marsha Berkgigler, on behalf of Washoe County, has provided \$11,000.00 in funding to purchase and install bear boxes along the Lakeshore Pathway. Staff will be selecting locations for installation and install when warmer temperatures allow.

Washoe County is also committed to installing the no overnight parking signage along Incline Way and other selected areas later this spring. This has been delayed by the current situation with COVID-19.

Financial Transparency

Staff continues to evaluate the effects on the current fiscal year budget of COVID-19 pandemic related closure of District venues and curtailment of non-essential programs and services into May, and possibly, June.

As communicated in previous reports, with the strong financial performance through the first three quarters of the fiscal year, we anticipate both the Community Services and Beach funds ending the year *ahead of budget*, assuming continued avoidance of staffing and program costs, consistent with curtailment of facility operations.

While both the General Fund and Utility Fund revenues are largely buffered from short-term impacts from facility closures and level of activity, additional cost-savings measures have been implemented including reduced work hours for staff (limited to essential services), reduced contract services, and deferring of non-essential expenditures. The General

Manager is evaluating additional personnel cost-saving measures should closures extend beyond the next thirty days. Criteria is also being established to prioritize pending capital project expenditures through the remainder of the current fiscal year.

As of this writing, staff is processing the month-end "close" for April and will be updating the year-end revenue and expenditures based on actual results through the first 10 months of the year and updated projections for the months of May and June. These updated current-year budget projections will be presented to the Board as part of the upcoming budget workshop on May 7th. The workshop will also focus on impact of alternative COVID-19 "recovery scenarios" on development of the final FY2020-21 Operating budget, Capital budget and Five-Year Capital Improvement Plan.

Capital Project Being Evaluated because of COVID-19 Economic Impacts

The following table has the projects in the 2019-2020 Capital Improvement Project Budget that are being evaluated for deferral or re-budgeting, or cancellation.

Department	Project Title	2019-20 Budgeted Amount	Note
Public Works	Household Hazardous Waste Building Improvements	\$15,000	Cancelled
Facilities	Chateau – Replace Carpet	\$62,000	Being Evaluated
Facilities	Replace Hallway Tile at Chateau	\$65,000	Deferred
Recreation Center	Replace Fitness Equipment	\$45,000	Reduced to appx \$25,000
Tennis Center	Resurfacing of Courts 1-2/Drainage Improvements	\$47,000	Recommended to proceed with court resurfacing. Drainage improvements not needed at this time.
Champ Golf	Printer Copier Replacement	\$10,000	Deferred
Champ Golf	Venue Signage Enhancements	\$40,000	Being Evaluated

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winquest
Interim District General Manger

Paul Navazio
Director of Finance

SUBJECT: Review and discuss criteria for pending Capital Improvement Projects (CIP)

STRATEGIC PLAN REFERENCE(S): Long Range Principle #5 – Assets and Infrastructure

DATE: April 25, 2020

I. RECOMMENDATION

That the Board of Trustees review and discuss criteria being developed to inform upcoming milestone decisions for pending funded CIP.

II. BACKGROUND

In response to the COVID-19 crisis and protocols, the District operations have been scaled back to only essential services and limited work in preparation for resumption of programming and activity at District facilities and venues. Accordingly, the Board and Staff have been evaluating whether to proceed with pending capital improvement projects, significant capital expenditures, and purchases on largely a case-by-case basis.

At its meeting of April 1, 2020, the Board of Trustees reviewed the Preliminary Capital Improvement Budget for FY2020/2021 as well as the updated Five-Year Capital Improvement Plan. During this discussion item, the need was identified to consider establishing criteria to evaluate whether projects should proceed or whether – in the current environment of operational and fiscal uncertainty – selected projects are candidates to delay, defer or, perhaps, defund.

This report presents Staff's initial attempt to establish capital project categories and priorities, as well as selected criteria that are to be applied to evaluate each specific

project or capital expenditure. Categories are to be assigned on the basis of relative project priorities as well as an evaluation of pros and cons of project delay or deferral.

In order to promote communication and transparency on pending current-year expenditures, in addition to those contracts that are required to be presented to the Board for approval under existing Board policy, the General Manager will also be including, on upcoming Board of Trustees meeting agendas, selected construction and procurement contracts that may, under normal circumstances, be approved under the General Manager's contract authority.

This Board memo is intended to present capital project categories and evaluation criteria, as well application of this criteria to pending projects funded in the current (FY2019/2020) fiscal year. Application of criteria to projects to be included in the proposed FY2020/2021 Capital Improvement Budget will be discussed at the Board of Trustees May 7, 2020 workshop.

CIP Project Evaluation Criteria

This section summarizes three categories for determining whether a pending capital improvement project or capital expenditure (or other significant expenditure) should proceed as planned or be deferred or, perhaps, eliminated from the budget.

In general, priority will be given to mission critical priorities, projects that address health and safety issues and ensure maintenance of service levels. However, it is also recognized that under existing "modified" operations under COVID-19 protocols, a number of projects are largely discretionary and may be candidates for review prior to project execution.

It is acknowledged that the evaluation criteria include inherently subjective elements. As such, the criteria are not intended for scoring or ranking within each category, but rather to guide decision making related to execution of major capital project expenditures under the current climate of operational uncertainty, while also safeguarding the District's assets and long-term interests of our residents.

- Project Priorities:

- "A" – Health & Safety / Critical Infrastructure – Projects to *proceed*

- "B" – Discretionary As to "Timing" – Assess pros and cons to project *deferral*

- "C" – Discretionary – Assess pros and cons to project *cancellation*

CRITERIA	Project Priority		
	Likely: Proceed "A"	Consider Options: Proceed or Defer "B"	Consider Options: Defer or Cancel "C"
Federal /State Mandate	X		
Health and Safety	X		
Critical Priority Initiative	X		
Critical as to Timing / Coordination with Other Projects	X		
Liability / Risk Mangement	X		
Service Level Enhancements	X	X	
Service Impacts of Project Deferral		X	
Cost/Savings from Project Deferral		X	
Opportunity Cost		X	X
Goodwill		X	X
Service Impacts of Project Cancellation			X
Cost/Savings from Project Cancellation			X
Other	x	x	x

Priority "A" Projects – Projects in this category are recommended to proceed consistent with current scope, budget and schedule.

These may include projects to meet state and federal regulatory requirements, address liability risks as well as priority Board initiatives. Projects may also be recommended for this category if they are critical to sequence and timing of subsequent priority projects. Critical utility and building infrastructure projects may also be Priority A projects. Projects designed to implement service level enhancements may or may not be deemed priority A projects, and will be reviewed on a case by case basis.

Priority "B" Projects – Projects in this category will be evaluated to determine pros and cons of deferring the project, either within the current year or to a subsequent fiscal year.

These projects will most likely include routine maintenance and replacement, and procurement of equipment, including fleet. While project deferral may be advisable due to funding/cash flow considerations, these projects are recognized as necessary and will remain funded in the budget or multi-year capital plan. Among the criteria to be considered are impacts to service levels, budgetary impacts and project costs, opportunity costs of project timing, and community/customer goodwill.

Priority "C" Projects – Projects in this category will be evaluated to determine pros and cons of deleting the project or deferring to a future fiscal year.

This category would include projects deemed discretionary and relatively low-priority. Consideration will be given to cost-savings and service level impacts as well as community goodwill.

Pending FY2019/2020 CIP Projects

Board of Trustees Policy 3.1.0 establishes levels of authority to approve and execute contracts on behalf of the District. This policy generally follows Nevada Revised Statutes (NRS) provisions for local government agency procurement relative to construction contracts (NRS 338), professional services contracts (NRS 332) and other goods and services (NRS 332). A summary of this policy is attached hereto.

In its application, the policy authorizes the General Manager to award contacts up to \$100,000 for goods and services (including professional services contracts) and up to \$100,000 for public works construction projects (as defined by NRS). The Board of Trustees must approve contracts in excess of \$100,000 for goods and services, including professional services contracts, and over \$100,000 for public works construction contracts (as defined).

The current FY2019/2020 CIP budget includes funding for selected projects that are scheduled to come before the Board of Trustees for contract award(s) prior to the end of the fiscal year. In addition, several projects are proceeding at the discretion of the General Manager, including projects that, under the current circumstances, may warrant modification or deferral. These are included in this Board memo so as both to assist with the discussion of CIP project criteria as well as to ensure communication with the Board and the public.

The following is a current list of projects with upcoming project milestones impacting project delivery timeline and near-term expenditures.

(A discussion of Capital Improvement Plan project criteria relating to the FY2020/2021 Capital Budget and Five-Year Capital Plan will be discussed as part of the upcoming Board Budget Workshop on May 7, 2020.)

Projects Subject to Board of Trustees Contract Approval(s):

FUND	PROJECT	FY20 CIP	FY21 CIP	GM	BOT	
		Budget	Proposed Budget	Recommendation	Tent Date	Action
<i>Community Services</i>						
A	Tennis Center Renovation	1,285,000		Proceed	27-May	Award Construction
A	Lakeview Ski Lift Maintenance and Improvements	250,000	25,000	Proceed	27-May	Award Construction
B	Maintenance Building Drainage, Washpad and Pavement Improvements	30,000	700,000	Proceed	May / June	Award Construction
B	Ecommerce / Middleware Software	202,000	--	Defer / CFWD	May / June	Award Contract
<i>Utility</i>						
A	Water Reservoir Safety and Security Improvements	375,000	200,000	Proceed	May / June	Award Construction
A	Watermain Replacement - Martis Peak Road	50,000	990,000	Proceed	June	Award Construction

Tennis Center Renovation - Proceed

The key project objectives are renovation of the pro-shop buildings and surrounding site as well as renovation of aging restrooms. The Board of Trustees selected a design development alternative on November 13, 2019 and authorized public advertisement for bids on March 11, 2020. Bid results are tentatively scheduled to be presented to the Board on June 10, 2020.

Lakeview Ski Lift Maintenance and Improvements - Proceed

This project includes electrical upgrades to the ski lift. Upgrades consist of the replacement of the Main Low Voltage Control Panel, DC Motor Drive Panel, Return Station Controls, Loading System Controls and Drive panel. The project also includes the replacement of the communication cable from the top terminal to the bottom terminal. Panel fabrication bid results are tentatively scheduled to be presented to the Board in late May with bid results for panel installation tentatively scheduled to be presented to the Board in July.

Championship Golf Maintenance Building Drainage and Washpad Improvements - Proceed

This project will improve surface and sub-surface drainage, construct a modern wash pad facility, and spot treat pavement failures at the Championship Golf Maintenance Building. Construction documents and bid package are scheduled to be completed this spring with construction in the fall.

Water Reservoir Safety and Security Improvements – Phase 2 - Proceed

The project will replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices for the remaining 3 reservoirs. Bid results are under review and are tentatively scheduled to be presented to the Board on June 10, 2020. If awarded, construction is scheduled to begin this summer and is expected to be substantially complete by mid-October

Martis Peak Road - Water Main Replacement - Proceed

This project includes slip lining a 14-inch water main under State Route 28 and replacing aging steel water main in Martis Peak Road and Rifle Peak Court. The project is currently out to bid and will be brought to the Board of Trustees in June for award of a construction contract.

Ecommerce Software – Defer to FY2020/2021

The RTP|One software is currently utilized at Ski and throughout the District for Food and Beverage operations. Golf, Rec, Tennis and Aquatics/Beaches are currently running on a separate POS Software. This project is for the Installation, licensing, and hosting of an RTP|One Ecommerce platform, a database integration to allow resident verification, and

an open API that will allow other software to easily communicate to the RTP|One back-end. This project is a first step toward the District’s ability to combine POS operations into one back-end system that will simplify accounting, product management and ultimately the customer experience for both residents and visitors.

Projects Subject to General Manager Contract Authority:

FUND	PROJECT	FY20 CIP	FY21 CIP	GM	BOT	Action
		Budget	Proposed Budget	Recommendation	Tent Date	
<i>Community Services</i>						
B	Bocce Courts -Construction	115,000		Proceed	6-May	Award Construction
B	Fitness Equipment	44,200		Reduce Scope		Revised to \$20,000
B	Chateau - Replace Carpet	62,000		Reduce Scope		Revised to \$20,000
C	Replace Hallway Tile at Chateau	65,000		Delete		
<i>Beach</i>						
B	Beaches Flatscape and Retaining Wall Enhancement and Replacement	55,000		Defer to 2021		Carry-Over Funding to FY21

This category of FY2019/2020 CIP projects represents contracts and expenditures whereby, pursuant to Board Policy 3.1.0, the General Manager has authority to authorize and execute construction and/or procurement contracts. However, under the current environment of modified District operations, these items may be brought before the Board of Trustees via the Consent Calendar for Board of Trustees concurrence with the General Manager’s recommendation as well as for increased transparency related to expenditure of capital project funding.

Included herein are projects such as the award of the contract to construct new Bocce Courts adjacent to the Recreation Center (the contract amount does not normally require Board action), as well as selected other projects that are proposed to either proceed albeit with a reduced/scope and cost (purchase of new Fitness Equipment and Replace Chateau Carpeting), deferral until the 2020/2021 fiscal year (Beaches Flatscape and Retaining Wall), and project cancellation (Replace Hallway Tile at the Chateau).

Staff is seeking Board of Trustees feedback on the General Manager recommendations related to these FY2019/2020 Capital Improvement Projects.

III. FINANCIAL IMPACT AND BUDGET

This is an information report and as such does not have a direct fiscal impact. However, the report will inform how the District may proceed with implementing several capital improvement projects with approved funding in the current budget. Any future deferral of capital project expenditures will, in turn, likely impact the upcoming FY2020/2021 to the extent that approved funding is carried-over to next fiscal year.

IV. ALTERNATIVES

None established.

V. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

VI. ATTACHMENT(S)

Summary of IVGID Policy re: Contract Authority

REVIEW OF BOARD POLICY - CONTRACT AUTHORITY

CONTRACT AWARD THRESHOLDS			
Contract Authority	Construction Contracts NRS 338	Professional Services NRS 332 <i>Not Subject to Competitive Bidding</i>	Purchases NRS 332
Board of Trustees	> \$100,000 <i>Award To Low Responsible Bidder NRS requires Publicly Advertising*</i>	> \$100,000 <i>Awarded Based on Qualifications (RFQ) Scope and Cost Negotiated</i>	> \$100,000 <i>Award To Low Responsible Bidder NRS requires Publicly Advertising *</i>
General Manager	> \$25,000 - \$100,000 <i>NRS Requires solicitation of 3 bids</i>	< \$100,000 <i>Awarded Based on Qualifications (RFQ) Scope and Cost Negotiated</i>	< \$100,000 <i>Must solicit 2 bids</i>
General Manager	< \$25,000 <i>NRS does not require bid solicitation IVGID Practice - informal bid solicitation</i>		< \$25,000 <i>NRS does not require bid solicitation IVGID Practice - informal bid solicitation</i>

Note 1:

Board Policy 3.1.6.f - Provides that:

- All contracts that are required to be advertised under NRS 332 or 338 MUST be approved by the Board of Trustees
- Contracts other than those covered under NRS 332.115 and which are not subject to advertising under NRS 332 and 332 may be approved by GM, unless otherwise ordered by Board of Trustees
- Contracts covered by NRS 332.115 may be authorized, approved and executed by the General Manager or his/her designee, if it is for an amount less than the advertising threshold of NRS 332.
- Contracts over the threshold of NRS 332.115 must be approved by the Board of Trustees

Note 2:

Assemble Bill 86, signed into law on May 15, 2019, and effective July 1, 2019, effectively raised the dollar amount threshold for advertising of public agency contracts for non-Public Works contracts, including professional services and procurement contracts from \$50,000 to \$100,000. These public advertising thresholds are now consistent with dollar thresholds that were in place for public works construction contracts, as defined.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
Interim General Manager

FROM: Joseph Pomroy, P.E.
Director of Public Works

Nathan Chorey, P.E.
Engineering Manager

SUBJECT: Review, Discuss, and Possibly Authorize Staff to issue the Notice to Proceed for the Bocce Ball Courts– 2020/2021 Capital Improvement (adjusted) Project: Fund: Community Services; Division: Recreation Center; Project # 4378LI1804B; Vendor: Rapid Construction in the amount of \$68,860.

STRATEGIC PLAN: Long Range Principle 5 – Assets and Infrastructure

DATE: April 22, 2020

I. RECOMMENDATION

That the Board of Trustees moves to Authorize Staff to issue the Notice to Proceed for the Bocce Ball Courts – 2020/2021 Capital Improvement (adjusted) Project: Fund: Community Services; Division: Recreation Center; Project # 4378LI1804B; Vendor: Rapid Construction in the amount of \$68,860

II. DISTRICT STRATEGIC PLAN

Long Range Principle #5 – Assets and Infrastructure – The District will practice perpetual asset renewal, replacement, and improvement to provide safe and superior long term utility services and recreation activities.

- The District will maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.

- The District will maintain, procure, and construct District assets to ensure safe and accessible operations for the public and the District’s workforce.

III. BACKGROUND

At the August 14, 2019 Board of Trustees meeting, the Board identified construction of bocce courts as a priority project. Two bocce courts were initially included in the Tennis Center Renovation Project but were removed in favor of maintaining the existing hitting wall. Staff completed an analysis of alternative bocce court locations and at the November 13, 2019 Board of Trustees meeting a preferred site was selected adjacent to the IVGID Recreation Center for the installation of up to four new bocce courts.

Engineering Staff has completed the bocce court design and is finishing project permitting. The conditional Tahoe Regional Planning Agency (TRPA) Permit (EIPC2020-0001) has been obtained and IVGID Staff is working with Nevada Divisions of State Lands to transfer the required 1,342 square feet of coverage to the Recreation Center parcel in accordance with permit conditions. Coverage transfer is anticipated to be complete in mid-May. The District is transferring its own coverage from another parcel but still must pay standard Title and transaction processing costs. The conditional TRPA Permit will expire on April 10, 2023 unless the construction has commenced.

IV. BID RESULTS

The District solicited proposals for this project and received four (4) bids were received and opened on March 5, 2020. The Engineer’s Estimate for the project was \$85,000. The bid results are as follows.

Contractor	Bid Amount
Rapid Construction, Inc.	\$68,860
Cruz Construction Co., Inc	\$75,860
FW Carson Co.	\$99,000
Bruce Purves Construction, Inc	\$161,190

The lowest responsive bidder is Rapid Construction, Inc. District Staff reviewed the bid and checked references for the contractor and recommends issuing the Notice to Proceed for the project to Rapid Construction, Inc. The project is scheduled to start June 1, 2020 and be complete by July 2, 2020. The construction contract was

authorized by Staff on March 9, 2020 after receiving the bids on March 5, 2020. There has been a significant change in economic and social circumstances since COVID-19 arrived. The contract was originally executed prior to any restrictions occurring in Nevada and before any financial and social distancing impacted the District. Staff is now requesting Board of Trustees authorization to issue a notice to proceed for this project. The permitting for this project will be valid for three years to complete. Staff would need to issue a contract cancellation if the notice to proceed is not approved.

V. FINANCIAL IMPACT AND BUDGET

Award of the proposed construction contract will commit the District to a cost not-to-exceed amount of \$75,680 (including 10% contingency). Funding for this contract is included in the approved FY2019/2020 CIP budget through Community Services (Tennis) Fund capital project appropriations.

Bocce Court construction was originally included in the approved CIP budget for the Tennis Center Renovation Project (4588BD1604) but was removed in favor of constructing the courts separately adjacent to the IVGID Recreation Center. At this time, a new CIP was created; Bocce Ball Courts (4378LI1804B). A budget of \$115,000 was allocated to the Bocce Ball Courts project (4378LI1804B) and the Tennis Center Renovation Project (4588BD1604) was reduced by the same amount. The table below presents the construction phase project budget.

Task	Cost
Construction Contract	\$68,680
10% Construction Contingency	\$7,000
Construction Staking	\$2,550
TRPA Coverage Transfer	\$1,608
District Construction Management and Inspection	\$10,000
Subtotal	\$90,018

VI. ALTERNATIVES

Not issue the Notice to Proceed and defer construction of the Bocce Ball Courts to a future date.

VII. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.



AUTHORIZED NOTICE TO PROCEED

Date, 2020

To: RaPiD Construction
Address: P. O. Box 21503
 Carson City, Nevada 89721

Owner's Project #: 4378LI1804 **Purchase Order #:** 20-0240

Contract For: Bocce Court Installation

You are hereby notified that the Contract Times under the above contract will commence on Date. By that date you are to start performing your obligations under the Contract Documents. In accordance with Article 4 of the Agreement dated March 9, 2020, the dates of Substantial Completion and Completion (extended herein due to ...), are:

Item	Calendar Days
Project completed and ready for final payment after Notice to Proceed	July 2, 2020

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
(Owner)

By: _____
 Joseph J. Pomroy, P. E.; Director of Public Works

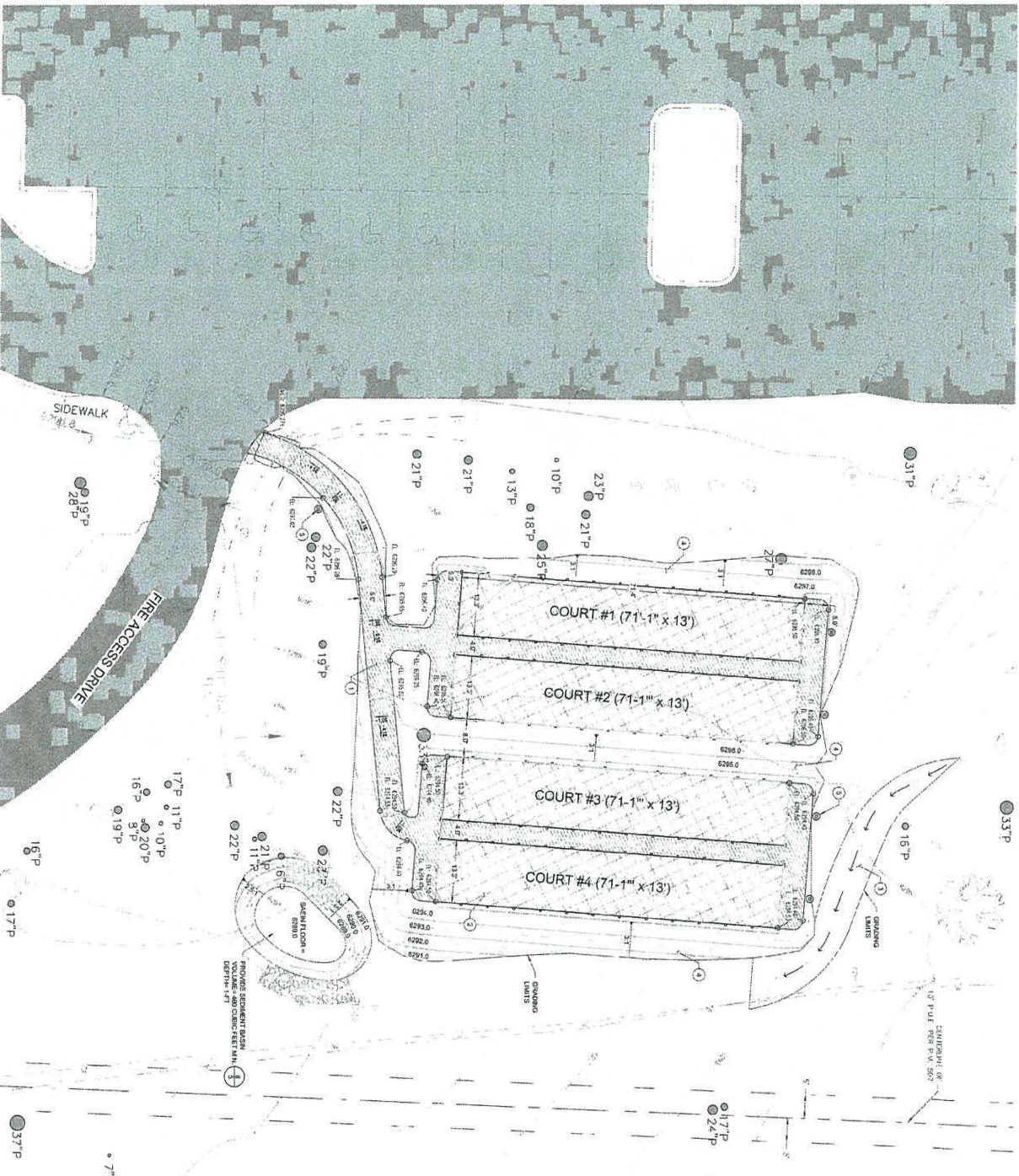
ACCEPTANCE OF NOTICE:

RAPID CONSTRUCTION
(Contractor)

By: _____
 (Authorized Signature)

 Title (Please type or print)

 Date (Please type or print)



PLAN

SCALE: 1"=20'

1. SITE REFERENCES

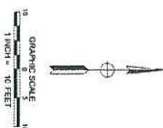
1. PROVIDE RECORDED GRANITE PATH PER 1.1
2. PROVIDE SOCCER COURT PER 1.1
3. GRADE EXISTING SHALE TO EXISTING SHOWN.
4. PROVIDE 2" MATCH TO ALL ADJACENT DISTRICTS DURING CONSTRUCTION.
5. PROVIDE SIGN POST PER 1.1

2. GRADING NOTES

1. ELEVATION CONTIGUOUS TO ADJACENT AREAS SHALL BE FINISH GRADE.
 2. SWALO, TERRAINS NOTED HEREIN TO ADJACENT AREAS.
 3. DASHDOT TO EXISTING FINISH GRADE. TYPICAL DASHDOT LOCATION.
- ROCK STABILIZATION**
1. STABILIZED BY MEANS OF ANCHORS, COMBINATION AND TYPICAL STABILIZATION METHODS.
 2. ISOLATED AREAS WHERE THE EXISTING EXPOSED ROCK IS TO BE EXPOSED TO THE PUBLIC SHALL BE ANCHORED WITH ROCK SLOPE PROTECTION.

3. GRADING DIMENSIONS

- F. FINISH ELEVATION
E. EXISTING SURFACE ELEVATION
- GRADING DIMENSIONS**
1. CONTRACTOR SHALL BE RESPONSIBLE FOR THE GRADING OF THE COURTS.
 2. CONTRACTOR SHALL PROVIDE THE NECESSARY CONSTRUCTION DETAILS FOR THE COURTS.
 3. CONTRACTOR SHALL PROVIDE THE NECESSARY CONSTRUCTION DETAILS FOR THE COURTS.
 4. CONTRACTOR SHALL PROVIDE THE NECESSARY CONSTRUCTION DETAILS FOR THE COURTS.
 5. CONTRACTOR SHALL PROVIDE THE NECESSARY CONSTRUCTION DETAILS FOR THE COURTS.



THE CONTRACTOR SHALL CALL UNDERGROUND SERVICE ALERT (USA) AT (800) 424-2444 TWO (2) WEEKS PRIOR TO COMMENCING EXCAVATION.

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 893 Southwood Boulevard; Incline Village, Nevada 89451 Phone 775-832-1267

INCLINE VILLAGE BOCCÉ COURTS
GRADING AND SITE PLAN



PROJECT NO.	14-0001
SCALE	AS SHOWN
DATE	08/11/14
DRAWN BY	JL
CHECKED BY	JL
DATE	08/11/14
PROJECT NAME	INCLINE VILLAGE BOCCÉ COURTS
SHEET	4 OF 6

SHORT FORM AGREEMENT
Between
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
and
RAPID CONSTRUCTION
for
CONSTRUCTION SERVICES

This Agreement is made as of March 9, 2020 between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "OWNER," and **RAPID CONSTRUCTION**, hereinafter referred to as "CONTRACTOR." OWNER intends to complete the Project(s) as described in the Contract Documents and as amended from time to time, hereinafter referred to as the "Project."

ARTICLE 1 – PRELIMINARY MATTERS

- 1.1 CONTRACTOR shall perform the following tasks:
- A. Services as described in the Contract Documents included with this Agreement, basically consisting of installation of four (4) bocce courts at OWNER's Recreation Center site, 980 Incline Way in Incline Village, Nevada. Work will include tree removal, site grading, wooden court framing, aggregate placement and walkway construction.
- 1.2 All documentation, drawings, reports, and invoices submitted for this project will include **IVGID PO Number 20-0240**.
- 1.3 Tree removal may begin May 1, 2020. Earthwork to start no sooner than June 1, 2020, and project shall be 100% complete and ready for final payment by July 2, 2020.

ARTICLE 2 – CONTRACT DOCUMENTS: INTENT, AMENDING, REFUSE

- 2.1 This Contract consists of:
- A. This Short Form Agreement, pages 1 through 10, inclusive
 - B. Contractor's Bid submitted on March 5, 2020
 - C. Original Request for Proposals.
 - D. Bocce Courts Project plan sheets 1 through 6.
 - E. By reference herein, Contractor to follow requirements of the Incline Village Ordinances and the *Standard Specification for Public Works Construction* (aka the Orange Book)
- 2.2 In order to induce OWNER to enter into this Agreement, CONTRACTOR makes the following representations:

- A. CONTRACTOR has examined and carefully studied the Project Details and Technical Specifications, and any other related data identified in the Bidding Documents.
- B. CONTRACTOR has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. CONTRACTOR is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. CONTRACTOR has obtained and carefully studied (or assumes responsibility for having done so) all examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface, and underground facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by CONTRACTOR, including applying the specific means, methods, techniques, sequences, and procedures of construction, if any, expressly required by the Contract Documents to be employed by CONTRACTOR, and safety precautions and programs incident thereto.
- E. CONTRACTOR does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract Documents.
- F. CONTRACTOR is aware of the general nature of work to be performed by OWNER and others at the Site that relates to the Work as indicated in the Contract Documents.
- G. CONTRACTOR has correlated the information known to CONTRACTOR, information and observations obtained from visits to the Site, reports and drawings identified in the Contract Documents, and all additional examinations, investigations, explorations, tests, studies, and data with the Contract Documents.
- H. CONTRACTOR has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that CONTRACTOR has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to CONTRACTOR.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE 3 –INSURANCE REQUIREMENTS

- 3.1 **Commercial Insurance:** CONTRACTOR shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the CONTRACTOR, his/her agents, representatives, employees, or subcontractors. CONTRACTOR shall purchase General Liability, Auto Liability, Workers' Compensation,

and Professional Liability Insurance (if applicable) coverage as required. CONTRACTOR shall have a Certificate of Insurance issued to the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT naming it as additional insured, indicating coverage types amounts and duration of the policy. All certificates shall provide for a minimum written notice of thirty (30) days to be provided to DISTRICT in the event of material change, termination or non-renewal by either CONTRACTOR or carrier.

- 3.2 **General Liability:** CONTRACTOR shall purchase General Liability including appropriate Auto Liability with a \$1,000,000 combined single limit per occurrence, for bodily injury, personal injury and property damage.
- 3.3 **Workman's Compensation:** It is understood and agreed that there shall be no Industrial Insurance coverage provided for the CONTRACTOR or any Subcontractor by the District; and in view of NRS 616.280 and 617.210 requiring that CONTRACTOR comply with the provisions of Chapters 616 and 617 of NRS, CONTRACTOR shall, before commencing work under the provisions of this Agreement, furnish to the District a Certificate of Insurance from an admitted insurance company in the State of Nevada.

ARTICLE 4 – CONTRACTOR’S RESPONSIBILITIES

4.1 Equal Employment and Non-Discrimination

In connection with the Services under this Agreement, CONTRACTOR agrees to comply with the applicable provisions of State and Federal Equal Opportunity statutes and regulations.

4.2 Licenses

CONTRACTOR shall have a Washoe County business license, and all appropriate CONTRACTOR's licenses and certifications for the services to be performed.

4.3 Construction Dumpsters

Contractor is to be aware of District's Ordinance 1, the Solid Waste Ordinance, and pay specific attention to Section 4.5, Dumpster Use, Location and Enclosure. Any construction dumpster on the job site that is not properly enclosed shall be a fully locking roll-top, and is to remain locked and secured at all times.

4.4 Work Schedule

Working hours for this project will be 8 a.m. to 6 p.m., Monday through Saturday.

4.5 Changes and Modifications

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement.

4.6 Contractor's General Warranty and Guarantee

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its Related Entities shall be entitled to rely on representation of Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 - 1. Abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 - 2. Normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
 - 1. Observations by Engineer;
 - 2. Recommendation by Engineer or payment by Owner of any progress or final payment;
 - 3. The issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 - 4. Use or occupancy of the Work or any part thereof by Owner;
 - 5. Any review and approval of a Shop Drawing or Sample submittal or the issuance of a notice of acceptability by Engineer;
 - 6. Any inspection, test, or approval by others; or
 - 7. Any correction of defective Work by Owner.

4.7 Correction Period

- A. If within two years after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents) or by any specific provision of the Contract Documents, any Work is found to be defective, or if the repair of any damages to the land or areas made available for Contractor's use by Owner or permitted by Laws and Regulations as contemplated in Article 8.5 is found to be defective, Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. Repair such defective land or areas; or

2. Correct such defective Work; or
 3. If the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
 4. Satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others or other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. All claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by Contractor.
- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications .
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this Article 4.7, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.
- E. Contractor's obligations under this Article 4.7 are in addition to any other obligation or warranty. The provisions of this Article 4.7 shall not be construed as a substitute for or a waiver of the provisions of any applicable statute of limitation or repose.

4.8 Indemnification

- A. Indemnification of OWNER by CONTRACTOR: CONTRACTOR agrees to indemnify and hold OWNER and each of its officers, employees, agents, and representatives harmless from any claims, damage, liability, or costs (including reasonable attorneys' fees and costs of defense) stemming from this project to the extent such claims, damage, liability, or costs are caused by CONTRACTOR's negligent acts, errors or omissions or by the negligent acts, errors, or omissions of CONTRACTORS, subcontractors, agents, or anyone acting on behalf of or at the direction of CONTRACTOR.
- B. CONTRACTOR's obligation to hold harmless and indemnify OWNER shall include reimbursement to OWNER of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by OWNER's personnel shall be charged to CONTRACTOR at the then-current rate charged for such services by the private sector.
- C. Indemnification of CONTRACTOR by OWNER: OWNER agrees to indemnify and hold CONTRACTOR and each of its officers, employees, agents and

representatives harmless from any claims, damage, liability or costs (including reasonable attorneys' fees and costs of defense) stemming from this project to the extent such claims, damage, liability, or costs are caused by OWNER's acts, errors, or omissions or by the negligent acts, errors, or omissions of the OWNERS, subcontractors, agents, or anyone acting on behalf of, or at the direction of, the OWNER.

- D. OWNER's obligation to hold harmless and indemnify CONTRACTOR shall include reimbursement to CONTRACTOR of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by CONTRACTOR's personnel shall be charged to OWNER at the then-current rate charged for such services by the private sector.
- E. Notwithstanding anything contained herein to the contrary, Nevada's comparative negligence doctrine shall apply to both OWNER and CONTRACTOR. In addition, nothing herein shall prevent OWNER or CONTRACTOR from relying upon any Nevada statute or case law that protects OWNER or CONTRACTOR with respect to liability or damages. This Provision shall survive the termination, cancellation, or expiration of the Agreement.

ARTICLE 5 – OWNER'S RESPONSIBILITIES

5.1 OWNER shall do the following in a timely manner so as not to delay the services of CONTRACTOR:

- A. Designate in writing a person to act as OWNER's representative with respect to services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define OWNER's policies and decisions with respect to CONTRACTOR's services for the Project.
- B. Assist CONTRACTOR by placing at CONTRACTOR's disposal existing data, plans, reports, and other information known to, in possession of, or under control of OWNER which are relevant to the execution of CONTRACTOR's duties on the PROJECT. Also, provide all criteria and full information as to OWNER's requirements for the Project, including design criteria, objectives, and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations.

ARTICLE 6 – PAYMENT TO CONTRACTOR AND COMPLETION

6.1 **Basis and Amount of Compensation for Basic Services**

- A. Compensation shall be based on a Lump Sum Bid. The total Contract Price to complete the project is **Sixty-Eight Thousand, Eight Hundred Sixty Dollars (\$68,860.00).**

6.2 Payment Procedures

- A. Submittal and Processing of Payments – CONTRACTOR shall submit Applications for Payment indicating the amount of CONTRACTOR's fee then payable. Applications for Payment will be processed by Engineer in a timely fashion, with respect to District requirements.
- B. Progress Payments/Retainage – OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment as recommended by Engineer on or about the first day of each month during construction. All such payments will be measured by the schedule of values established as provided in the Bid Form (and in the case of Unit Price Work based on the number of units completed):
 1. Prior to Substantial Completion, progress payments will be made in an amount equal to ninety percent (90%) of the Cost of Work completed (with the balance being retainage) but, in each case, less the aggregate of payments previously made and less such amounts as Engineer may determine or OWNER may withhold, including but not limited to liquidated damages, if necessary.

If the Work has been 50% completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to OWNER and Engineer, OWNER, on recommendation of Engineer, may determine that as long as the character and progress of the Work remain satisfactory to them, there will be no retainage.
 2. Upon Substantial Completion, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to Ninety-Five percent (95%) of the Work completed, less such amounts as Engineer shall determine and less Engineer's estimate of the value of Work to be completed or corrected as shown on the tentative list of items to be completed or corrected attached to the certificate of Substantial Completion.
- C. Final Payment
 1. Upon final completion and acceptance of the Work, OWNER shall pay the remainder of the Contract Price as recommended by Engineer.

ARTICLE 7 – DISPUTE RESOLUTION

7.1 Arbitration

This Agreement to engage in alternate dispute resolution ("ADR") pursuant to NRS 338.150 and any other Agreement or consent to engage in ADR entered into in accordance herewith as provided in this Article 16 will be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe. Any dispute arising under this contract will be sent to mediation. Any mediation shall occur in Incline Village, Washoe County, Nevada. The mediation shall be conducted through the American Arbitration Association (AAA) and be governed by the AAA's Mediation Procedures.

The mediator is authorized to conduct separate or ex parte meetings and other communications with the parties and/or their representatives, before, during and after any scheduled mediation conference. Such communications may be conducted via telephone, in writing, via email, online, in person or otherwise.

OWNER and CONTRACTOR are encouraged to exchange all documents pertinent to the relief requested. The mediator may request the exchange of memorandum on all pertinent issues. The mediator does not have the authority to impose a settlement on the parties but such mediator will attempt to help OWNER and CONTRACTOR reach a satisfactory resolution of their dispute. Subject to the discretion of the mediator, the mediator may make oral or written recommendations for settlement to a party privately, or if the parties agree, to all parties jointly.

OWNER and CONTRACTOR shall participate in the mediation process in good faith. The mediation process shall be concluded within sixty (60) days of a mediator being assigned.

In the event of a complete settlement of all or some issues in dispute is not achieved within the scheduled mediation session(s), the mediator may continue to communicate with the parties, for a period of time, in an ongoing effort to facilitate a complete settlement. Any settlement agreed upon during mediation shall become binding if within thirty (30) days after the date that any settlement agreement is signed, either the OWNER or CONTRACTOR fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either OWNER or CONTRACTOR may then initiate judicial proceedings by filing suit. OWNER and CONTRACTOR will share the cost of mediation equally unless agreed otherwise.

ARTICLE 8 – MISCELLANOUS

8.1 Successors and Assigns

- A. The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by law, their assigns, to the terms, conditions, and covenants of this Agreement.
- B. Neither OWNER nor CONTRACTOR shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated by law or the effect of this limitation may be restricted by law.
- C. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent CONTRACTOR from employing such independent professional associates, subcontractors, and CONTRACTORS as CONTRACTOR may deem appropriate to assist in the performance of Services.
- D. Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than OWNER and CONTRACTOR, and all duties and responsibilities

undertaken pursuant to this Agreement will be for the sole and exclusive benefit of OWNER and CONTRACTOR and not for the benefit of any other party.

8.2 Severability

- A. In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

8.3 Waiver

- A. One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

8.4 Extent of Agreement

- A. This Agreement, including all Exhibits, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by OWNER with respect to the Project or CONTRACTOR's services.

8.5 Controlling Law

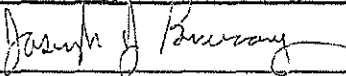
- A. This Agreement is to be governed by and construed in accordance with the Laws of the State of Nevada.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

INCLINE VILLAGE G. I. D.

RAPID CONSTRUCTION

The undersigned has read, reviewed and approves this document

By: 
Joseph J. Pomroy, P. E.
Director of Public Works

By: 
Signature of Authorized Representative

Danny Selmi President
Print or Type Name and Title

Address for Giving Notice:
INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451

Address for Giving Notice:
RaPiD Construction
P. O. Box 21503
Carson City, NV 89721

License No. 46256-A

Federal Tax ID No. 88-0378364

REQUEST FOR PROPOSALS
IVGID – BOCCE COURTS PROJECT
IVGID Project # 4378LI1804

INTRODUCTION

The Incline Village General Improvement District (IVGID or District or OWNER) is soliciting Lump Sum Price Bids for the IVGID – Bocce Courts Project.

SCHEDULE

Tree removal may begin Friday, May 1, 2020. Earthwork to start no sooner than Monday, June 1, 2020 and project shall be 100% complete by Thursday, July 2, 2020.

DESCRIPTION OF WORK

Work is generally described as tree removal, site grading, wooden court framing, aggregate placement, and walkway construction.

CONTRACTOR to supply all labor, equipment, materials, and incidentals necessary to perform the work.

CONTRACTOR to make arrangements with IVGID Engineering for performing the work, including schedule, staging, and interruptions to operations. Any interruptions to operations require seven day notice to IVGID.

SPECIFICATIONS

All construction and materials shall conform to "Orange Book" - *Standard Specifications for Public Works Construction - Washoe County*.

CONSTRUCTION DRAWINGS

Drawings have been prepared by Incline Village General Improvement District numbered sheets 1 through 6, dated February 14, 2020.

DATE OF SUBMITTAL

Lump Sum Price Bids are to be received by the District no later than **March 5, 2020 @4PM**. Bids may be e-mailed to npc@ivgid.org, mailed or hand-delivered to:

Engineering Department Attention: Nathan Chorey
Incline Village General Improvement District
1220 Sweetwater Rd.
Incline Village, Nevada 89451

ENGINEERING DEPARTMENT
1220 SWEETWATER ROAD · INCLINE VILLAGE NV 89451
PH: (775) 832-1372 · FAX: (775) 832-1331

- 1 -

IVGID reserves the right to reject any and all proposals, and/or to waive any irregularities or formalities in evaluating and awarding the work in accordance with Nevada Revised Statutes. Discrepancies in the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. In the case of a difference between written words and figures, the amount stated in written words shall govern for a Lump Sum Bid.

All inquires for additional information and clarification of this RFP should be directed to the IVGID Engineering Division, (775) 832-1372.

INSURANCE AND LICENSING REQUIREMENTS

Licenses Successful Bidder shall have a Washoe County business license, and all appropriate Contractor's licenses and certifications for the services to be performed.

Commercial Insurance Successful Bidder shall procure and maintain for the duration of the contract General Liability, Auto Liability, Workers' Compensation, and Professional Liability Insurance (if applicable) coverages as required. IVGID shall receive Certificates of Coverage listing the District as an Additional Insured. Property Liability Insurance coverage is not required; the District maintains Course of Construction Liability as part of its overall insurance coverage program. The cost of any required insurance shall be included in the bid.

SAFETY

1. The CONTRACTOR shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work to be performed under this Agreement. The CONTRACTOR shall take all necessary precautions for the safety of, and shall provide all necessary protection to prevent damage, injury, or loss to:
 - a. All employees and all other persons who may be affected by the operations of this Agreement.
 - b. All materials and equipment whether in storage on or off the construction site.
 - c. Other property at the construction site or adjacent to the construction site, including but not limited to trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.
2. The CONTRACTOR shall comply with all applicable laws, ordinances, rules, regulations, and others of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. The CONTRACTOR shall erect and maintain, as required by existing conditions and progress on the project, all necessary safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations, and notifying owners and users of adjacent utilities. Contractor shall comply with OSHA's Hazard Communication Standards.
3. The CONTRACTOR shall designate a responsible member of his/her organization at the construction site whose duty shall be the prevention of accidents. This person shall be the CONTRACTOR's superintendent unless otherwise designated in writing by the CONTRACTOR to the OWNER.

**ENGINEERING DEPARTMENT
1220 SWEETWATER ROAD · INCLINE VILLAGE NV 89451
PH: (775) 832-1372 · FAX: (775) 832-1331**

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4. The CONTRACTOR shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with any confined space entries to be performed during completion of work under this Agreement. CONTRACTOR responsibilities include but are not limited to:
 - a. Review and be familiar with the OWNER's on-line written Confined Space program.
 - b. Review documented information about OWNER's confined spaces in which entry is intended. This information includes identified hazards for each permit-required confined space. The CONTRACTOR shall be responsible for performing their own hazard assessment prior to any confined space entry.
 - c. CONTRACTOR shall have their own confined space entry program. Upon request of the OWNER, CONTRACTOR will provide a statement confirming they are in compliance with their confined space entry program including requirements for confined space training for employees associated with the work.
 - d. Be responsible for following all confined space requirements established by the provisions in CFR 1910.146 and its chapters.
 - e. Coordinate entry operations with the OWNER when employees from the CONTRACTOR will be working in or near confined spaces.
 - f. Debrief the OWNER on any hazards confronted or created at the completion of entry operations.
 - g. Place signs stating, "Danger, Follow Confined Space Entry Procedures Before Entering" at each confined space to be entered. The CONTRACTOR shall never leave a confined space open or unattended.

TRPA REQUIREMENTS

This Project is currently being permitted through TRPA and a permit is not anticipated until after the bid period closes. Irrespective of the existence of a TRPA permit, the Contractor must comply with all rules, regulations, ordinances, plans, and orders of the TRPA in effect during the performance of the work. No grading or land disturbance shall be performed between October 15th and May 1st.

The Contractor shall anticipate scheduling and participating in a Pre-Grade meeting with TRPA prior to commencing earthwork.

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BID FORM

Project is a **Lump Sum Price**. Lump Sum Price bid to include all labor, materials and incidentals.

Location: IVGID Recreation Center – 980 Incline Way, Incline Village, NV 89451. Site visit with the District is recommended prior to bidding this project. Contact Nathan Chorey at 775-832-1372 to schedule a site walk (48 hours notice required).

TOTAL BID PRICE (in figures):	\$ 68,860.-
TOTAL BID PRICE (in writing):	Sixty eight thousand eight hundred and Sixty Dollars

Signature of Bidder: [Signature] Date: 3/5/20

PRINT OR TYPE:

Name: Danny Selmi
Title: President
Firm Name: RAPID Construction Inc
Address: 3072 Research Way #54
City, St, Zip: Carson City NV 89706
Phone & Fax #: (775)883-4269 (775)883-4289

DISCLOSURE OF PRINCIPALS – OFFICERS, OWNERS, PARTNERS:

Name:	<u>Danny Selmi</u>	Official Title:	<u>President</u>
Address:	<u>101 Hillcrest Cir. Dayton NV 89403</u>		
Name:	<u>Randy Selmi</u>	Official Title:	<u>Vice President</u>
Address:	<u>130 Quilici Rd Dayton NV 89403</u>		
Name:	<u>Perry Burch</u>	Official Title:	<u>Secretary + Treasurer</u>
Address:	<u>585 Eliza Ct Sparks NV 89436</u>		

ENGINEERING DEPARTMENT
1220 SWEETWATER ROAD · INCLINE VILLAGE NV 89451
PH: (775) 832-1372 · FAX: (775) 832-1331



NEVADA STATE CONTRACTORS BOARD

5390 KIETZKE LANE, SUITE 102, RENO, NEVADA, 89511 (775) 688-1141 FAX (775) 688-1271, INVESTIGATIONS (775) 688-1150
2310 CORPORATE CIRCLE, SUITE 200, HENDERSON, NEVADA, 89074, (702) 486-1100 FAX (702) 486-1190, INVESTIGATIONS (702) 486-1110

CERTIFICATE OF ELIGIBILITY PER NRS 338.147 and NRS 338.1389

CERTIFICATE NUMBER: **BPC-03-03-25-0244**

RAPID CONSTRUCTION INC. (HEREIN THE "GENERAL CONTRACTOR") NEVADA STATE CONTRACTORS' LICENSE NUMBER: **0046256** ORIGINAL ISSUE DATE: **02/26/1998** BUSINESS TYPE: **CORPORATION** CLASSIFICATION: **A-GENERAL ENGINEERING** MONETARY LICENSE LIMIT: **\$6,500,000** STATUS: **ACTIVE**, IS HEREBY ISSUED THIS CERTIFICATE BY THE NEVADA STATE CONTRACTORS' BOARD, BASED UPON THE INFORMATION CONTAINED IN THE STATEMENT OF COMPLIANCE WITH NEVADA REVISED STATUTES (NRS) 338.147 AND NRS 338.1389 AND THE AFFIDAVIT OF CERTIFIED PUBLIC ACCOUNTANT SUBMITTED TO THE NEVADA STATE CONTRACTORS BOARD AS PROOF OF CONTRACTOR'S COMPLIANCE WITH THE PROVISIONS OF NRS 338.147 AND NRS 338.1389. IN ACCORDANCE WITH THE PROVISIONS OF NRS 338.147(3), THE ABOVE-NAMED GENERAL CONTRACTOR AND A CERTIFIED PUBLIC ACCOUNTANT HAVE SUBMITTED FULLY EXECUTED AND NOTARIZED SWORN AFFIDAVITS AS PROOF OF PREFERENTIAL BIDDER STATUS, UNDER PENALTY OF PERJURY, CERTIFYING THAT THE GENERAL CONTRACTOR IS QUALIFIED TO RECEIVE A PREFERENCE IN BIDDING AS SET FORTH IN NRS 338.147 AND NRS 338.1389 AND OTHER MATTERS RELATING THERETO.

THIS CERTIFICATE OF ELIGIBILITY IS ISSUED ON **MARCH 1, 2020** AND EXPIRES ON **FEBRUARY 28, 2021**, UNLESS SOONER REVOKED OR SUSPENDED BY THE NEVADA STATE CONTRACTORS BOARD.



Nancy Mathias 2/26/2020
NANCY MATHIAS, LICENSING ADMINISTRATOR DATE
FOR MARGI A. GREIN, EXECUTIVE OFFICER

The Nevada State Contractors Board assumes no liability or responsibility for the accuracy or validity of the information contained in the Contractors Statement of Compliance or the Affidavit of Certified Public Accountant as Proof of Contractors Compliance with the Provisions of NRS 338.147 and NRS 338.1389. The above-named General Contractor shall bear the responsibility to ascertain the accuracy and validity of the affidavits provided to support the issuance of this certificate.

Southern Nevada Office
2310 Corporate Circle, Suite 200
Henderson, Nevada 89074
(702) 486-1100

Northern Nevada Office
5390 Kietzke Lane, Suite 102
Reno, Nevada 89511
(775) 688-1141

STATE CONTRACTORS BOARD

The Nevada State Contractors Board certifies that

RAPID CONSTRUCTION INC

Licensed since February 26, 1998

License No. **0046256**

Is duly licensed as a contractor in the following classification(s):

PRINCIPALS:

DANNY SELMI, President, QI
RANDY SELMI, Vice President, QI
PERRY BURCH, Secretary/Treasurer

A General Engineering

LIMIT: **\$6,500,000**
EXPIRES: **02/28/2021**



Chair, Nevada State Contractors Board



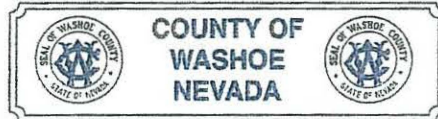
LICENSE NUMBER

W031472A-LIC

LICENSE TYPE

General Business License

LICENSE - NOT TRANSFERRABLE
POST IN A CONSPICUOUS PLACE



This license cannot be transferred or assigned. It is valid only for the licensee and location shown below.

YEAR LICENSE VALID

Expires on 10/31/2020

LICENSE FEE PAID

THIS CERTIFIES THAT
IN THE NAME OF
LOCATED AT

RAPID CONSTRUCTION INC
Danny Selmi
3072 Research WAY, Suite# #54, Carson City, NV

RAPID CONSTRUCTION INC
Danny Selmi
PO BOX 21503

CARSON CITY, NV 89721

This license certifies that the name above has paid the required fees to the license collector of Washoe County and is hereby authorized to conduct business and is subject to the provisions of law.

MEMORANDUM

TO: Board of Trustees

THROUGH: Tim Callicrate
Board Chairman

FROM: Sara Schmitz
Trustee

SUBJECT: Review, discuss and possibly take action to approve the amendments to Policy 15.1.0.; these changes will take effect upon the completion of the transition plan.

STRATEGIC

PLAN REFERENCE(S): Long Range Principles #2 and #6

DATE: April 24, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to approve the amendments to Policy 15.1.0.; these changes will take effect upon the completion of the transition plan which is shown below under VI. Comments.

II. BACKGROUND

Policy 15.1.0 Accounting, Auditing, and Financial Reporting – Audit Committee needs to be revised to more robustly define the oversight responsibilities.

III. FINANCIAL IMPACT AND BUDGET

To be effective, an Audit Committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

The following paragraph is an excerpt from the organization section of the proposed amendment to Policy 15.1.0:

“Members of the audit committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of

Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

- *A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), and financial reporting for the public sector*
- *Experience either preparing or auditing financial statements for similar entities*
- *Experience with accounting estimates and accruals*
- *Experience with financial internal controls*
- *An understanding of the function of an Audit Committee”*

V. ALTERNATIVES

As deemed appropriate during discuss of this topic.

VI. COMMENTS

Audit Committee Transition Plan

1. Board of Trustees approval of the proposed amendments to Policy 15.1.0 subject to the completion of this transition plan
2. Work with the Director of Finance to include the financial advisor role as part of the external audit engagement.
3. Solicit applications for At-Large Audit Committee members. Skills desired include a background in public sector accounting, financial audit experience, financial internal control experience, financial managerial experience, CPA, and/or other relevant experience. Residence in Incline Village/Crystal Bay is not a requirement. Target Date: June 1
4. Board of Trustees review of applications and scheduling of interviews for candidates meeting experience requirements. Target Date: July 1
5. Board appointment of 3 At-Large members to the Audit Committee. Target Date: July 15
6. Training of the 3 At-Large members Target Date: August
7. Transition to the new committee organization with the removal of one Trustee. Target Date: September

VII. STRATEGIC PLAN REFERENCE(S)

Long Range Principle #2

The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvement and debt management.

Long Range Principle #6

The District will engage, interact and educate to promote understanding of the programs, activities, services, and ongoing affairs.

- Promote transparency in all areas including finance, operations and public meetings.
- Provide clear, concise and timely information in multiple, publicly accessible formats.
- Ensure that both internal and external communication is responsive, comprehensive and inclusive.

VIII. BUSINESS IMPACT

The Audit Committee, Board, and District leaders are enabling all of staff to become actively engaged with the oversight of the District's finances.



Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results.

The Government Finance Officers Association encourages the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Audit Committee plays a key role with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors, and the Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.

To be effective, an audit committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

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

The Committee will ensure open communication and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and internal/external auditors.

The Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board appointed Trustees and three Board appointed qualified At-Large Members. The Committee can be expanded to an odd number. Recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval. The Committee is to retain a financial advisor, potentially resource from the external audit firm, to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of



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

a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

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

Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

- Annually, the Board of Trustees will appoint up to two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
 - For the first appointment, one member will serve a one-year term and the second will serve a two-year term.
 - Each subsequent appointment will serve two-year terms.

One voting member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.



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

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required, beyond the scope of work contained in the engagement agreement, to fulfill their responsibilities.

2.0 Scope of Audit Committee's authority and responsibilities

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

1. Financial reporting
2. Internal controls
3. The independent audit of financial statements

To fulfill these responsibilities, the Committee must:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
 - 2.2.1 Ascertain that the Request For Proposal (RFP) for a firm to be retained by the District for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years.
 - 2.2.2 Select the independent external auditor.
- 2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)
 - 2.3.1 Make recommendations on the scope of work including the identification of funds to be audited.



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

- 2.3.2 If deemed necessary, identify and recommend additional services to be performed.
- 2.3.3 By March 31st of each year, the Board of Trustees is to formally designate an external audit firm and inform the Nevada Department of Taxation.
- 2.3.4 When appropriate replace the independent external auditors or auditing firms doing work for the District and initiate the procurement process (2.2).
- 2.3.5 Approve the scope of work and audit plans by June of each year.

- 2.4 Facilitate the external audit process.
 - 2.4.1 Review and approve formal reports or letters to be submitted to the external auditor.
 - 2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.
 - 2.4.3 Review the auditors' report of findings and recommendations with management and the auditor.
 - 2.4.4 Review the CAFR in its entirety, including unaudited sections and letters.
 - 2.4.5 Follow -up on any corrective action identified.
 - 2.4.6 Submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
 - 2.4.7 Assess the performance of the independent auditors.

- 2.5 Review the financial statements; quarterly and annually for fair and accurate reporting.
 - 2.5.1 Review any changes in accounting policy.
 - 2.5.2 Ensure accounting policies are followed.
 - 2.5.3 Review any off-balance sheet financings.

- 2.6 Review the framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



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

- 2.6.1 Review the annual internal control audit plan(s).
- 2.6.2 Review management’s annual assessment of their internal controls for prior year’s audit plan.
- 2.6.3 Evaluate management’s identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.
- 2.6.4 The Committee may identify a need to engage an external Internal Auditor to address a specific area of concern.
 - 2.6.4.1 The Committee will review and approve or modify Management’s proposal for the scope of work and selection of the resource.
 - 2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.
 - 2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.
 - 2.6.4.4 Management will report the findings and resolutions to the Committee.

- 2.7 Periodically review the District’s code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable policies to ensure it is adequate and up-to-date.

- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
 - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District’s financial integrity.
 - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
 - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.



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

2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

2.9 (FUTURE: Specify the purpose, authority, and responsibilities of the independent Internal Auditor.

2.9.1 To ensure independence, the Internal Auditor is hired by and reports to the Committee Chair; this may be an external resource.

2.9.2 Review, approve, and assess the work plan of the Internal Auditor.

2.9.3. Evaluate the internal audit program annually based on the annual report of audits performed, significant findings, recommendations, and implementation of corrective actions prior to submission of the annual report to the Board of Trustees.

2.9.4. Review and update as needed the contract for Independent Internal Auditor services).

2.10 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

3.0 Meetings

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241.

3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis.

3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.

3.4 Review all past correspondence with action outstanding. Ensure responses and/or corrective action is taken in a timely manner.



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

- 3.5 The committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- 3.6 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.
- 3.7 An annual meeting is to be held with the independent external auditors, the General Manager, (*FUTURE: Internal Auditor*), the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditors letter of findings.

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
Interim General Manger

SUBJECT: Review, discuss and possibly approve (1) the draft scope of work and (2) proceed with advertising for a Request for Qualifications for a qualified professional consulting firm for project review, infrastructure assessment, assessment of preliminary design work, value analysis, alternative analysis, scheduling, and cost estimating for the District's Effluent Export Pipeline and Pond Lining Projects which includes the components to store and transport wastewater effluent from the Water Resource Recovery Facility in Incline Village to the disposal facility 21 miles away in Douglas County

STRATEGIC PLAN REFERENCE(S): Long Range Principle #5 – Assets and Infrastructure

DATE: April 29, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to approve (1) the draft scope of work and (2) proceed with advertising for a Request for Qualifications for a qualified professional consulting firm for project review, infrastructure assessment, assessment of preliminary design work, value analysis, alternative analysis, scheduling, and cost estimating for the District's Effluent Export Pipeline and Pond Lining Projects which includes the components to store and transport wastewater effluent from the Water Resource Recovery Facility in Incline Village to the disposal facility 21 miles away in Douglas County.

II. BACKGROUND

At the February 26, 2020 Board of Trustees meeting, Staff presented two design scopes of work for the proposed Effluent Export Pipeline and Effluent Pond Lining projects. Both scopes of work were to complete design level documents ready for public advertising for construction for the 2021 construction season beginning May 1, 2021. Both scopes of work were not approved at the meeting and the Board provided direction to Staff to hire a Project Manager to perform a review of the work completed to date by various

consultants and contractors and to have a project manager that will manage the design and construction of the projects from the initial phase. The final direction provided was that two Trustees would assist the General Manager in preparing a Scope of Work for hiring a professional project manager. The scope of work would be completed and brought back to the full Board by the General Manager at a future Board Meeting. Due to the complexity and size of the potential Project Manager Contract, it is recommended that a Request For Proposals be advertised and selection managed by the General Manager.

The selected Project Manager for the Export Pipeline and Pond Lining Project will be submitting a complete scope of work, costs, interim checkpoints, schedule and deliverables. This contract with the scope of work will then be brought back to the Board of Trustees for review, discussion and final approval. This scope of work will then be directed by the General Manager for execution with the expectation of updates in the General Manager's report.

A Request for Qualifications (RFQ) for Professional Consulting Firms for project management and project review services for the Effluent Export Project has been prepared and is attached following this memo. The Board of Trustees has requested this RFQ be prepared and brought back for review and approval; see attached minutes.

The complete RFQ follows this memorandum. The proposed schedule for issuing the RFQ and evaluating the most qualified Professional Consultant is provided below.

RFQ Phase

Advertise RFQ Process	May 15, 2020
Last day to submit written questions	May 27, 2020 by 4:30 p.m.
RFQ Submittals due	June 5, 2020 by 4:30 p.m.
Follow Up by District on RFQ	June 8 - 12, 2020
Notify Successful Firm	June 15, 2020
Successful Firm Cost Proposal due	June 22, 2020
Board Approval of Consultant Selection.....	Future Board Meeting

III. FINANCIAL IMPACT AND BUDGET

The financial impact will be determined after selection of a professional consultant and negotiation of a scope of services. It is recommended that this Request for Qualifications be advertised for the selection process since the contract has the potential to exceed \$100,000. Under Nevada Revised Statutes, NRS 332.065, contracts for which the estimated annual amount required to perform is greater than \$100,000 shall be advertised. Under NRS 332.115, Contracts not adapted to award by competitive

solicitation, Professional Services, should be awarded on competence and qualifications and are not required to be advertised. An additional statement is made Under NRS 332.115.5, it states that the governing body may still advertise for a request for responses. It is recommended to advertise this request for responses based on receiving a response from the most qualified consultant. The Professional Services contract will be funded from the Effluent Export Pipeline Project, 2524SS1010.

Additionally, per NRS 625.530, selection of a professional engineer or registered architect to perform work on public works projects (where the complete project costs exceed \$35,000) is to be made solely on the basis of the competence and qualifications of the engineer or architect and not on the basis of competitive fees.

IV. ALTERNATIVES

None established.

V. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

REQUEST FOR QUALIFICATIONS

PROFESSIONAL CONSULTING FIRMS FOR THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

EFFLUENT EXPORT PIPELINE AND POND LINING PROJECTS

May 15, 2020

1. Introduction

The Incline Village General Improvement District (IVGID or District) is requesting qualifications from qualified professional consulting firms for project review, infrastructure assessment, assessment of preliminary design work, value analysis, alternative analysis, scheduling, and cost estimating for the District's Effluent Export Pipeline and Pond Lining Projects which includes the components to store and transport wastewater effluent from the Water Resource Recovery Facility in Incline Village to the disposal facility 21 miles away in Douglas County. This will be a professional services contract that requires engineering services in the State of Nevada.

2. Overview

- Project Name: Effluent Export Pipeline Project: 2524SS1010
- Project Name: Effluent Pond Lining Project: 2599SS2010
- Total Anticipated Project Budget: To Be Determined.

SCOPE OF WORK

The proposed scope of services would include at a minimum the following items. The selected consultant will review all background documents (provided by IVGID) considered part of the Phase II Effluent Export Project, prepared from 2012 to 2020, by various engineering consulting firms, pipeline condition assessment companies, and other agencies.

Scope Items

The consultant shall review the provided background material and prepare an objective assessment and recommendations report (Report) to document the findings and include the following:

1. A full end to end assessment of the wastewater effluent system including the storage pond, 21 miles of effluent pipeline, and Spooner effluent pumping station to determine the existing useful life of the assets and what the cost implications will be over time to achieve reliability and acceptable useful life.
2. An assessment and independent analysis of existing reports, plans and other materials to determine whether pipeline segments require full replacement or whether trenchless technologies are an acceptable alternative based on expected lifespan, costs, traffic impacts, constructability and other criteria. Also identify gaps in information for future

investigation and scoping. The priority should focus on the pipeline located in the Lake Tahoe Basin and specifically the 12,385 feet of pipe labeled segment 3 and then the 17,314 feet of pipe labeled as segment 2. This section shall also include potential improvement alternatives, estimated costs of each alternative, long-term cost benefit analysis (pros/cons) of each alternative, (combination of alternatives) and recommendations. Including the underlying rationale for the recommended alternative(s).

3. An assessment and independent analysis of existing reports, plans and other materials to determine the need and alternatives to line an existing unlined 2.4-million-gallon storage pond located at the Water Resource Recovery Facility at 1250 Sweetwater Road that could be utilized for effluent storage if it meets NDEP requirements. Also identify gaps in information for future investigation and scoping. This section shall also include potential improvement alternatives, estimated costs of each alternative, long term cost benefit analysis (pros/cons) of each alternative (or combination of alternatives) and recommendations on proposed alternative including the underlying rationale for the recommended alternative.
4. An estimated high-level cost associated with each of the recommended option(s).
5. An assessment and recommendation of how to proceed with scopes of work for design services and scopes of work for identified information gaps.

Background information to be reviewed in preparation of the report includes the following documents.

- June 2012 - IVGID PDR Final_with appendices.pdf
- September 2015 - IVGID 2015 Effluent Export Pipeline 16-inch Steel Preliminary Report (rev 3.6).pdf
- August 2016 - IVGID POI Memo_8-02-16.pdf
- September 2018 - IVGID_WRRF_EffluentStorageAA_TM.PDF
- December 2018 - IVGID Condition Assessment Results (2018) rev1.2.xlsx, HDR 2019
- May 2019 - IVGID Condition Assessment TM_DRAFT_05-10-2019.pdf
- The consultant shall also review proposed scopes of work for design services for the Phase II Effluent Export Pipeline and Effluent Pond Lining projects (refer to February 26, 2020 Board packet).
- NDEP & other agencies correspondence including all submitted and received plans, letters, emails to and from IVGID regarding effluent pipeline and pond projects.

Digital copies of the above documents are included in this RFQ. Questions regarding these documents should be directed to IVGID, not the Consultant that may have prepared them.

Other documents that should be considered in preparation of the Report can also be found on the IVGID website under the Board Meetings and Agendas Tab for the following meetings. The subject of these agenda items will be called out as Effluent Export Project or similar.

- February 26, 2020
- January 29, 2020
- February 27, 2019
- July 24, 2018
- August 22, 2017

3. Deliverables

At a minimum, the Consultant shall submit the following deliverables for the Project:

- Draft and Final Report to document background material findings, project objectives, design criteria, Improvement alternatives, and provide recommendations including high level cost estimates. This will include construction cost estimating, development of alternatives, construction impacts, phasing of improvements, overall project schedule and list of requirement permits and necessary environmental documentation.

4. District Project Team and Management

The General Manager will have overall responsibility and accountability for the project. Various District Staff, District Board Members and potentially members of the community will work directly with the Consultant team.

5. Proposal Content and Requirements

To be considered, the **Qualification Proposal Contents** must be clearly marked and shall include the following:

Proposals shall not exceed sixteen (16) pages in length (plus a project schedule and appendix material) using a minimum 11-point font size type. Resumes and the project schedule should be included as attachments and will not be counted within the 16-page proposal limit.

A typical proposal submittal should follow the format provided below:

- Transmittal Letter (no more than 2 pages): Include any information you believe should be highlighted from your proposal or any key considerations for the selection committee to consider that are not covered in the proposal requirements. Consultant will also include in the transmittal, any exceptions taken to the District's Standard Short Form Consulting Agreement.

- **Project Manager and Project Team (no more than 3 pages):** Identify the Project Manager, key personnel, and sub-consultants who will be responsible for completing the Project. As appropriate, identify tasks or areas of work responsibilities for each member. Include information regarding their qualifications and experience applicable to the Project.
- **Firm Experience (no more than 3 pages):** Provide a general overview of the design team's experience at providing consultation services associated with similar projects.
- **Firm's Approach to Project (no more than 5 pages):** Consultant shall describe its approach in implementing and managing the Project to a successful completion. This includes how the Consultant shall meet the stated goals within the proposed time of completion.
- **References (no more than 3 pages):** Provide at least three (3) references for the key individuals on the project team. This section should provide a short description of the project and your firm or staff members' role, and a specific contact person with phone number. The selection team will be focusing on project performance and will be requesting input as to conformance with schedules and budgets.
- **Appendix material submitted should be limited to resumes of proposed key staff relevant to the scope of work and a preliminary project schedule to complete the assessment and independent analysis report.**

6. Proposed Compensation

The Consultant shall be prepared to provide, within ten (10) calendar days following notification of selection, a **Detailed Scope of Work** and the **Cost/Billing Rates** to be charged to the District, and a not to exceed proposed project cost. Cost proposals will not be accepted until after the firm deemed most qualified has been selected. The cost proposal shall identify direct labor costs and expenses including travel and other direct expenses. The cost proposal for the selected firm will form the basis of negotiations for the contract.

7. Desired Schedule

RFQ Phase

Advertise RFQ	May 15, 2020
Last day to submit written questions	May 27, 2020 by 4:30 p.m.
RFQ Submittals due	June 5, 2020 by 4:30 p.m.
Follow Up by District on RFQ	June 8-12, 2020
Notify Successful Firm	June 15, 2020
Successful Firm Cost Proposal due	June 22, 2020
Board Approval of Consultant Selection	Future Board Meeting

8. Selection of Consultant

The proposals will be evaluated by a selection committee made up of IVGID staff, IVGID Board members, and members of the community. At this time, the selection committee plans to interview a short-list of consultants for this Project. However, depending on the proposals submitted, the committee may choose not to interview any consultants. These interviews will occur the week of June 15, 2020. The selection committee will evaluate the proposals based on the following criteria:

- Qualifications and experience of Consultant's Team with complex sewer transmission force mains and pumping stations.
- Project understanding and approach to key issues
- Project Schedule
- Responsiveness to this Request For Qualifications
- Innovative approaches
- Specific experience of Consultant Team with projects of the same nature
- Experience with implementing and permitting projects within Nevada and the Lake Tahoe area and working with NDOT and TRPA.
- References

9. Submittals

Proposals are to be provided in pdf format and may be emailed to sah@ivgid.org and marked confidential. Please include the following in the subject line if emailed, Effluent Export Project, IVGID Project Number: 2524SS1010

Interested parties shall submit their sealed Proposal to the District by no later than 4:30 p.m., June 5, 2020. If mailing or hand delivering the Proposal, it shall be contained in a sealed envelope labeled "Effluent Export Project," and addressed as follows:

Incline Village General Improvement District
893 Southwood Blvd
Incline Village, NV 89451
Attention: Susan Herron

To ensure confidentiality of the information, no proposals, whether written or electronic, shall be opened prior to June 5, 2020, 4:30PM. Proposers who contact IVGID's staff regarding their Request for Proposal other than via submission of questions shall be disqualified.

Proposals should be mailed with adequate planning in order to meet specified deadlines. All questions with regard to this Request for Qualifications or its attachments should be directed to Susan Herron at 775-832-1207, or sah@ivgid.org.

MEMORANDUM

TO: Board of Trustees

THROUGH: Tim Callicrate
Board Chairman

FROM: Sara Schmitz
Trustee

SUBJECT: Review, discuss and possibly direct the Interim District General Manager and the District Director of Finance to determine a scope of work and cost estimate for an external entity i.e. professional services contractor, to conduct a construction project audit and internal controls review on a sampling of projects

STRATEGIC

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

DATE: April 25, 2020

I. RECOMMENDATION

That the Board of Trustees make a motion to direct the Interim District General Manager and the District Director of Finance to determine a scope of work and cost estimate for an external resource to conduct a construction project audit and internal controls review on a sampling of projects.

The scope of work should include, at a minimum, to identify industry best practices and recommendations for improvements and the creation or improvements to related internal controls, if deficiencies are found.

II. BACKGROUND

The District has identified a goal of developing and enhancing internal controls. At the Board of Trustees meeting on March 11, 2020, the Board of Trustees unanimously approved the following motion:

Trustee Schmitz made a motion that the Board of Trustees authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$45,000 to facilitate with coordination with the Interim District General Manager

Review, discuss and possibly direct the Interim District General Manager and the District Director of Finance to determine a scope of work and cost estimate for an external entity i.e. professional services contractor, to conduct a construction project audit and internal controls review on a sampling of projects

-2-

April 25, 2020

and Director of Finance for internal controls assessment including but not limited to recommend internal controls, policies, and procedures for District businesses and functions. Trustee Dent seconded the motion.

As it relates to construction projects, internal controls are a means to ensure consistency with contract approval, bid and procurement processes, change order and scope management, budget management and project closure.

III. BID RESULTS

The scope of work, once developed, does not have to be bid as it falls under professional services (NRS 332) however if that is desired by the Board of Trustees, it could be accomplished.

IV. FINANCIAL IMPACT AND BUDGET

By developing and/or refining construction project internal controls, the District is assured of consistent and reliable fiscal management of project budgets, contracts, and deliverables.

The cost of conducting a construction project audit is requested to be brought before the Board, prior to award, by the Interim District General Manager and the District Director of Finance at a future meeting. Presently, there are no funds budgeted in the 2019/2020 budget to perform this work.

V. ALTERNATIVES

- (1) Not perform this request at all.
- (2) Undertake this request at a future date.
- (3) Ensure that this request is incorporated in the internal audit approved on March 11, 2020.

VI. COMMENTS

The recommendation would be to select a sampling of typical construction projects to review. This would provide a manageable scope, constrain the costs of the audit, and produce timely results.

VII. STRATEGIC PLAN REFERENCE(S)

Review, discuss and possibly direct the Interim District General Manager and the District Director of Finance to determine a scope of work and cost estimate for an external entity i.e. professional services contractor, to conduct a construction project audit and internal controls review on a sampling of projects

-3-

April 25, 2020

Long Range Principle #2 – Finance

Enhanced internal controls will provide staff with tools to ensure consistent fiscal oversight and management of construction projects.

VIII. BUSINESS IMPACT

Internal resources will be needed to assist the auditing efforts. Given we may have fewer capital projects in the near term due to the impacts of the pandemic, it provides a window of opportunity to conduct an audit. If deficiencies are identified, then internal controls can be developed or refined as needed allowing for future construction projects to benefit from enhanced internal controls.

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Board Chairman

SUBJECT: Case No. CV18-01564 Mark E. Smith v. IVGID

- (1) Review, discuss and possibly approve a payment in the amount of \$42,282.79 to Erickson, Thorpe & Swainston, Ltd.
- (2) Review, discuss and possibly approve a not-to-exceed amount of \$50,000 for legal services to achieve settlement of the above referenced case

DATE: April 27, 2020

I. RECOMMENDATION

- (1) That the Board of Trustees makes a motion to approve a payment in the amount of \$42,282.79 to Erickson, Thorpe & Swainston, Ltd.
- (2) That the Board of Trustees makes a motion to approve a not-to-exceed amount of \$50,000 for legal services to achieve settlement of the above referenced case

II. BACKGROUND

Presently, the District has an outstanding balance owed to Erickson, Thorpe & Swainston, Ltd. of \$42,282.79. This outstanding balance represents charges through April 1, 2020. The District received this lawsuit on August 23, 2018 and has made one payment in the amount of \$45,608.82 to Erickson, Thorpe & Swainston, Ltd.

The authority to pay is as follows:

Authority to pay: \$50,000 (under then District General Manager Pinkerton)
\$10,000 additional approved by the Board of Trustees on 6/19/19
\$ 7,500 additional approved by the Board of Trustees on 1/22/2020
Total authority to pay \$67,500

This case has a status conference scheduled for May 12, 2020. Anticipated legal services to get to settlement, without including any fees in the settlement agreement, is estimated at not-to-exceed \$50,000.

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Board Chairman

Indra Winquest
Interim General Manger

SUBJECT: Review, discuss and possibly approve adding Task 3 to the existing Best, Best & Krieger (BBK) Agreement effective May 7, 2020 and a proposed budget of \$50,000

DATE: April 20, 2020

I. RECOMMENDATION

That the Board of Trustees review, discuss and possibly approve adding Task 3 to the existing BBK agreement. This task adds legal services for the Board of Trustees effective May 7, 2020 and a proposed budget of \$50,000.

II. BACKGROUND

At the January 29, 2020 Board of Trustees meeting, the Board of Trustees unanimously approved the Interim District General Manager to engage BBK to perform two tasks – (1) a review of the Hutchinson & Steffen retainer agreement and (2) a review of the work to date on the Mark E. Smith v. IVGID legal action. The monetary limit for these two tasks, as approved, was a total of thirty thousand dollars (\$30,000.00).

Following this action, the Interim District General Manager engaged BBK and the Board of Trustees Chairman and Interim District General Manager executed an agreement which is attached hereto. BBK assigned Mr. Joshua Nelson to be the representative to the District. Mr. Nelson has advised the Board on both matters in tasks 1 and 2. Billing for that work, as of the writing of this memorandum, has not yet been received but it has been requested.

At the April 14, 2020 Board of Trustees meeting, the Board of Trustees voted unanimously to issue a letter of notice of termination to Hutchison and Steffen in accordance with the retainer agreement between Hutchison & Steffen and the Incline Village General Improvement District. The retainer agreement was included in the

materials supporting this Board action and can be found in that Board packet. The retainer agreement calls for a six month period of transition and that period began on April 14, 2020 and will be complete on or about October 12, 2020. With the ending of this retainer agreement, the Board of Trustees finds itself without legal counsel that it desires to take advantage of. The performance of BBK's representative Joshua Nelson has proved to be satisfactory with the Board of Trustees such that they desire to hire them effective immediately. As these are professional services, a request for proposal is not required.

III. FINANCIAL IMPACT AND BUDGET

The financial impact of Task 3 is recommended to be a not-to-exceed amount of \$50,000. This work will be funded out of the General Fund.

IV. ALTERNATIVES

Not approve this action and utilize Hutchison & Steffen.

V. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Task 3 - Provide legal services to the Incline Village General Improvement District Board of Trustees.

(Reference: **Task 1** is the review of the current Hutchison & Steffen legal services agreement to provide an opinion on the agreement's contents and **Task 2** is review the status of the Mark E. Smith & IVGID (Case No. CV18-01564) to provide an opinion on the current status of the case, provide opinion(s) on potential settlement options, and assist the Board of Trustees with the settlement of the case in the best interest of the District.

Task 3 is to provide legal services to the Incline Village General Improvement District Board of Trustees. These services include, but are not limited to, the following services:

Attending scheduled Board of Trustees meetings starting May 27, 2020 with an ending date of to be determined and representing themselves as District General Counsel;

Answer all questions posed by the Board of Trustees; and

Provide other services as directed by the Board of Trustees Board Chair.

These services are provided under the agreement dated February 3, 2020 and the fees charged are in accordance with this same agreement; Joshua Nelson, hourly rate of \$275.00.

Incline Village General Improvement District Board of Trustees consists of five elected officials and consist of Chair Tim Callicrate, Vice Chair Matthew Dent, Treasurer Sara Schmitz, Secretary Kendra Wong and Trustee Peter Morris.

All services provided by service provider shall be under the control of the Board of Trustees Chair. All invoices charged against this task shall be approved by the Board Chair prior to payment by the District. This effort will be coordinated by the Interim District General Manager or his designee.

The funds allocated to this task are not-to-exceed fifty thousand dollars (\$50,000.00). The approval for these funds came before the Board of Trustees on May 6, 2020 and was approved by a vote of ?????.



BEST BEST & KRIEGER
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Joshua Nelson
(916) 551-2859
joshua.nelson@bbklaw.com

February 3, 2020

Indra Winqest
Incline Village General Improvement District
893 Southwood Blvd.
Incline Village, NV 89451

Re: Engagement Letter and Fee Agreement

Dear Mr. Winqest:

ABOUT OUR REPRESENTATION

Best Best & Krieger LLP is pleased to represent Incline Village General Improvement District (“IVGID”). Specifically, we will provide legal advice and counsel regarding IVIGD’s current legal services agreement with Hutchison & Steffen and reviewing the status of the *Mark E. Smith v. IVGID* (Case No. CV18-01564) to provide an opinion on settlement options, as well as any other related work you may request us to undertake from time to time. This letter constitutes our agreement setting the terms of our representation.

CONFIDENTIALITY AND ABSENCE OF CONFLICTS

An attorney-client relationship requires mutual trust between the client and the attorney. It is understood that communications exclusively between counsel and the client are confidential and protected by the attorney-client privilege.

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

Indra Winquest
February 3, 2020
Page 2

To also assure mutuality of trust, we have maintained a conflict of interest index. The Nevada Rules of Professional Conduct defines whether a past or present relationship with any party prevents us from representing your firm. Similarly, your agency's name will be included in our list of clients to ensure we comply with the Rules of Professional Conduct with respect to your firm.

We have checked the following names against our client index: Incline Village General Improvement District, Mark E. Smith, and Hutchison & Steffen. Based on that check, we can represent your agency. Please review the list to see if any other persons or entities should be included. If you do not tell us to the contrary, we will assume that this list is complete and accurate. We request that you update this list for us if there are any changes in the future.

YOUR OBLIGATIONS ABOUT FEES AND BILLINGS

I will be the only attorney working on this matter and will bill at a rate of \$275 per hour during 2020. The memorandum attached to this letter describes the aspects of our firm's billing policies. You should consider this memorandum part of this agreement as it binds both of us. For that reason, you should read it carefully.

INSURANCE

We are pleased to let you know that Best Best & Krieger LLP carries errors and omissions insurance with Lloyd's of London. After a standard deductible, this insurance provides coverage beyond what is required by the State of Nevada.

NEW MATTERS

When we are engaged by a new client on a particular matter, we are often later asked to work on additional matters. You should know that such new matters may be the subject of a new signed supplement to this agreement, especially litigation matters, which may also require the payment of a retainer in advance. Similarly, this agreement does not cover and is not a commitment by either of us that we will undertake any appeals or collection procedures. Any such future work would also have to be agreed upon in a signed supplement.



Indra Winqest
February 3, 2020
Page 3

HOW THIS AGREEMENT MAY BE TERMINATED

You, of course, have the right to end our services at any time. If you do so, you will be responsible for the payment of fees and costs accrued but not yet paid, plus reasonable fees and costs in transferring the case to you or your new counsel. By the same token, we reserve the right to terminate our services to you upon written notice, order of the court, or in accordance with our attached memorandum. This could happen if you fail to pay our fees and costs as agreed, fail to cooperate with us in this matter, or if we determine we cannot continue to represent you for ethical or practical concerns.

CLIENT FILE

If you do not request the return of your file, we will retain your file for seven years. After seven years, we may have your file destroyed. If you would like your file maintained for more than seven years or returned, you must make separate arrangements with us.

THANK YOU

On a personal note, we are pleased that you have selected Best Best & Krieger LLP to represent you. We look forward to a long and valued relationship with you and appreciate your confidence in selecting us to represent you in this case. If you have any questions at any time about our services or billings, please do not hesitate to call me.

BBK
BEST BEST & KRIEGER
ATTORNEYS AT LAW

Indra Winqest
February 3, 2020
Page 2

If this letter meets with your approval, please sign and date it, and return the original to us. Unless you sign, date and return the original by March 6, 2020, we will not represent you in any capacity, and we will assume that you have made other arrangements for legal representation. We have enclosed a separate signed copy of this letter for your records.

Sincerely,

Joshua Nelson
of BEST BEST & KRIEGER LLP

JN:cp

AGREED AND ACCEPTED:

By:  _____

Dated: 2/5/20

By:  _____

Dated: 2/5/2020

MINUTES

REGULAR MEETING OF APRIL 14, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Tuesday, April 14, 2020 at 6:01 p.m. This meeting was conducted virtually via Zoom.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

Chairman Callicrate welcomed everyone and thanked everyone for being present.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Peter Morris, Tim Callicrate, Sara Schmitz, Matthew Dent, and Kendra Wong.

Also present were District Staff Members Director of Public Works Joe Pomroy, General Manager Diamond Peak Ski Resort Mike Bandelin, and Director of Finance Paul Navazio.

No members of the public were present in accordance with State of Nevada, Executive Directive 006.

C. PUBLIC HEARING (TIME CERTAIN FOR 6 P.M.) – Proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” and Proposed Fee Schedule

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

Chairman Callicrate asked the Director of Public Works if the District had complied with all the requirements to hold this public hearing; Director of Public Works Joe Pomroy confirmed that the District did comply with all the required noticing.

Chairman Callicrate said we are going to break for five minutes to get everyone signed in; the Board meeting took a recess starting at 6:05 p.m. and the Board reconvened at 6:07 p.m.

Linda Newman said at a time when our health and safety are at risk and most economists are calling for a recession with deepening unemployment, she cannot support a 5.5% increase in our water and sewer rates. While the District claims to be laying off employees, she cannot abide this District providing labor increases that exceed labor union requirements or placing aggressive estimates on the costs of services and supplies. The rate study previously presented to the Board was not only filled with unreliable and factually incorrect information it also preceded the recognition of the emerging consequences of this pandemic. Now is not the time to burden our property owners, residents and local businesses with higher fees. Now is the time to reduce our costs to run our utilities efficiently and to hire an independent expert to do a professional utility rate study and capital reserve study. After years of raiding the money specifically collected for the replacement of 6 miles of our failing effluent pipeline, we must streamline our operations and find a way to build up our reserves to support our \$600 million water and sewer infrastructure and raise the necessary funds we need to remediate those 6 miles and line the emergency effluent pond. We can't do any of that until we have a professional who can provide us with accurate data and professional direction. You cannot approve this increase. But you can direct the General Manager to bring in an independent professional to professionally operate, budget, service our customers, maintain, repair and replace our aging water and sewer infrastructure.

Margaret Martini said are you really planning to raise our water and sewer rates by 5.5%? Did it ever occur to you that this is not the time to raise our fees? Do not approve these new Ordinances and Fee Schedules.

Mike Abel said that he would like to state his objection to the approximately 5.5% increase in our water sewer fee. With our facilities under lockdown, with tenant, landlord, and property owner's income and cash flow reduced, he thinks that it is outrageous that IVGID proposes this increase. By any standard this is unseemly. Inflation is nowhere near 5.5%. It is ridiculous to him that the Board was presented with no alternate plan except the 5.5% plan to increase rates. When is our Board going to develop some cajones and tell IVGID management to go back to the drawing board to tighten their belt and control their expenses. (Opposed)

Cliff Dobler said, referencing agenda packets page 34 – 36, that the memorandum on agenda packet page 34 talks about a Strategic Plan. It is expired and the plan for 2022 was whacked from the agenda. Mr. Dobler then called to the Board's

attention the word “ensure” [or “insure”] and stated that he looked up the definition in Webster’s and then he read that definition. All of the Board members know that there has not been any effective management of the funds. On agenda packet page 35, top of the page, the rate study includes a five year look ahead with an eye out for large projects, you all should read these pages as they have no bearing at all.

Aaron Katz said he has demonstrated that Staff’s rate study is flawed as they lead to preferential and discriminating rates to the detriment of residential customers. Only have two classes and there is a need to spread the costs equitable. Have argued that we need a specialist. He asked to examine a line item budget and the Interim District General Manager declined. He asked for administrative fees documents and Staff said there are none. IVGID has not opened its books therefore IVGID has lost any right to increase in rates. He has warned the Board that take away the money and fund balances and there will be retaliation. Please vote no on any rate increase. (Opposed)

Judith Miller said she is going to pass at this time.

Paul Smith said that three quarters of the capital improvement charges are just under fifty dollars and that he would like to remind the Trustees that condo associations are charged that capital improvement fee by each unit and that this is true for all condo units. His association maintains their own water and sewer lines and they pay the normal rates however they should not pay the normal development costs. We should get some discount or recognition for that and that he would suggest a twenty five percent discount for developments over one hundred units.

Craig Winguard said that he will pass for now.

Frank Wright said he is a candidate for the Board. He has some serious complaints and concerns regarding the rate increase. The issues that he is going to identify, if any are true, then they are not fit. Staff has committed maleficence by entering into the Clear Creek agreement and setting those rates; misappropriation of public funds with the pond liner at seven hundred and fifty thousand dollars because of this behavior, taking that money and using it for something else, we have to pay twice as much; sole source contracting - every contract that this Staff member puts out is sole source; and entering into contracts without the Board of Trustees approval. That alone would take out any Director and is grounds for termination. Giving false information in the rate study should also take this Staff member out. Every year we get another rate increase. Why are we always adding money? Look

at what needs to be fixed and you will see that everything is over the top. The Board of Trustees needs to have oversight and this Staff member shouldn't be working here. Set aside this rate increase, look at what is going on, and get an expert to look at all of this.

Chairman Callicrate asked everyone to please stay focused on this topic and that there will be another opportunity to make comments on other items.

Chairman Callicrate said, as an overview of the subject matter of tonight, that we, as a Board, are fully aware that this was agendized before all heck broke loose. We had to go ahead and have this public hearing tonight. We, as a Board, will have an opportunity to discuss this in our general meeting. Chairman Callicrate asked Staff if they had anything to add.

Director of Public Works Pomroy said that the Board has the memorandum in its packet and there was one written comment received which was included in the Board packet. Notice was advertised in the *Tahoe Daily Tribune*. Staff understands that conditions are changing and we can discuss it later in the meeting.

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

District General Counsel Alex Velto asked for clarification on who was the seconder on the motion; Chairman Callicrate said it was Trustee Dent.

Chairman Callicrate called for a break at 6:32 p.m.; the Board reconvened at 6:35 p.m.

Chairman Callicrate announced that public comment will be taken on Item H.4.

D. PUBLIC COMMENTS

District Clerk Susan Herron said that two written comments were received; one was from Dick Warren and the other one was from Alexandra Profant and both will be attached to the minutes of this meeting.

Aaron Katz said that he objects to not having public comment on every General Business item and that there is not enough time. This Board does not have to obligate the public to seventy two thousand dollars to Hutchison & Steffen and to not pay the fees as they aren't going to sue the District. The tentative budget is

phony so don't submit it. He would rather submit everything that Staff has prepared and remove the Recreation Fee as that will be as phony. There is nothing in the Nevada Revised Statutes that says that we can't have an unbalance budget. Then, in the workshop, move to a zero based budget. The Recreation Fee he objects to as there are no facilities that are available for us. Further, in the past, we have a payoff for bonds which has now become a slush fund. He doesn't believe the new Director of Finance because we now have \$11.5 million and where did it come from. Look at Diamond Peak, it throws off cash. All the facilities need to operate on a cash flow basis and Staff has done nothing. Any talk about reducing costs is immaterial if it doesn't result in a cut in the Recreation Fee. For all of these reasons, this report should not be approved and they should sink or swim because it is not fair that we subsidize them.

Judith Miller said that she listened to the meeting of the Board of County Commissioners this morning and that she learned about an unfunded mandate, part of the Family First Corona Virus Response Act to pay nearly full salaries plus benefits for most public employees for the next three months because they can't work for a variety of COVID-19 related reasons, she is not sure if that applies to IVGID but it certainly sounds like it does so with no golf, no Recreation Center, no organized sports, catering, events at any of our facilities, do we know how many employees the District might have to pay just to stay home? Washoe County is moving quickly on hiring freeze, curbing expenses, etc. because they are aware that revenues are dropping quickly especially, for them, the c-tax, which is not such a big part of our budget but still it is substantial but given that we are not going to be having any revenues from the venues we really need to put things on hold. She was also struck by County's staff's statement that government is not in the business of taking risk. Unfortunately, that is often ignored around here. Instead of encouraging private businesses to assume our risky ventures, IVGID has sought to add even more - golf, catering, ski area lessons etc. are very risky businesses. Please scale back on these and you will scale back on the risk. Maybe this sobering experience of the COVID-19 virus will allow IVGID to focus on its original mission providing public recreation for the local inhabitants funded by our property taxes and reasonable user fees and not on money making tourist attractions subsidized by our rec and beach fees.

Mike Abel said that he is a full time resident of Incline Village and that he has two points to address this evening – his first point this evening related to the so-called recreation facility fee that is proposed at \$830. Dick Warren, in his email to all Trustees today, eloquently states his views on this matter. The big lie is that this is a fee for the use of our recreation facilities. In fact, this fee is not used for the benefit of the residents and ratepayers but is used to make up for IVGID's negative

cash flow in their pork filled budget. What facilities are currently available to IVGID taxpayers and residents? None. So, what is the reason for the fee? Interim District General Manager Winquest said recently that 500 IVGID staff have been laid off. Naturally, with Diamond Peak closed, our staff is very reduced. But when asked about layoffs of full-time employees, he was evasive. Again, when is our Board going to show some leadership and tell IVGID staff to go back to the drawing board and tighten their belt to control expenses. His second point this evening is regarding the Hutchinson/Guinasso contract. He says fire these reprehensible creatures. After entering into the non-standard sweetheart contract signed and arranged by Trustee Wong and former District General Manager Pinkerton, Hutchinson Co. has pushed IVGID's legal fees (to their financial benefit) while giving our Board self-serving crap advice. Guinasso's dishonest bully tactics have cost IVGID well over \$100,000 beyond their monthly retainer fee. It is not time to "notice them" of our intention to terminate their contract. It is time to fire them. How stupid is it to reward their company \$72,000 for the next six months for the crappy job that they have done? He says not one more penny to these dishonest rogues stealing from our coffers.

Craig Winguard said that he is speaking on General Business Item H.2. and that in his twenty seven years with the brand, that being a part of a closed bidding process does reflect on the resort and the District. Vogel is made in Germany and that he is impressed with how close they were able to get in this competition. He recalls back about ten years ago when Carl Hill was the Ski School Director and the major determining factor was about the guest and the guest experience. The greatest overall advancements in the skis and bindings is grip lock which is a rubberized rockered bottom sole that provides the guest with an almost out of body experience. The rubber is so impressive as it helps to prevent slips and falls in various locations around the resort. Grip lock is a financial option that we have offered at no additional cost, a \$20,000 value, and many have recognized that value and gone with their company. While we may not be the low bidder, we hope you will consider the amazing quality of this product.

Cliff Dobler said here tonight to talk about the Recreation Center. The Recreation Center, excluding community programming, is a recreational venue that requires the largest facility fee subsidy of all venues and has been completely ignored by this Board of Trustees for several years. The continual story line has been that some community programming which are included as part of the Recreation Center causes the large subsidy. In order to understand how the Recreation Center is performing on its own, community programming provided to all venues should be addressed separately as one department so the citizens can clearly see the total subsidy offered on the various programs. Each year the Board of Trustees

at a public meeting is provided a detailed analysis of the user rates for the two golf courses and the Diamond Peak ski resort. The analysis provides information on the results of the rates for residents, guests and non-residents for several previous years and includes a request for approval of rates for the subsequent year. Nothing is presented for the Recreation Center. Based on the 2/21 tentative budget, on March 11, 2020 and again tonight, the Recreation Center, excluding the community programming, the user fees charged will only recover 48.6% of its operating and capital costs. Revenues are budgeted at \$1.208 million and operating expenses and capital costs are budgeted at \$2.488 million resulting in a facility fee subsidy of \$1.278 million. Little effort has been made to at least keep revenues increases consistent with the increases in costs. In other words, for every dollar we receive from users, citizens are required to pony up an additional one dollar and six cents. The community program which is only for some programs which is included in the Recreation Center has \$572,000 in expenses and requires a facility fee subsidy of \$400,000. Only 30.3% percent of the costs are recovered from user fees. According to the draft executive summary for 2021 budget, there are ninety programs however only sixty seven programs are listed in the back as detail. Last year's 2020 budget stated one hundred and ten programs. More disturbing is the confusion and not to be believed visits at the Rec Center. From 2015, annual visits started at 256,000 escalated to 445,000 and now settled back to 421,000 however there has been no appreciable increases in revenues. He respectfully asks this Board that in the next month, an appropriate presentation be made on the Rec Center by itself and community programming by itself.

Linda Newman said we are all painfully aware that the pandemic is wreaking havoc on everyone. Until there are therapeutic solutions and a vaccine we are in for a long and slow recovery. No one knows when it will be safe to go back to work, or if they will have work, or return to school, to recreate, to travel. Uncertainty is all we know and not preparing for the best and worst case scenarios is not an option. With that in mind, I must object to the District's proposed collection of \$830 for Beach and Recreation Standby and Services Charges. As stated in the Resolution it is assessed for the availability of use of our recreation and beach facilities and privileges described in Ordinance 7. At this time, those activities are not available for our use and you cannot guarantee that they will be on July 1st. So, can you legally determine to collect those fees for that purpose when you cannot guarantee that you can actually provide all those privileges? This Resolution should be tabled and while you figure out the legalities, you should direct Staff to provide you with a line item budget for each of the venues and an accurate accounting of what it actually costs to operate each of the facilities, activities and programs. Secondly, the approval to authorize the filing of the Tentative Budget to meet State Requirements is being requested by new Director of Finance Navazio.

Unfortunately, this Budget may meet the deadline to submit it, but the accounting and reporting for the Beach and Community Services Funds violate Generally Accepted Accounting Principles which is a violation of Nevada law. Now, we know that Mr. Navazio did not prepare the Budget. Instead, Former Director of Finance Eick was hired by Interim GM Winquest to do so. As I don't believe Mr. Navazio should be held accountable for Mr. Eick's violation of the law, if this Board authorizes the filing, it should reflect that it was prepared by Mr. Eick. Unfortunately, too, although GM Winquest stated that staff was working on alternative and more realistic budgets, I don't know why they were not presented for the Board and the public to review. I understand there is an upcoming workshop, but that appears to be three weeks away. COVID-19 demands we take immediate action to ensure the District's efficient operation and financial sustainability as well as the safety of everyone who lives, works, serves, recreates and invests in our Community. Delay, delay and more delay has become the mantra when priority matters like a competently prepared budget that reflects the new realities and complies with Generally Accepted Accounting Principles are needed most. The same goes for internal controls and oversight of how we budget, contract and implement capital projects. During this time of crisis strong leadership and financial controls are paramount. At this point, I see neither.

Will Lochenhower said that he is commenting on General Business Item H.2.; thank you for your consideration on the ski rental equipment from Vogel Group. He wanted to include some additional comments about grip walk which is being universally adopted by all in the ski industry. It is better for the skier and easier to navigate the areas around the ski resort as slip and fall is the number one injury at resorts. It is rockered so it makes the person not look like Frankenstein. What is being offered is worth more than the difference in the bids. Grip walk represents a better guest experience for Diamond Peak.

Margaret Martini said as we confront this pandemic, why does this Board and Senior management continue its war against facts? It started last meeting when Mr. Morris questioned out citizens facts. So I took Mr. Morris up on reading the class action lawsuit filed against him personally and the company he owned for the non-payment of employee wages. I also looked at his personal bankruptcy filing. Mr. Morris should reread all of these papers. And he will see the fact that he as an owner collected his own salaries while the 40 plus hard working caregivers were cheated out of theirs. Now, you bring before us a rate increase based on a flawed utility rate study. One that you all know does not actually provide the Utility Fund with the financial resources we need to comply with the Board's own policies and practices. Mr. Dobler has taken the time on multiple occasions to educate you on its flaws. That being said, you also know that this pandemic is not only a threat to

our health, it is a threat to our community's financial well being. How could you possibly increase our water and sewer fees by 5.5% rather than lowering operating expenses and reducing our fees for now. The rate increase does nothing to fortify our fund's reserves – it simply provides funding for more operating inefficiencies and overspending. You have also provided a resolution to collect Rec and Beach Fees. There was a discussion last year to reallocate more money to the Beaches and less to Community Services. That way, you could end the unlawful transfers from Community Services Administration to fund Beach expenses and provide the money for a new Burnt Cedar Pool and Beach building. Why wasn't that option presented here? Why do you need a placeholder when you could actually present something substantial to discuss? Then we have a tentative budget we are told must be filed with the State. That may be so, but despite all the numbers, the pages contain no estimations we can rely upon for the final budget. It would have been helpful to provide the Board and the public with a line item budget and a draft of major cost cutting and realistic revenue projections. The termination of Mr. Guinasso and his law firm is a great step forward. But where are the facts behind this termination? And where is our compensation for his legal costs as a defendant in a lawsuit that he provoked – or the money he collected for his frivolous lawsuit against FlashVote? We deserve a rebate for his years of providing false legal advice on Parasol, the land sales, public records, open meeting law and other matters. Are you really planning to raise our water and sewer rates by 5.5%? Did it ever occur to you that this is not the time to raise our fees? Do not approve these new Ordinances and Fee Schedules.

E. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate asked for any changes; receiving none, Chairman Callicrate said that the agenda is approved as submitted.

Chairman Callicrate said that the public hearing was noticed before the COVID craziness took over and that the Board will be discussing this matter later in the meeting.

F. DISTRICT STAFF UPDATE (for discussion only)

F.1. Interim District General Manager Indra Winqest

Interim District General Manager Indra Winqest went over his submitted report.

Chairman Callicrate said before we move forward, he has been notified that one public comment was skipped over and that he would like to take that public comment now.

Frank Wright said he is a candidate for the Board and that this is one major undertaking with this meeting. He is asking that the lawsuit information he sent to the Trustees be attached to the Board minutes. Mr. Wright said, for Trustee Morris' benefit, that he said he was speaking untruths at the last meeting and then read from the lawsuit materials. He is reaching out to Trustee Morris because he said all individuals were paid. Let's go to Erin Page as Mr. Wright said he spoke to her personally and that she is out fifteen thousand dollars. She is capable of moving forward and going on but there are forty five others. What you did here, by cheating people out of wages, etc., is unbelievable. You, as a Trustee, have to have a higher standard and more integrity. Mr. Wright then offered Trustee Morris the opportunity to make it right and compare it with what he has. No one has ever proved otherwise so if Trustee Morris has the facts and figures, please bring them forward. On legal counsel being released, they have been a problem for quite a while and they have cost us a fortune. We should demand that those funds be repaid to the District which is more than one hundred thousand dollars and more like five hundred or six hundred thousand dollars.

Chairman Callicrate said that he is sticking to the strict three minute limit.

Tim Parker passed on his opportunity to speak.

Chairman Callicrate said that this closes public comments and returned to the report by the Interim District General Manager and asked if the Board members had questions.

Trustee Morris said that he wanted to ask if the Recreation Center repairs that are going on can go on during this shutdown time. Interim District General Manager Winquest said it is a great question and that the contractor is not accessing the interior of the Recreation Center. One of the reasons to get it done is so there is no impact to customers. They have ripped up the entire walkway and thus it is a good time and it will speed up the process. We do have Staff such as the Recreation Center Manager and the Pool Maintenance Technician and then a few Staff going in to do filming of classes; there is minimal activity and he is very confident that it is safe.

Trustee Schmitz said that she wanted to remind Interim District General Manager Winquest that we had a group of young people from SOS Outreach

present about trash receptacles and that they have a local Incline phone number so it would be great to reach out there. On the guest access ticket, she saw the new posting and asked how the beaches are going to be handled; is there additional work to be done on the guest access ticket. Interim District General Manager said on SOS Outreach that he will touch base with Trustee Schmitz on that matter offline. Regarding the beaches, we are really trying to keep them open and Staff has put out a lot of information via social media, etc. and that we knew when the weather got nice, we knew we would have increased activity. We are seeing more activity around sunset and the Board just approved a new resolution about no smoking, etc. As of this evening, we are closing the walk-in gates at 6 p.m. which we will be doing until further notice. It is our hope that people will be responsible as we don't want to continue to have to restrict it but we will. On the guest access ticket, we are moving to a pay to play model with different requirements for many. We will be requiring passes to be paid for upfront. There is a lot of pre-work being done right now as well as efforts made to get the communication out. Right now, Staff has no mechanism to sell those tickets as we are not staffing the gates. We are evaluating how to staff the gates and we are governed by the beach deed as well as the ordinance in addition to what we can and cannot do regarding the laws. The uncertainty is that we don't know when we are going to re-open but we are working through it.

Trustee Schmitz said that one of the things she did notice was the picture pass and picture pass holder being with you and that is why she brought it up. Interim District General Manager Winqwest said that we have to have some level of control and we are working through having Staff down there and keeping them safe. We want people to know that as Staff is moving through the beaches, that people will have to show their passes. We will have Staff rotating through the beach and that is why we wanted to put that out.

Chairman Callicrate said, regarding the number of employees that the District has, that he thinks there is a misunderstanding about employees and that some are conflating that facts. The bulk of the one thousand people listed are part time positions and some do one or two different jobs so on TransparentNevada.com they are listed one or two times. We don't have one thousand employees rather we have between one hundred and five and one hundred and seven full time employees and around two hundred or so part timers and then there are some who teach classes, etc. We don't have one thousand people on the payroll.

Interim District General Manager Winqest said that the snapshot that was referred to was any employee that worked for the District. We may have processed that many W2's as we do have seasonal staff at our venues. When you look at lists like that, from TransparentNevada.com or wherever, we have Recreation Center counter employees that are allocated out to various areas so naturally they are listed that many times on that list. A lot of Recreation employees work a variety of positions. His request to members of the community is that before you make assumptions, reach out to Senior Management, him or Board members. Our community has the right to believe whatever they want but it is helpful to get your facts right.

Chairman Callicrate asked for further comments from the Board, there were none.

G. REPORTS TO THE IVGID BOARD OF TRUSTEES (for discussion only)

G.1. District General Counsel: Law Firm of Hutchison & Steffen

District General Counsel Alex Velto said, regarding the status of the Katz litigation, that he spoke with Mr. Beko and the case was deemed frivolous in the Nevada courts and now the only question is whether Mr. Katz will appeal to the United States Supreme Court. There was a discussion about settlement with no response to the offer. Mr. Beko is waiting to see if he is going to file with the United States Supreme Court which the District will then have to respond to.

G.2. Board Treasurer Sara Schmitz

Board Treasurer Sara Schmitz said that the role of Board Treasurer was delegated to the Director of Finance previously and that the Nevada Revised Statutes have a clear statement for the Board Treasurer so she is working with the new Director of Finance to make use of opengov to generate a Treasurer's report. It is her hope and expectation to have something to bring before the Board of Trustees for feedback and comment very soon.

Chairman Callicrate called for a recess at 7:37 p.m.; the Board reconvened at 7:45 p.m.

H. GENERAL BUSINESS (for possible action)

- H.1. Review, discuss and possibly approve the proposed schedule of services for Sewer Ordinance #2 “An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District” and Review, discuss and possibly approve the proposed schedule of services for Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” and Review, discuss and possibly approve the proposed Fee Schedule – Resolution 1877 (Requesting Staff Member: Director of Public Works Joe Pomroy)**

Chairman Callicrate asked for any Board member questions; Trustee Schmitz, referencing agenda packet page 36, Alternatives, read the alternative aloud and asked for a little bit of explanation on that item.

Director of Public Works Pomroy gave an overview of the submitted materials and explained that not having rate increases would mean looking at deferring capital projects, reducing Staff or other cost changes.

Chairman Callicrate said the concern that he has is that is what is going on with COVID-19 activity, that raising rates right now would not be the right thing to do even though it seems like a small amount per month, it is still an addition. He agrees with many comments that have been made and with the direction given to the Interim District General Manager, it is more prudent, at this time, to stay with current rates and wait for the reserve and rate studies that are coming in the next several months.

Trustee Morris said that he knows that it was prior to the COVID announcements and that he thought that the Board had a very robust discussion about this topic at a previous Board meeting and coincided with an acknowledgement that we will be short of our fund balance requirements. There was also the question of should we begin building our reserves now and we decided not to and now there is a suggestion that we don't do a rate increase. Our waste and our water is an essential service and more so now. For us to think about cutting service or deferring capital improvement projects would be very unwise. He understands that COVID is here but in terms of our essential services, there is nothing more essential to what we do than provide utilities. Knowing that we are going to increase them to increase our fund balance in the future is one thing but to delay the rate increase would be a really huge impact. Trustee Morris concluded by stating that he is favor of doing the rates as discussed and sticking to our plan.

Trustee Dent said that he is in favor, given the uncertain times, and that the Board should listen to public comment, of not doing a rate increase at this time. We could postpone it and do what others are doing. We need to look out for the people we work for, the people in the community, and defer those items we can defer and then reassess to see where we are. We are moving forward with a rate and reserve study and after that we can raise the rates later; he is all in favor of holding off on a rate increase.

Trustee Wong said that holding off on the rate increase is a really good idea. Our community has a lot of people on fixed incomes and maybe some of that fixed income isn't coming in. We should set a date to re-evaluate and to evaluate if that is the right time whatever that date would be and do the rate change based on needs. Trustee Wong said that she doesn't want to see the utility fund balance drop too low so we don't have the money for critical infrastructure.

Chairman Callicrate said he liked the suggestion of setting a date.

Trustee Schmitz said that she concurs and that Staff put her mind at ease when they said a short term deferment wouldn't have any impact. She also agrees to putting it on the calendar and suggested maybe October. She would like to have Staff identify some cost saving incentives and look at them holistically later in the year.

Trustee Morris said that he has been swayed by some of the arguments and that to Trustee Schmitz' point, if we review again in three months and if we want to raise rates at that time, we have to have another public hearing and go forward with that. If it is still up in the air, then we can defer it again. Trustee Morris concluded by stating that he would like to see the review happen in three months.

Chairman Callicrate said that he is fine with three or six months and whatever the Board would like to do.

Trustee Wong said that July would be appropriate and that we can assess to see if we are still being affected by the virus. If July is not right, we can push it out again.

Chairman Callicrate said that he is fine with the second meeting in July; Trustees Schmitz and Dent concurred with that schedule.

District General Counsel Velto confirmed that no motion is needed.

H.2. Award a Procurement Contract for the Purchase of Replacement Rental Shop Equipment – 2019/2020 Capital Improvement Project: Fund: Community Services; Division: Ski; Project # 3468RE0002, Vendor: Rossignol, Amount \$285,834.75 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)

General Manager Diamond Peak Ski Resort Mike Bandelin gave an overview of the submitted materials.

Chairman Callicrate said if we were to perhaps put this off because of all of this COVID-19 or is it critical to do this tonight or can we push this out to after next season. Safety is important however is there a possibility to forego it without impact to next year's operations.

General Manager Diamond Peak Ski Resort Bandelin said we wouldn't be able to go on this in November because of vendor drop dead date. He stated in the alternative narrative, his feeling is that we could defer this project, as Staff did a condition assessment and identified one hundred and twenty skis, within the junior fleet, that have finished their five years because we deferred the replacement to competitively bid them together. It will be around sixteen thousand dollars to replace those skis that don't meet the condition assessment. On the safety side, we have six years on the bindings so he has no problems or qualms on bindings indemnification within the next couple of years with that manufacturer.

Chairman Callicrate said that is what he wanted to hear from Staff.

Trustee Morris asked if there was a safety aspect with the bindings and can you please say if you are comfortable or concerned. General Manager Diamond Peak Ski Resort Bandelin said he has no concern with the manufacturer's indemnification on the bindings. Trustee Morris said that Staff has identified, with the children's skis, about sixteen thousand dollars, that need replacement. Has Staff audited the adult skis and boots? General Manager Diamond Peak Ski Resort Bandelin said if the Board does decide to defer, Staff would do maintenance on the fleet by replacing toe and heels of the boots and that Staff identified a preliminary cost of sixteen thousand

dollars which is inclusive of junior and adult fleets. This purchase doesn't include snowboards because it is in the 2020/2021 budget plan.

Trustee Wong said so next year we would be doing skis and snowboard and that she knows that we have tried to keep this on a staggered schedule so we have to be okay with next year doing both of these fleets at the same time.

Trustee Schmitz said that she appreciates the alternative and already being proactive. As to attracting skiers to Diamond Peak, if we deferred for one year, will that have any negative impact on the number of ski passes that we sell. General Manager Diamond Peak Ski Resort Bandelin said no, it would not as a majority of our pass holders have their own equipment. We treat our fleet like any other asset within the District and that Staff wouldn't have included that alternative if there was any diminishment. Trustee Schmitz said that she appreciates the presentation by the two public commenters and the sharing of that information.

Interim District General Manager Winquest said he fully supports deferring this item and that with the General Manager Diamond Peak Ski Resort's expertise, he is confident with this deferral because he has said yes and he is comfortable with that alternative. We don't know what is going to happen with the whole COVID thing and resurgence however we are going to prepare for a great season. Staff will look at the equipment especially the snowboard equipment to see if it needs to be replaced next year.

Chairman Callicrate said that it sounds like the Board is deferring to General Manager Diamond Peak Ski Resort Bandelin's judgment.

Trustee Morris said that he hopes we can resolve it without having to come back to the Board as the estimate is around sixteen thousand dollars and while he won't hold his feet to the fire, if it is within the Interim District General Manager's authority, he is comfortable with it going forward as proposed and not bring it back to the Board.

General Manager Diamond Peak Ski Resort Bandelin said that this would be an operating expense to maintain this fleet and that this agenda item will become a carryforward project.

Trustee Wong asked if Staff could contact the vendors and let them know it had nothing to do with them rather it is the economic condition. General

Manager Diamond Peak Ski Resort Bandelin said absolutely and that the entire industry is doing this. This was a helpful conversation and that he appreciates the Board's feedback.

H.3. Review, discuss and possibly approve Resolution Number 1878: A Resolution Preliminarily Approving the Report for Collection of Recreation Standby and Service Charges per parcel of \$830 with beach privileges and \$705 without beach privileges, Fiscal Year 2020-2021 and setting the public hearing date for Wednesday, May 27, 2020 at 6 p.m. (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio gave an overview of the submitted materials.

Chairman Callicrate said, referencing agenda packet page 48, that Staff would like to hear, from the Trustees, if they want to revise the beach fee. Director of Finance Navazio said that while the Board doesn't have all the information to settle on the final amount, what is important is that our public hearing notice sets a maximum amount that the Board would be considering and not prematurely bind your hands on the setting of the fees.

Chairman Callicrate said that the maximum would be \$830 with beach and \$705 without beach.

Director of Finance Navazio said \$830 for beaches and \$705 for properties without thus setting two separate fees. While there may be discussion of reallocating those fees, the Board will be establishing two separate fees and if there is a desire to increase the beach fee over \$125, Staff wants the public notice to state that amount over the \$125 because technically they are two separate fees.

Chairman Callicrate said that have been concerns about collecting the respective fees and he thinks what we should do, and speaking as one individual, is he wants to give ourselves latitude. He doesn't want to raise the fees above \$830 and he may want to possibly reduce it and that the recommendation in the memorandum is good.

Trustee Schmitz asked about the timing right now of going forward with the same fees as it is not understanding and reflecting our current circumstances with financials and access thus it is not good to go forward

with the \$830. The Community Services fund balance is somewhere on the high side of twelve million dollars and the low side of thirteen million dollars which is substantially over the fund balance. If we take a look at our current situation, potentially, we could reduce the fee so we can adequately fund things. She doesn't think we should leave it the same given the situation we are currently in.

Trustee Wong said that she is fine with what is being proposed; keep it at \$830.

Trustee Dent said, along the lines of what Trustee Schmitz brought up, keeping it at \$830, he is fine. The allocation has been kicked down and we asked Staff to look at capital, etc. He is fine staying at \$830.

Trustee Morris said that we need to give Washoe County something by June 1 so we do have to come up with a number and we have to have a public hearing that we have to notice so we must decide the perimeters.

Director of Finance Navazio said that what Staff is recommending is that the Board has the opportunity to discuss different combinations of the fees as we rework the budget and to provide additional capacity to the Beach fund. Staff just wants to make sure we have sufficient information from the Board to land where they may want to land. It might be fine to set it at \$830 and notice those two fees separately and to notice it with flexibility.

Interim District General Manager Winquest said that all Staff is really asking is to provide the flexibility on May 7 with all the different scenarios and have a lengthier discussion about the reallocation of the Recreation Fee or go at it all in one year. Staff will need to have that discussion with the Board and Staff just wants that flexibility to provide the data and have the Board make an intelligent decision on the allocations.

Trustee Morris said, on the fundamental points, that he thinks it is crazy to pay for improvements at the beach out of cash today or tomorrow when the project is going to last for the next thirty years thus it should clearly be identified for bonding. If we pay for the whole thing now, it is not fiscally responsible for our community now. Even if we take just one hundred dollars from the Recreation Fee that is a \$820,000 hit to our operating budget and that it is a standby charge, it is not a use fee, we still have to have the Recreation Center and maintain the pool inside as well as maintain everything so it is ready. To take those out is shortsighted. The big balance

has been deliberate and we can't spend it twice or three times over and look at the budget and say we don't want to use it. It is his thought that the beach should look after itself. The beach should pay for itself meanwhile the Recreation Fee should fund the items we need. If we don't have any ski revenue, we have got to keep that standby fee where it is. We are not deciding that tonight but he doesn't feel comfortable only spending a couple of hundred bucks and the rest on beaches.

Trustee Schmitz said that she appreciates the comment by Trustee Morris. Because we have a fund balance that is six million dollars or more, we can actually identify, for a year, a Recreation Fee reduction to show the community that we care about them.

Chairman Callicrate asked what would a recommendation be; what would you recommend.

Trustee Schmitz said that she is only one Board member who is putting forward some good ideas and looking at budgeting because we have to look at the allocation.

Chairman Callicrate said if we can set the public hearing for May 27 then for tonight's action, by the Board, what can we do so we can all move forward with the actual fee.

Director of Finance Navazio said the action is adopting the resolution and setting the public hearing date and then setting the combined fee at not to exceed \$830 works however if the beach fee is going to increase by two hundred fifty dollars like has been suggested, then we don't want to lock you in rather have a total maximum amount combined and then a maximum amount on each fee.

District General Counsel Velto said he doesn't disagree with Staff's language.

Chairman Callicrate said if there is going to be a reduction, and by accepting the recommendation, we are not locking those numbers in and that if we want to make reductions, we can do so at the May 7 workshop.

Director of Finance Navazio said that is correct and that the Board can go as low as you want and that this is about the public hearing notice.

Chairman Callicrate said he is okay with not to exceed because of the time constraints and then hash it out on May 7.

Trustee Schmitz said that she is fine with that and that we are painting ourselves into a bit of a corner as there is no way to anticipate the virus and it changes how she is looking at things. She understands that we need to move forward and that it is really important, as a Board, that when we get the budget numbers and what these Recreation Fees look like with no access.

Chairman Callicrate said he agrees and to others point, these are troubling times and something that none of us expected.

Interim District General Manager Winqest said that Staff is going to be able to provide more information on May 7 and that not to exceed \$830 puts us in a good place when we do a gradual reopen that we will need to manage.

Chairman Callicrate said that the whole community needs to understand this.

Trustee Wong made a motion to adopt Resolution Number 1878 which preliminarily approves the Report for Collection of Recreation Standby and Services Charges (also known as the Recreation Facility Fee and Beach Facility Fee), and sets forth the public hearing date of Wednesday, May 27, 2020 at 6:00 p.m. at the Chateau, located at 955 Fairway Boulevard, Incline Village, Nevada. Trustee Morris seconded the motion.

Trustee Schmitz said that she would prefer the language be changed to not to exceed \$830. Chairman Callicrate asked if the motion maker (Trustee Wong) was willing to amend her motion. Trustee Wong said it is not necessary to amend because the dollar amounts are in the report so the thresholds are set. Chairman Callicrate asked Trustee Schmitz if she felt comfortable with no amendment. Trustee Schmitz said she would prefer the amendment. Chairman Callicrate asked Trustee Wong is she is willing to amend the motion to not to exceed \$830. Trustee Wong said we need to vote on the motion as made. Chairman Callicrate said there is no amendment to the motion. Trustee Dent said he would back not to exceed \$830.

Chairman Callicrate called the question – Trustees Morris and Wong voted in favor; Trustee Callicrate, Dent and Schmitz voted opposed. The motion did not pass.

Trustee Schmitz made a motion to adopt Resolution Number 1878 which preliminarily approves the Report for Collection of Recreation Standby and Services Charges with the fee being not to exceed \$830 with beach privileges and not to exceed \$705 without beach privileges and sets forth the public hearing date of Wednesday, May 27, 2020 at 6:00 p.m. at the Chateau, located at 955 Fairway Boulevard, Incline Village, Nevada. Trustee Dent second the motion. Chairman Callicrate called the question – the motion was unanimously passed.

H.4. Review, discuss and authorize Form 4404LGF as the IVGID 2020-21 “TENTATIVE” Budget for filing with the Nevada Department of Taxation by April 15, 2020, as required by Nevada Revised Statutes 354.596 (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio gave an overview of the submitted materials.

Chairman Callicrate said he understands that this is tentative and that we are doing this to comply with the requirements of the State of Nevada and that it will be changed substantially as we are not in the situation we ever thought we would find ourselves in.

Trustee Wong and Dent said they had no questions.

Trustee Schmitz said that she had no questions and thanked Staff for really digging into this and really understanding things.

Trustee Morris said he has no questions and echo Trustee Schmitz' comments; we will have good discussions later.

Chairman Callicrate said that as mentioned earlier, he is going to open this matter to public comments.

Director of Finance Navazio said that he wants to stress that nothing that is being included restricts or commits the Board and that we have full flexibility to change it.

Chairman Callicrate said it is critically important to understand that information and thanked Staff for putting this all together and for the hard work everyone is doing under extraordinary circumstances. He is hopeful that when the final budget comes out, we will be able to assuage any concerns that the public has.

Interim District General Manager Winqest thanked the Board as well as he really appreciates the Board understanding that we are swamped with work and that Staff wanted to be able to provide a lot more for this meeting. He also wants to really complement our Director of Finance who has handled all of this so well. He has been tied up with other decisions and have a great team that has been supportive of the Director of Finance who hit the ground running and went deep; it is amazing what he has learned in a short period of time.

Chairman Callicrate said now is the time for public comment.

Cliff Dobler said he is glad to see that the Director of Finance, who has been talking with himself and Ms. Newman, take care of something we have been talking about for many years and that is the Utility Fund and dumping which are violations of Resolution 1838. There is one thing that has been forgotten and that is those phony punch card transactions because about \$2.5 million dollars has been transferred and Crystal Bay owners are owed \$150,000. A class action lawsuit is just on the horizon and it has been held off because he has been it will be taken care of. The problem is you have to find more money for the beaches which will put more pressure on that fund. Trustee Morris doesn't like to pay his bills and wants to borrow money at the beaches, well, you have to pay back that money and you have to have that money so how are you going to pay back the bonds. You can't just file bankruptcy.

Aaron Katz said do you see you are doing budgeting of the steady and dependable Recreation Fee of \$830 rather than having the Recreation Fee pay for legitimate expenses which is what you have told everyone in the report thus this makes the Recreation Fee a tax which you all know is impermissible. It is not a fee; it is a tax because we can have overspending. He wishes the Board would admit the truth and quit dancing around the truth. What differs is the difference between the Recreation Fee and overspending is \$8.5 million because it calls for \$1.66 million of fund transfers. In others words, the Recreation Fee is not enough, you need to go into your fund

balance. Your staff is out of control on overspending and that is the problem. They always require more and asked if he is the only one who has figured it out. You can't bond because there are three cases that say it is private property and someone will file a lawsuit. Please don't say it is preliminary, leave yourself a month to do what, deal with them right now. Otherwise you are kicking the can down the road and it is about time to wake up and make the hard decisions.

Mike Abel passed on his opportunity to make public comment.

Chairman Callicrate closed public comment on this item.

After closing public comment, Chairman Callicrate asked if there was a motion.

Trustee Dent made a motion to authorize Staff to execute and file the Form 4404LGF as the Incline Village General Improvement District's "Tentative" budget for fiscal 2020-2021, for filing by April 15, 2020, as required by NRS 354.596. Trustee Wong seconded the motion. Chairman Callicrate asked for further comment; receiving none, he called the question – the motion was unanimously passed.

H.5. Review, discuss and possibly approve the issuance of a written notice of termination, in accordance with the retainer agreement, paragraph 10.3, to the Law Offices of Hutchison & Steffen, PLLC effective April 14, 2020 (Requesting Trustee: Chairman Tim Callicrate)

Chairman Callicrate briefly went over the submitted documents.

Trustee Schmitz said she would like the words "without cause" removed and that the first sentence of the last paragraph be removed. Trustee Morris asked why the removals as he thinks that they are perfectly correct and what are the reason to terminate with cause. Trustee Schmitz said that she is not suggesting with cause rather it is just not necessary to make it without cause. Trustee Morris said he thinks it is important to include and asked if District General Counsel could comment on removing that verbiage. District General Counsel Velto said he is hesitant to comment too much on this matter and that on the removal of that language or any other, there is no reason that the Board can't remove it. Trustee Morris said he likes the letter as written because it is correct as written.

Trustee Wong said that on the next agenda, she would like to discuss a Request for Quotation on other legal counsel as the number one task is to protect the District and that we need to take the steps to always protect it and that she would like to see a discussion about going out for bids on legal counsel. Chairman Callicrate said that the Board had their discussion at the appropriate legal non-meeting and that the Board won't leave the District unrepresented and that he and the Interim District General Manager are pursuing this matter. District General Counsel Velto said no matter what the Board does, the firm will support the District.

Trustee Dent said that he would support this letter with the changes that Trustee Schmitz has requested. Chairman Callicrate said he could support the changes that Trustee Schmitz has suggested and that he doesn't have an issue with it at this point.

Trustee Dent made a motion to issue written notice of termination effective April 14, 2020 to Hutchison & Steffen, PLLC based on the terms of the existing contract agreement with the modifications that "without cause" and the first sentence of the last paragraph are removed. Trustee Schmitz seconded the motion.

Trustee Wong thanked Hutchison & Steffen for all the work they have done for us for the last six years and noted that it is unfortunate that we have gotten to this place and that we can't ignore where we have been and the litigation that we have been in quite frankly.

Chairman Callicrate said that a lot has transpired over the past several years and that he is saying, as one member of the Board, it is the appropriate time.

Hearing no further comments, Chairman Callicrate called the question – the motion was unanimously passed.

I. APPROVAL OF MINUTES (for possible action)

I.1. Meeting Minutes of March 11, 2020

Chairman Callicrate asked for any changes, none were received, the minutes were approved as submitted.

I.2. Meeting Minutes of April 1, 2020

Chairman Callicrate asked for any changes, none were received, the minutes were approved as submitted.

J. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*

Chairman Callicrate said that he has been in contact with the Interim District General Manager regarding a variety of issues and that as an update on his employment contract, that at his request, he wants to postpone this matter until at least May so that all the externals come to a dull roar. Interim District General Manager Winqest said that everyone knows how committed he is to this job and that he has been able to be effective thus he doesn't think the District needs this distraction at this moment. He will be ready to revisit it in May and that he does have a draft contract which he has given to Chairman Callicrate and that he just has more important District business to attend to. To the community, he is passionate and fully committed to leading the District however long it takes and that there will be an employment contract in front of the Board but right now it is important to keep the District moving during this very difficult time. This delay has nothing to do with the Board members rather it is just not the highest priority in the District at this time. Chairman Callicrate said that he appreciates all that the Interim District General Manager has been doing and that COVID-19 is in the pictures so things have gotten stalled.

Trustee Morris said he is thankful that he is a citizen of a country where free speech is protected. And, as a member of this Board, he acknowledges that during our meetings, and elsewhere, members of the public can make free-speech comments. However, just because something is stated in public comment that does not make the statement accurate, valid, or even appropriate. As a public figure by dint of declaring himself a candidate for election to this board, Mr. Frank Wright is now a public figure and therefore, just as he, enjoys somewhat less protection against the speech of others. He believes that Mr. Wright should tread carefully with what in his opinion are his potentially slanderous, inflammatory and hateful speeches about me him, particularly when he does not have his facts straight. It is also his opinion that Mr. Wright rarely appears to let the truth get in the way of a good story. This was demonstrated for example by his public comment this evening, when he made another false commentary about him. He advises him to review the facts of the case he spoke of with the court, and for both him, Ms. Martini and Mr. Dobler, who also made misstatements about him

tonight, to please be aware that should they continue to attempt to besmirch his reputation and integrity by speaking or writing misleading facts, half-truths, innuendo or false facts, he shall use all the weight of whatever laws there may be at his disposal to seek redress. He wishes his colleagues on the Board to know that the case Mr. Wright spoke of was finalized by the court on the 4th of March 2020 and other than one small matter of the payment of the sum of \$160.00, no ex-employee of his was owed any unpaid wages.

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

Frank Wright said he is a candidate for the Board and to Trustee Morris, thank you for that diatribe, and that he offers Trustee Morris the opportunity to bring forward the facts and have it put in the Board packet. He personally spoke to Miss Page who said she was cheated out of fifteen thousand dollars yet Trustee Morris hasn't provided anything in writing. It was a nice speech. He is protected by free speech, as a public speaker, and prove it different by bringing it to the Board. As to the attorney being discharged from the District, the pending matter for Mr. Katz, he heard the issues and first of all, what gives the District the right to collect fees on appeal, that information was not accurate as there is no authority to get fees. An offer was brought to the Board, Mr. Katz didn't see it, as it was brought between Mr. Beko and someone else. What is it going to cost to go to the U.S. Supreme Court? Will Mr. Beko be representing, he doesn't think so, as this was not attempted to be settled in a good way.

Aaron Katz said he has some written statements submitted to the Board and he wants them attached to the Board minutes and that he will be delivering those statements as we have done in the past. Comment that Mr. Wright brought up, don't know how much you know, settlement means both sides have to agree. Assuming the Board wanted to settle things, they need to make a legitimate effort and there was no public hearing which you all know is required. Both needs to give up something. There needs to be legal authority to go pursue additional fees if that is what you are proposing to give up. Your counsel has never given you that legal authority reference rather he tries to go try and pursue and open up a whole new round of litigation. If that is what you want to keep doing, do what you want, if not, the Board better have a public meeting to discuss it.

Cliff Dobler said he wanted to make a couple of comments about what the Director of Finance said earlier –didn't have adequate fund balances in the Utility Fund, go back to the Director of Public Works' memorandum of March 27 and following the expired District's Strategic Plan – both guys work for the District, one guy says one thing and another says another so flip a coin. Trustee Morris – it is really simple to say you only owed one hundred and sixty dollars but you failed to say, in bankruptcy, you are discharged, discharged by filing bankruptcy, go ahead and sue him, he would love it. Put in a tough spot right now and appreciate you working through it.

L. REVIEW WITH BOARD OF TRUSTEES, BY THE DISTRICT GENERAL MANAGER, THE LONG RANGE CALENDAR (for possible action)

Trustee Schmitz said that the Audit Committee Charter is a higher priority than the Trustee handbook so it is important to bring that back for review. In addition, the Director of Finance, herself and the Interim District General Manager should discuss a scope of work for internal controls review. Interim District General Manager Winquest said he will discuss this with Trustee Schmitz offline.

Interim District General Manager Winquest asked about having earlier meetings. Trustee Wong said she can start at 5 p.m. Chairman Callicrate said five o'clock is good for regular meetings and asked if there is any possibility, on the workshop, that we can accommodate a daytime workshop that is time specific and an identified amount of time. Trustee Wong said that May 7 is a possibility and that she wouldn't know until 1 p.m. on the May 6. Chairman Callicrate said on May 7, let's have a tentative earlier meeting for the workshop and if for some reason one of the Board members cannot meet earlier then maybe there is an opportunity to have their concerns submitted. Let's have a 4 p.m. workshop that is for a period of two hours. Trustee Wong said to schedule it and if she can make it, fine. Trustee Morris said he is concerned as he wants to hear Trustee Wong's commentary and to have a full Board present if at all possible as she has valuable input to that workshop. Chairman Callicrate said to schedule the workshop at 4 p.m.

M. ADJOURNMENT (for possible action)

The meeting was adjourned at 10:15 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

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

Submitted by Alexandra Profant (1 page): For the record my public comment is as follows

Submitted by Dick Warren (2 pages): E-mail dated April 14, 2020 at 2:48 p.m.

Submitted by Aaron Katz (2 pages): Written statement to be included in the written minutes of this April 14, 2020 regular IVGID Board meeting – Agenda Item H(5) – Termination of our legal services agreement with Mr. Guinasso and his Hutchison law firm

Submitted by Aaron Katz (5 pages): Written statement to be included in the written minutes of this April 14, 2020 regular IVGID Board meeting – Agenda Item C – Public Comments – Because local parcel/dwelling unit owners should not be subsidizing the costs of operating commercial “for profit” business enterprises, why aren’t out public employees furloughing and laying off their own, and reducing their salaries and benefits as are our competitors?

Submitted by Aaron Katz (17 pages): Written statement to be included in the written minutes of this April 14, 2020 regular IVGID Board meeting – Agenda Item C – Public Comment – Because staff see IVGID as being nothing more than a series of commercial “for profit” businesses rather than the limited purpose local government it really is, they feel it perfectly acceptable to spend over \$1,700 per month on armored car transportation services.

Submitted by Aaron Katz (5 pages): Written statement to be included in the written minutes of this April 14, 2020 regular IVGID Board meeting – Agenda Item H(3) – Adoption of a report preliminarily approving new Recreation (“RFF”) and Beach (“BFF”) Facility Fees and ordering their collection on local parcel owners’ property tax bills

Submitted by Aaron Katz (5 pages): Written statement to be included in the written minutes of this April 14, 2020 regular IVGID Board meeting – Agenda Item H(4) – Because Staff continue to refuse to share the services and supplies line item expenditures they propose be budgeted for 2020-21 to the Community Services and Beach Funds, and local parcel/residential dwelling unit owners are forced to subsidize budgeted overspending in these funds through the Recreation (“RFF”) and Beach (“BFF”) Facility Fees they are involuntarily compelled to pay, the Board should not ratify/approve Staff’s proposed tentative 2020-21 budget

For the record my public comment is as follows :

I am Alexandra Profant.

For the sake of public participation regarding the pending update of what is deemed The Tahoe Area Plan, I have requested the following:

1. For a presentation of The National Park Service Preservation Planning criteria and standards be presented to the County.
2. For the 211 page printed large format version of the state of Nevada Spooner lake project proposed, to be made available for all persons in Nevada , and in particular, Washoe County District One residents, to observe, for physical access and real world viewing, in the format which the design is tailored to.
3. For Washoe County emergency management personnel to be included in the update of the State Historic Preservation Plan Interdepartmental Comprehensive Emergency Management Plan mentioned on page 17 of the State's draft plan- in order and that we may as District One resident assure to have included the identification of historic resources which are IVGID owned, such as transmissions lines on IVGID property for consideration of competitive private and public funding opportunities. If this is included as an historic resource, then maintenance repairs, and restoration, for the sake of preservation of public health and safety may be made available to protect IVGID's historic property/IVGID- District One right of way affiliated with said pipeline or other GID assets and historic resources.

Thank you for your time.

Alexandra Profant
Director
The T A H O E Foundation®
4 Regal Cr @ The Royal Pines Subdivision
820 Oriole Way Lot 66 Incline Village NV 89451 (pending survey)

Herron, Susan

From: Dick Warren <bd1947@icloud.com>
Sent: Tuesday, April 14, 2020 2:48 PM
To: Tim Callicrate; Sara Schmitz; Matthew Dent; Peter Morris; Wong, Kendra
Cc: Herron, Susan; Winquest, Indra S.; Paul C. Navazio
Subject: Public Comment - April 14, 2020 Board Meeting

Follow Up Flag: Follow up
Flag Status: Completed

I will be unable to speak to this publicly at the Board meeting today, but I did want to ensure that it is included as a public comment. Susan, please include my comments in the public comment records. Thank you.

Dick Warren

947 Incline Way, Unit 185

Incline Village, NV

Business Item H.3 refers to whether the Board should approve or not approve a combined Rec and Beach Fee of \$830. I believe these combined Fees have been set at \$830 for several years now. My question is, why? Responsible residents have pointed out how most IVGID Venues and programming cannot breakeven without being subsidized by these Fees, but IVGID Staff never worried about that because they know that these Fees will cover their overspending. There has been no incentive for IVGID Staff to focus on controlling expenses because those wonderful Rec and Beach Fees cover all of IVGID's inefficiencies.

But now the Board, all 5 Trustees, have an opportunity to rectify this situation. They can now reduce the total to \$800, \$775, \$750, whatever, to force IVGID Management to control their expenses. But will they? I hope so, but I wonder if they will. Let's be honest, IVGID Management will not control expenses, particularly central services costs, services and supplies and their labor costs, until they have to do so. Interim GM Winquest, so aptly named by another as the "Candyman," really enjoys dispensing IVGID jobs and favors to locals. That earns him "the love" of the Community. The Candyman takes care of everyone at the expense of the residents that pay the Rec and Beach Fees. It is a great set-up for the Candyman, but not a good deal for the 8,000 or so residents that must pay these Fees.

But back to my question, will the Trustees vote to lower these Fees? This is the most opportune time to do so. COVID-19 has had, and will have, a damaging safety and economic impact on 2020-2021 activities. After all, these Fees are imposed to make our recreational and beach venues available for our use. How many of these activities will actually be available? And how many residents and visitors will be able to afford to use them? Why collect and spend money unless you can reliably justify doing so? 2020-2021, for the most part, will be extremely challenging for everyone. It is no one's fault, it's just something we need to deal with.

But I wonder if the Trustees will have the intestinal fortitude to stand up to our interim GM. Someone needs to remind the Trustees that the interim GM works for them, not the other way around. If the Trustees are unwilling to confront the interim GM on this issue, then quite frankly, why do we elect Trustees if they cannot exercise independent judgment and have no backbones?

In interim GM Winquest's initial review of operations, he likes the way things are going. The Candyman does not want to make any changes – not in financial transparency or getting expenses in line with actual revenues.

This is a sad state of affairs. Is this current Board of Trustees willing to take this challenge on? I hope so, but I doubt it. Most see the interim GM as their boss and seek his approval. So sad that most Trustees have no understanding that they are elected officials and have a responsibility to justify the imposed collection of our public money and spend it responsibly. Once again Trustees, have you no courage to stand up to the Candyman?

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 14, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – BECAUSE LOCAL PARCEL/DWELLING UNIT OWNERS SHOULD NOT BE SUBSIDIZING THE COSTS OF OPERATING COMMERCIAL “FOR PROFIT” BUSINESS ENTERPRISES, WHY AREN’T OUR PUBLIC EMPLOYEES FURLOUGHING AND LAYING OFF THEIR OWN, AND REDUCING THEIR SALARIES AND BENEFITS AS ARE OUR COMPETITORS?

Introduction: One of my complaints with the way our district is and has been administered is that when one owns/operates commercial “for profit” businesses (which is exactly what IVGID staff do¹ with the exception that the District’s businesses operate at a *loss*²), one does all of the things private sector businesses do. With this in mind I read with interest the following comments by Vail Resorts CEO Rob Katz which appeared on page 10 of the April 3, 2020 edition of the Tahoe Daily Tribune Newspaper in response to COVID-19³:

“In addition to giving up his salary...the company will be furloughing nearly all of the year-round hourly employees...for the next one to two months. They will not receive pay but will continue receiving health benefits...(And the company is) implementing a six month salary reduction for all salaried employees including senior executives...suspending 401(K) matches...and reducing capital expenditures.”

Given these are the kinds of things one does when one is operating one or more commercial for profit business enterprises, and IVGID is waist deep in commercial for profit businesses, I am curious what similar actions our staff have undertaken in response to COVID-19. And that’s the purpose of this written statement.

¹ We’ve had this discussion before. Rather than proving evidence of this truism again, I point the IVGID Board and the public to my discussion of this topic in that written statement submitted to the Board for inclusion in the minutes of its on April 1, 2020 meeting addressing the propriety of more than \$400,000 bank charge card processing fees annually.

² Again we’ve had this discussion before. Each year staff budget to *overspend* close to \$7 million. This overspending is masked by inartfully labeled subsidies known as Recreation (“RFF”) and Beach (“BFF”) Facility Fees. Rather than proving evidence of this truism again, I point the IVGID Board and the public to my discussion of this topic in that written statement submitted to the Board for inclusion in the minutes of its on April 1, 2020 meeting addressing the propriety of more than \$400,000 bank charge card processing fees annually.

³ Go to <http://edition.pagesuite-professional.co.uk/html5/reader/production/default.aspx?pubname=&pubid=97990d7e-c1ec-4086-bfc4-124516fe6cb3>. A copy of the article where Mr. Katz is quoted is attached as Exhibit “A” to this written statement.

Has the District Furloughed Any of its Seasonal or Hourly Employees? On April 9, 2020 interim general manager Indra Winqest conducted an online “community conversation.”⁴ In the same he offered information and fielded questions concerning the COVID-19 pandemic. One of the pieces of information Mr. Winqest provided was that 500 of our 1,012⁵ or more seasonal and part-time employees have been furloughed. But he did not state whether the District has stopped providing compensation and/or benefits. Nor did he state for how long.

How Many Full Time Employees Does the District Employ, and Have Any of Them Been Laid Off? Mr. Winqest didn’t answer these questions. Instead he shared “how difficult it was,” “how hard he is working,” and how he and his senior staff are grappling with the second question, searching for a solution. Translation: *none* of the 125 or more full time employees has been laid off.

Has the District Implemented Salary Reductions For Any of its Salaried Employees Including Our Recreational Venue Managers? If so what percentage, and for how long? Indra hasn’t told us.

Have Senior Management Given Up Any of Their Salaries? If so who, and for how long? Indra hasn’t told us.

Has the District Suspended 401(k)/Their Equivalent Employee Retirement Fund Matches? If so what percentage, and for how long? Indra hasn’t told us.

Have Staff Proposed Reducing Any of the \$9,806,190⁶ in Capital Expenditures They Proposed the District Budget For 2020-21 at the Board’s April 1, 2020 Meeting? If so, how much? Indra hasn’t told us.

If the District Hasn’t Done What Vail Resorts Has Done, Then the District is Not Acting as Responsible Commercial Business Enterprise Acts in Times Such as These:

If the District Has Done What Vail Resorts Has Done, Then Why Hasn’t the District Issued Another Press Release to Inform the Public of the Same?

Conclusion: To use words former comedian George Carlin would use⁷, the continued apparent irresponsibility of Staff is arrogantly stunning. To ask local property owners to continue to subsidize losses at the District’s recreational facilities when they produce no revenues and staff refuse to

⁴ Go to <https://www.yourtahoeplace.com/parks-recreation/look-up-remote-wellness-program/community-conversations>.

⁵ Go to <https://transparentnevada.com/salaries/2019/incline-village-general-improvement-district/>.

⁶ See page 37 of the packet of materials prepared by staff in anticipation of the Board’s April 1, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-1-20.pdf (“the 4/1/2020 Board packet”)].

⁷ Go to <https://www.facebook.com/GeorgeCarlinComedian/videos/2910882405618206/?v=2910882405618206>.

reduce costs, is not an option. Nor is any increase in the RFF/BFF so un-elected staff can keep their grandiose capital improvement project ("CIP") plans alive.

If IVGID is a commercial business enterprise, then start acting like one! Furlough and lay off unnecessary employees, reduce salaries and benefits, and put an end to marginally beneficial CIPs. If staff are not willing to take these kinds of actions, then *STOP TRYING TO ACT LIKE A BUSINESS!*

And to those asking why our Recreation ("RFF")/Beach ("BFF") Facility Fees are as high as they are, and never seem to be reduced, now you have another example of the reasons.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

EXHIBIT "A"

Order Online 7am - 11pm Daily
BlueDogPizzaTahoe.com
 Take Out and Delivery



**New
 Midtown
 Morning
 Menu**

Bagels & Spreads | Breakfast Potatoes
 Biscuits & Gravy | Coffee
 Breakfast Burritos with Fresh Salsa



Salads | Sandwiches | Pastas | Chips
 Bread Stix | Wings | Chicken Tenders
 Cheesy Bread | Calzones
 Gourmet Combos | Build Your Own

Midtown

Sierra Blvd & Hwy 50
 Call for Take Out or Delivery
530 541.0123
 2556 Lake Tahoe Blvd
 South Lake Tahoe

Stataline

Raley's Village Center
 Call for Pick Up
530 541.0813
 4000 Lake Tahoe Blvd, A1
 South Lake Tahoe

SLTFR saves the day for birthday boy

Staff Report

A South Lake Tahoe boy who couldn't go to Disneyland as planned for his 7th birthday, was treated to a parade by the local fire department.

South Lake Tahoe Fire Rescue, came to the rescue for Nehemiah Valenzuela on Wednesday afternoon, April 1.

Maria Valenzuela, Mother of Nehemiah, called the fire department hoping for anything to make her son

feel special since she had to cancel their trip to Southern California due to the shelter in place order.

The department responded with a small fire truck parade with horns and sirens in front of his house while Nehemiah watched from a table that featured a big birthday cake.

"They made him feel so special and they even got him a gift — I appreciate they did that for him," Maria said. "And Nehemiah said it was the 'best birthday ever, I'll never forget it.'"



Nehemiah Valenzuela turned 7 years old on Wednesday and was treated to a fire truck parade.

PROVIDED

North Tahoe artists chosen to paint East Shore Trail tunnel mural

Staff Report

INCLINE VILLAGE, Nev. — A North Shore couple has been chosen out of nearly three dozen submissions to paint a mural in a tunnel of a popular new trail at Lake Tahoe.

Tyler Rivenbark and Frida Ticehurst-Rivenbark, a husband and wife art and design duo based in North Lake Tahoe, were selected by a panel of judges to paint a mural in a tunnel on the East Shore Trail that connects Incline Village to Sand Harbor State Park.

The judges were composed of representatives from the Tahoe Fund, Tahoe Public Art, Nevada State Parks, Nevada Department of Transportation, Raley's and Kelly Brothers Painting. They sifted through 34 artist proposals, stated a Tahoe Fund press release.

Raley's is providing a \$5,000 stipend to the artists and Kelly Brothers

Painting will donate all of the paint required for the mural.

Submissions came from as far as the UK and Canada with the majority coming from local and regional artists.

"Our partners and sponsors held two panel meetings in February to determine the top three artists," said Marina Lowe, program administrator for Tahoe Public Art, in the release. "Factors we considered included the artists' concepts for community involvement, overall design, budget and maintenance."

Requirements of the project asked artists to depict local life, involve local youth in the creation of the mural, and ensure its completion could be accomplished with minimal closure of the tunnel and trail.

Most of Tyler Rivenbark's work involves mixed media. Frida's art practice focuses on sustainable and regenerative systems for creative expression.

"Our intent with this art piece is to convey the natural beauty of this region," said the artistic couple in the release. "We want to remind people of the gift we all share by living or visiting this region, amplifying the sense of belonging, and encouraging participation in keeping this place beautiful and full of enjoyment."

Painting of the mural begins later this spring following NDOT approval of the permitting process. Local youth involvement is also expected, pending the status of government regulations related to COVID-19.

When painting is underway, the Tahoe East Shore Trail will be closed for two to three days by NDOT and Nevada State Parks. Trail closure details will be announced in advance through local media and postings at the trailheads and @nevadadot and State Parks social media.

Vail CEO gives up salary; furloughs hourly employees, cuts salaries

Staff Report

SOUTH LAKE TAHOE, Calif. — Vail Resorts CEO Rob Katz is forced to make tough decisions because of COVID-19, including giving up his salary for the next six months.

Vail Resorts found, because of closing early, the company will experience at least \$180 to 200 million in lost profits.

In an email to the

company's U.S. employees, he laid out the decisions he's made.

"I have made decisions over the last few weeks that I never could have anticipated in my nearly 30 years working in the ski business," Katz said in the email to employees. "I recognize the impact of today's decisions on you, and I do not take them lightly."

In addition to giving up his salary, Katz announced the

company will be furloughing nearly all of the year-round hourly employees as of April 4 for the next one to two months. They will not receive pay but will continue receiving health benefits.

They are implementing a six-month salary reduction for all salaried employees, including senior executives, eliminating cash compensation for the Board of Directors, suspending 401(k) matches, eliminating the

June and Sept. dividends to shareholders and reducing capital expenditures.

Katz said he knows this is disappointing news for the employees but said, "I am very hopeful that both the economy and travel will return to normal by the time our North American winter season opens eight months from now."

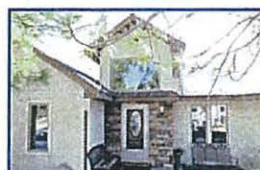
He also urged the employees to practice health, safety and well-being.



JUST LISTED
 Views, Views and Views
 Forever of Carson Valley

nights at home with just the family and views of the Valley. Some of the many upgrades in the living area, Corian countertops and open kitchen just to start. Seller to install closet for 3rd bedroom. \$449,900. **Please be Safe.**

BOB FREDLUND | 775.720.8501
 S.0033860 | bob@nevadastyle.net



5364 Sierra Highlands, Carson City

for all of your horses & toys. The detached garage is 2400 sq ft with an RV bay in the rear. Amazing views of Clear Creek, Carson Valley and the Sierra Mountains. \$1,165,000. **Please be Safe.**

BOB FREDLUND | 775.720.8501
 S.0033860 | bob@nevadastyle.net

Privacy & stunning views from this mountain estate in the foothills between Carson City & Lake Tahoe. 3 BR, 3 BA, 2579 sq ft home sits on 5.51 acres of wooded land just 10 minutes from Carson City & Lake Tahoe w/ easy access to HWY 50. Plenty of room



WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 14, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(5) – TERMINATION OF OUR LEGAL SERVICES AGREEMENT WITH MR. GUINASSO AND HIS HUTCHISON LAW FIRM

Introduction: Here the Board proposes terminating its legal services agreement with the Hutchison law firm. Although I am in full agreement insofar as termination is concerned, I disagree with the way the Board proposes insofar as termination is concerned. And this is the purpose of this written statement.

Instead of Terminating the Agreement Now, This Agenda Item Unnecessarily Proposes Paying the Hutchison Firm Another \$72,000 to Stay On For Another Six (6) Months: If there weren't a severance provision to the agreement would the Board be giving the Hutchison Firm an additional six (6) months of compensation? Assuming the answer is "no," please don't be "brow beaten" into not doing what's right.

My Proposed Revisions to the Board's Letter of Termination:

1. Please do not rely upon paragraph 10.3 for termination. Instead, rely upon paragraph 10.3.1 which provides for termination of the firm's services with notice of a lesser period than six (6) months. Personally, I would terminate the Hutchison firm at this evening's Board meeting. However if the Board feels it needs time to find a replacement attorney, I recommend giving the Hutchison firm notice of termination on the 14th, and terminate its actual physical services in let's say thirty (30) days or whatever number of days you want. That way the firm remains for thirty (30) or whatever days and the Board has sufficient time to find a replacement.

2. Please do not state in writing that the termination is WITHOUT cause. We have plenty cause and each of you knows this. If you want to be "political" insofar as what you put in writing, just say terminate. There's no reason to say anything, one way or the other, re: "cause;" especially given paragraph 10.3 permits termination either with or without cause.

3. Please eliminate the first sentence of the last paragraph of the proposed letter (at page 98 of the board packet). Since no one appreciates what Mr. Guinasso and Co. have done to the District and a number of its citizens, why would we go out of our way to say the exact opposite, let alone in writing? There's no need to be "political" here.

Furthermore, why would you make an admission such as this in writing when we still have the issue of paying six (6) months of severance pay outstanding? Why another needless \$72K of our Rec Fees?

What Happens if the District Doesn't Pay the \$72K of Severance Pay? The Hutchison firm will have to bring suit to collect. This will never occur. Can you imagine someone like Mr. Guinasso suing a public agency to collect severance compensation for performing no work pursuant to a contract he negotiated with himself when he was supposed to be looking out for the best interests of his client?

And can you imagine him trying the case before a jury no less, especially when few members will be employed with a job paying \$12K or more per month?

Moreover, if the Hutchison firm were to bring suit, it would open the door to all of the District's cross-claims. Cross-claims which total a whole lot more than \$72K. It would also open the door to a negotiated settlement (has anyone tried this yet and if not, why not?) where the firm's malpractice carrier would likely pony up money to the District or secure Mr. Guinasso's consent to an early termination without severance pay just to obtain a settlement.

Conclusion: So in summary,

1. Please change the reference in the proposed letter from paragraph 10.3 to 10.3.1.
2. Do not quote the language of any paragraph of the agreement.
3. Please eliminate any reference in the letter to "without cause." Just reference "termination."
4. If the Board wants to keep the firm for thirty (30) days while it looks for a replacement, then specify that termination of physical services will occur thirty (30) days hence.
5. Please don't mention the word "severance" at all. It's unnecessary unless we're negotiating a settlement.
6. Finally, please delete the first sentence of the last paragraph of the proposed letter in the Board packet altogether. The public appreciates nothing insofar as Mr. Guinasso is concerned.

And BTW, it is not an Open Meeting Law violation to change the language of a proposed letter which appears in the Board packet. Since the Board has given notice of possible termination and a possible termination letter, the fact the letter's substance may differ from that in the Board packet is inconsequential.

And to those asking why your Recreation ("RFF") and Beach ("BFF") Facility Fees are as high as they are¹, and never seem to be reduced, now you have another example of the reasons.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹ Where do you think the money comes from to pay the Hutchison firm \$144,000 or more annually? Although the chart of account ("COA") number assigned by the District to the payment of these fees (100-10-990-6010) indicates their payment was assigned to the General Fund, the District spends more in this fund than the governmental revenues it assigns. The difference needs to come from somewhere, and that somewhere is central services revenue. Approximately 78% of central services revenue comes from the subsidies paid for by the RFF/BFF!

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 14, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENT – BECAUSE STAFF SEE IVGID AS BEING NOTHING MORE THAN A SERIES OF COMMERCIAL “FOR PROFIT” BUSINESSES RATHER THAN THE LIMITED PURPOSE LOCAL GOVERNMENT IT REALLY IS, THEY FEEL IT PERFECTLY ACCEPTABLE TO SPEND OVER \$1,700 PER MONTH ON ARMORED CAR TRANSPORTATION SERVICES

Introduction: One of my complaints with the way our district is and has been administered is that when one owns/operates commercial “for profit” businesses (which is exactly what IVGID staff do), one does all of the things private sector businesses do. And one of those things is transporting receipts for purchases made at your businesses via armored car transportation service. And when most of your purchasers are made by non-residents, it means that most of those receipts come from non-resident purchasers. However when one administers a local government (which is exactly what IVGID is), there is little need to accept cash for purchases because the purchases are minimal.

When you don’t understand the differences between government and business, the public as a whole is required to absorb those costs which is what IVGID does. And here those costs needlessly exceed \$1,700 monthly! And that’s the purpose of this written statement.

Initially, Let’s Understand Exactly What IVGID Is: We’ve had this discussion before. IVGID staff want the Board and the public to believe that the District is some sort of a “quasi-public agency.”¹ In other words, some hybrid between government and commercial business. However, nothing could be further from the truth. NRS 318.075(1) Instructs that general improvement districts (“GIDs”) are “governmental subdivision(s) of the State of Nevada...body corporate(s) and politic and a quasi-municipal corporation(s).” In other words, *government*.

Not Only Does Staff Tell the Public That IVGID is a Series of Commercial Business Enterprises, it is a Series of NOT “For Profit” Businesses: We’ve had this discussion before so I won’t repeat it. Instead, let me refer the reader to the discussion which appears at page 217 of the packet of materials prepared by staff in anticipation of this meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-14-20.pdf (“the 4/14/2020 Board packet”)].

So Let’s Understand That IVGID is Losing Nearly \$7 Million Annually Selling the Public’s Recreational Facilities to the World’s Tourists:

And That These Losses Are Being *Involuntarily* Subsidized by Local Parcel/Dwelling Unit Owners:

¹ Go to <https://www.yourtahoeplace.com/ivgid/about-ivgid>.

And Let's Understand That When One Overspends, Essentially Every Expenditure He/She Makes Contributes to That Overspending: In other words, it's disingenuous to "cherry pick" which expenditures are being subsidized, and which ones are not. *They all are!*

On April 10, 2020 I Made a Public Records Request to Examine Records Evidencing One of Those Expenditures – Armored Car Transportation Charges: A copy of that request along with Susan Herron's April 13, 2020 response are collectively attached as Exhibit "A" to this written statement.

What I Learned is That IVGID is Paying Loomis Armored U.S. ("Loomis") \$1,700 or More Per Month, on Average, For Pick-Up and Transportation of Cash Receipts From Diamond Peak and the Chateau: As you can see from Exhibit "B" which is attached to this written statement, Ms. Herron provided me with a November 8, 2019 agreement between IVGID and Loomis² which evidences those services. And as you can see from Exhibit "C" which is attached to this written statement, Loomis' invoice for December 2019 services evidences charges in excess of \$1,750.

If the Board and the Public Buy Into Staff's Narrative That Armored Car Transportation Services Are a Legitimate Expenditure For IVGID to Be Making, Then You Have Bought Into the Narrative Essentially Every Endeavor IVGID Undertakes and Every Expense it Makes in Pursuit Thereof, is Justified: And this is because you're wrongly thinking of IVGID as the equivalent of a private commercial business rather than the local government it really is.

But GIDs Are Not Authorized to Operate Their Public Recreation Facilities as Commercial "For Profit" Business Enterprises: We've had this discussion before so I won't repeat it. Instead, let me refer the reader to the discussion which appears at pages 218-220 of the 4/14/2020 Board packet.

Moreover, the Stated Purposes of Our Recreation Facility Fee ("RFF") Are Not to Pay For Armored Car Transportation of Cash Receipts Mostly Received From the World's Tourists. Rather According to Staff, the RFF Pays For Our Mere Availability to Use Those Facilities³: Therefore continued use of the RFF to subsidize this cost should be terminated. Which means the RFF should be reduced by a comparable amount.

It's Not Just Armored Car Transportation Charges: At the Board's April 1, 2020 meeting I presented evidence that staff has budgeted to spend over \$405,000 in 2020-21 on credit card processing charges which will be subsidized by the RFF⁴. At the same meeting I presented evidence we're paying \$700/month subsidized by the RFF with Forecasts Unlimited for weather forecasts. I previously presented evidence we're paying \$4,000/month subsidized by the RFF with Tri-Strategies for public relations. And according to local resident Joy Gumz, in the last five (5) years staff have spent over \$400,000 of the RFF/BFF on staff food and beverage purchases. Moreover if staff provided line

² An agreement which was entered into by former Finance Director Gerry Eick, rather than the Board, after he had retired from the District.

³ See ¶11 at page 54 of the 4/14/2020 Board packet.

⁴ See pages 216-231 of the 4/14/2020 Board packet.

item budgeting of services and supplies expenses, I am certain the public would discover a plethora of additional similar expenditures inappropriately assigned to the RFF.

Conclusion: In an environment which deals with decreased revenues attributable to COVID-19, we should be looking to expenditures such as armored car transportation services which are easy to eliminate. And since this expenditure looks directly to the RFF for subsidy, its elimination should result in a like reduction of the RFF.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

EXHIBIT "A"

RE: Records Request - Loomis Armored Car Services

From: "Herron, Susan" <Susan_Herron@ivgid.org>
To: "s4s@ix.netcom.com"
Subject: RE: Records Request - Loomis Armored Car Services
Date: Apr 13, 2020 11:40 AM
Attachments: [20191112 - Loomis Agreement 12.19 to 11.20.pdf](#) [Loomis 12543510 \\$1756.42 12.31.19 Diamond Peak.pdf](#)
[Loomis 12560556 \\$1598.59 01.31.20 Diamond Peak.pdf](#)

Dear Mr. Katz,

This e-mail shall serve as IVGID's response to your records request of April 10, 2020 which reads as follows:

1. December 2019 and January 2020 invoices from Loomis giving rise to the bill pay payments to Loomis; and, 2. Any current agreement between the District and Loomis for those/any other services.

This completes your records request in its entirety.

Susan A. Herron, CMC
Executive Assistant/District Clerk/Public Records Officer
Incline Village General Improvement District
893 Southwood Boulevard
Incline Village Nevada 89451
P: 775-832-1207
F: 775-832-1122
sah@ivgid.org
<http://yourtahoeplace.com>

-----Original Message-----

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Friday, April 10, 2020 4:35 PM
To: Herron, Susan <Susan_Herron@ivgid.org>
Subject: Records Request - Loomis Armored Car Services

Hello Ms. Herron -

I have recently come across bill pays for the above-subject line services. I would therefore like to examine:

1. December 2019 and January 2020 invoices from Loomis giving rise to the bill pay payments to Loomis; and, 2. Any current agreement between the District and Loomis for those/any other services.

4/13/2020

RE: Records Request - Loomis Armored Car Services

Thank you for your cooperation. Aaron Katz

EXHIBIT "B"



SERVICE AGREEMENT

The following paragraphs of this Service Agreement (the "Agreement") outline the agreements and understandings by and between

LOOMIS ARMORED US, LLC
 ("LOOMIS")
 a Texas Limited Liability Company
 with offices at:
 2500 CityWest Blvd. Ste. 2300,
 Houston, TX 77042.

INCLINE VILLAGE GENERAL IMPROVEMENT
DISTRICT
 ("CUSTOMER")
 located at,
893 Southwood Blvd,
Incline Village, NV 89451.

This Agreement expresses and outlines the services, roles, and responsibilities of the parties. If additional locations are added to the scope of this Agreement, consistent terms and services will be maintained. These promises for such services and their related payments form the basis of this Agreement, made this 8th day of November, 2019 (the "Effective Date").

Term: Service will begin on the 3rd day of December, 2019 and shall continue for a period of one (1) year. At the expiration of the initial term, this Agreement shall automatically be extended for successive like term periods unless either party provides written notice of non-renewal at least sixty (60) days prior to the end of the then current term. CUSTOMER agrees that LOOMIS is the exclusive provider for these services for the facilities contained herein. Except as expressly stated herein, CUSTOMER understands and agrees that this Agreement contains no provision for early termination in whole or part. Either party may terminate this Agreement with five (5) days written notice in the event of bankruptcy, or insolvency of the other party. LOOMIS may terminate this Agreement with thirty (30) days written notice in the event of a material reduction or cancellation of LOOMIS' insurance.

CUSTOMER and LOOMIS agree to the following:

Schedule for Services: Conjunctive, sequential, on route pickup and delivery of items at the following location(s) to/from CUSTOMER's designated, mutually agreed-upon location(s):

LOOMIS BRANCH	UNIT # / LOCATION	MAXIMUM LIABILITY AMOUNT	SERVICE FREQUENCY	FEE for SERVICE
<u>1520 RENO</u>	<u>DIAMOND PEAK SKI RESORT, 1210 SKI WAY BLVD, INCLINE VILLAGE, NV 89451</u>	<u>\$250,000.00</u> per shipment	<u>2 days per week (TUES & FRI) December Through April</u>	<u>\$88.24 per trip</u>
<u>1520 RENO</u>	<u>CHATEAU REVENUE OFFICE, 955 FAIRWAY BLVD BASEMENT NEXT TO GOLF SHOP, INCLINE VILLAGE, NV 89451</u>	<u>\$250,000.00</u> per shipment	<u>2 days per week (TUES & FRI) May Through November</u>	<u>\$88.24 per trip</u>

Premise Time: Each service location under this Agreement (regardless of the pickup/delivery points) is allotted seven (7) minutes of service time. Over seven (7) minutes, a fee of \$2.50 per one (1) minute shall be assessed. Over fifteen (15) minutes, LOOMIS may elect to depart from the CUSTOMER'S location. Should LOOMIS be requested to return, the pick-up will be rescheduled as a Special Pick-up and will be charged at an agreed upon fee prior to rendering service.

Research and Supply Fee: A fee of \$65.00 per hour plus supplies will be charged for research of LOOMIS' documents or receipts that have aged over sixty (60) days, unless it is determined to be solely an error of LOOMIS.

Excess Item Handling: A fee of \$1.50 per Item is assessed when the number of items or containers exceeds ten (10) items per shipment. An "Item" refers to the number of containers, sealed bags or other vessels LOOMIS is required to transport.

Non-Scheduled/Off-Day Service: \$65.00 per trip, per location in Urban areas. Additional fees apply for off-route and remote locations.

Holiday Service Fee: A fee of \$300.00 will be charged for the service provided on those Holidays as listed in Section 11.

Excess Liability: A fee of \$0.40 per \$1,000 or fraction thereof for any amounts which exceed the Liability Coverage per Shipment Amount.

Insurance Fee: A fee of 7% will be assessed to all services provided within this Agreement.

CUSTOMER does not desire this Excess Liability Coverage, CUSTOMER must decline Excess Liability Coverage by initialing the box below:

Decline

Reconstruction Obligations:

As explained in Section 7(c), of the Terms and Conditions, CUSTOMER has certain obligations regarding reconstruction of lost, damaged, destroyed checks or items that provide an audit trail. If CUSTOMER prefers to opt-out of these reconstruction obligations, CUSTOMER must decline by initialing the box below.

Decline

If CUSTOMER does NOT agree to reconstruction obligations or cannot meet its reconstruction obligations contained within Section 7(c), LOOMIS' liability for all checks contained within the shipment is limited to Ten Thousand Dollars (\$10,000.00) regardless of the face value of the checks in shipment.

TERMS AND CONDITIONS

1. **Service(s):** LOOMIS agrees to pick up, receive from, and/or deliver to CUSTOMER, or any designated agent, securely sealed or locked shipments which may contain any or all of the following: currency, coin, checks, securities, or other valuables. If the shipment container(s) does not appear to be securely locked or sealed, LOOMIS has the right to refuse to accept such container(s) and will not receive said container(s) from the CUSTOMER or its designated agent. If LOOMIS accepts the sealed container(s), LOOMIS will give CUSTOMER a receipt for said sealed container(s), and transport and deliver such sealed container(s) to the consignee designated by the CUSTOMER. CUSTOMER agrees that it will not conceal or misrepresent any material fact or circumstances concerning the property delivered to LOOMIS pursuant to this Agreement. The fee payable by CUSTOMER to LOOMIS is based upon the Maximum Liability Amount(s) and level(s) of service provided by LOOMIS as stated in this Agreement. All additional or special services must be evidenced and agreed to in a signed amendment to this Agreement.

2. **Billing and Payment:** CUSTOMER agrees to pay LOOMIS within fifteen (15) days of receipt of invoices which shall include any applicable federal, state or local taxes. In addition, LOOMIS may, at its discretion, impose a service charge of one and one-half percent (1.5%) per month or eighteen percent (18%) per annum or such lesser rate as may be required by law, of the amount unpaid by CUSTOMER, as is due and payable to LOOMIS on all invoices not paid in full by invoice due date. CUSTOMER further agrees that undisputed portions of any invoice shall be remitted to LOOMIS in accordance with normal payment terms. However, should CUSTOMER fail to pay any undisputed amounts within thirty (30) days of the invoice date, LOOMIS may, in its sole discretion, terminate this Agreement upon ten (10) days written notice to CUSTOMER. CUSTOMER agrees to notify LOOMIS of dispute(s) arising from any invoice within thirty (30) days after such invoice has been presented to CUSTOMER, or else such claim shall be deemed waived. All amounts due hereunder shall be paid by cash, check or ACH unless otherwise agreed on the signature page of this Agreement.

3. **Rate Adjustment:** LOOMIS shall annually increase the service fee(s) based upon the year to year changes in the Consumer Price Index (CPI) or other applicable economic factor(s).

To account for future movements in the price of diesel fuel LOOMIS will henceforth adjust the monthly fuel fee based on U.S. average diesel prices as measured and published by the Department of Energy (WWW.EIA.DOE.GOV). The monthly fuel fee shall equal the product of the applicable percentage (based on the chart below) multiplied by the aggregate monthly service fee (including any applicable Ancillary Item). LOOMIS' established baseline is \$1.31. Any cost above the \$1.31 baseline cost will be adjusted on a monthly basis by 0.5% on price movements of 10 cents per gallon (i.e. if diesel prices rise to \$1.41, the corresponding fuel fee is increased by 0.5%). The applicable fuel fee percentage will be based on the national average of diesel fuel prices published on the Department of Energy Website averaged over the first four Mondays of the month rounded to the next cent. The table is for reference only and does not reflect the maximum rate which may be assessed.

Minimum	Maximum	Per Gallon	Fee (%)
\$4.91	\$5.00	\$.10	18.00%
\$4.81	\$4.90	\$.10	17.50%
\$4.71	\$4.80	\$.10	17.00%
\$4.61	\$4.70	\$.10	16.50%
\$4.51	\$4.60	\$.10	16.00%
\$4.41	\$4.50	\$.10	15.50%
\$4.31	\$4.40	\$.10	15.00%
\$4.21	\$4.30	\$.10	14.50%
\$4.11	\$4.20	\$.10	14.00%
\$4.01	\$4.10	\$.10	13.50%
\$3.91	\$4.00	\$.10	13.00%
\$3.81	\$3.90	\$.10	12.50%
\$3.71	\$3.80	\$.10	12.00%
\$3.61	\$3.70	\$.10	11.50%
\$3.51	\$3.60	\$.10	11.00%

\$3.41	\$3.50	\$.10	10.50%
\$3.31	\$3.40	\$.10	10.00%
\$3.21	\$3.30	\$.10	9.50%
\$3.11	\$3.20	\$.10	9.00%
\$3.01	\$3.10	\$.10	8.50%
\$2.91	\$3.00	\$.10	8.00%
\$2.81	\$2.90	\$.10	7.50%
\$2.71	\$2.80	\$.10	7.00%
\$2.61	\$2.70	\$.10	6.50%
\$2.51	\$2.60	\$.10	6.00%
\$2.41	\$2.50	\$.10	5.50%
\$2.31	\$2.40	\$.10	5.00%
\$2.21	\$2.30	\$.10	4.50%
\$2.11	\$2.20	\$.10	4.00%
\$2.01	\$2.10	\$.10	3.50%
\$1.91	\$2.00	\$.10	3.00%
\$1.81	\$1.90	\$.10	2.50%
\$1.71	\$1.80	\$.10	2.00%
\$1.61	\$1.70	\$.10	1.50%
\$1.51	\$1.60	\$.10	1.00%
\$1.41	\$1.50	\$.10	.50%
\$1.31	\$1.40	\$.10	.00%

a) LOOMIS reserves the right in times of global economic downturn or due to changes in regulatory obligations, including but not limited to changes in minimum wage, to renegotiate rates and fees in good faith with CUSTOMER. In the event that CUSTOMER refuses to consent to such adjustment(s) or fee(s), LOOMIS shall have the right to terminate this Agreement upon thirty (30) days written notice to CUSTOMER.

4. **Liability:** LOOMIS agrees to assume the liability for any Cargo Loss, according to the terms of this Agreement of the securely sealed container(s) from the time LOOMIS signs for and receives physical custody of the sealed container(s). The term "Cargo Loss" shall mean any loss or destruction of currency ("Cargo") that occurs while the Cargo is under Loomis' sole care, custody and control. LOOMIS' responsibility terminates when the CUSTOMER or its designated consignee takes physical possession of the sealed container(s) and signs LOOMIS' receipt. If it is impossible to complete the delivery, LOOMIS shall be responsible for any Cargo Loss until the sealed container(s) is returned to the CUSTOMER or its designated agent and a signed receipt obtained. While the sealed container(s) is stored in the CUSTOMER'S premises, LOOMIS does not assume the liability for any loss. If CUSTOMER conceals or misrepresents any material fact or circumstance concerning the property or container, or the contents thereof, LOOMIS will have no liability for any loss in any way related to such fact or circumstance. CUSTOMER agrees that LOOMIS does not undertake the obligation of an absolute insurer in the performance of this Agreement. LOOMIS reserves the right to take any and all action as may be reasonably necessary to prevent money laundering to the extent permitted under applicable law or regulation or as may be required by any regulatory body that may exert a right of control over LOOMIS.

UNDER NO CIRCUMSTANCES WILL LOOMIS BE LIABLE TO THE OTHER PARTY FOR LOST PROFITS OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES ARISING FROM THE SUBJECT MATTER OR SERVICES OF THIS AGREEMENT, REGARDLESS OF THE TYPE OF CLAIM AND EVEN IF THAT PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; SUCH AS, BUT NOT LIMITED TO LOSS OF REVENUE, LOSS OF INTEREST, LOST DATA, DATA TRANSPORTATION OR TRANSMISSION ERROR OR ANTICIPATED PROFITS OR LOST BUSINESS. EXCEPT FOR ANY CARGO LOSS (WHICH SHALL BE SUBJECT TO THE MAXIMUM LIABILITY AMOUNT), IN NO EVENT SHALL LOOMIS' LIABILITY TO CUSTOMER EXCEED THE SERVICE FEE PAID BY CUSTOMER TO LOOMIS FOR THE SERVICE OUT OF WHICH THE ALLEGED LIABILITY AROSE.

5. **Excess Liability:** The following terms will apply if CUSTOMER did not decline excess liability coverage. If LOOMIS accepts tender of a shipment in excess of the Maximum Liability Amount, CUSTOMER agrees to pay LOOMIS the excess liability fee set forth herein. CUSTOMER, by paying this additional fee, will obtain full dollar coverage of any or all losses, subject to the other provisions of this Agreement. If CUSTOMER declines Excess Liability Coverage, liabilities covered under this Agreement are limited to the Maximum Liability Amount.

6. **Indemnity:** To the maximum extent permitted by applicable law, CUSTOMER shall release, indemnify, defend and hold harmless LOOMIS from all claims, costs or expenses arising out of any third party's or government's threatened or actual claim, suit, demand, garnishment or seizure of any funds or property provided by CUSTOMER hereunder that is in LOOMIS' custody. LOOMIS agrees to give CUSTOMER prompt notice of any such claim, suit, demand or seizure and to provide CUSTOMER reasonable cooperation on the defense.

7. **Claim Procedures:** The following provisions shall control in the event of any Cargo Loss, notwithstanding anything to the contrary contained in this Agreement:

a) In the event of a Cargo Loss, CUSTOMER agrees to notify LOOMIS in writing within four (4) calendar days after the loss is discovered or should have been discovered in the exercise of due care, and in no event later than forty-five (45) days after the pick-up by LOOMIS of the securely sealed container in connection with which the Cargo Loss is asserted. If notice of the Cargo Loss is not received by LOOMIS within this forty-five (45) day period, the claim for the Cargo Loss shall be deemed waived and released by the CUSTOMER. All claim notices must be signed and received on company letterhead and contain a brief description of the loss to include: date of service/date of loss, claim amount, Loomis branch performing service, ATM number if applicable, customer contact information with payment instructions and supporting documentation if available at the time of notice. All claims must be sent to the Loomis Centralized Claim Unit via email at claims2@us.loomis.com. It is agreed that both parties will work together to determine the extent of the Cargo Loss, and if possible, the cause of Cargo Loss.

b) Notwithstanding anything set forth in this Agreement to the contrary, the sole liability of LOOMIS in the event of a Cargo Loss, from whatever cause, shall be subject to the Maximum Liability Amount or the Excess Liability Coverage, if not declined by CUSTOMER.

c) CUSTOMER shall retain sufficient information to allow reconstruction of item(s) in the event of a Cargo Loss. CUSTOMER agrees it will cooperate and assist in reconstructing lost, damaged, or destroyed items constituting a part of any loss. In no event shall LOOMIS' liability for any Cargo Loss, irrespective of the Maximum Liability Coverage amount, include the face value of any lost or destroyed check. LOOMIS' liability, unless otherwise stated in this Agreement, shall be limited to the payment to the CUSTOMER for the reasonable costs necessary to reconstruct the checks, but never to exceed ten thousand dollars (\$10,000.00) per shipment "Reconstruction" shall mean the identification of the face amount, the identity of the maker or endorser of the check, identification of the payee and identification of the financial institution upon which the check is drawn. CUSTOMER agrees in the event of a loss, that any liability of LOOMIS shall be reduced by the face value of reconstructed or recovered item(s).

d) Upon the request of LOOMIS, CUSTOMER will furnish a proof of loss to LOOMIS or its insurance carrier. Once reimbursement has been made to CUSTOMER, LOOMIS and its insurer shall receive any and all of the CUSTOMER'S rights and remedies of recovery.

8. **Limitations & Force Majeure:**

a) The CUSTOMER agrees that LOOMIS will not be liable for any loss caused by or resulting from Shortages claimed in the contents of the sealed or locked shipment(s), for non-performance or delays, or for the breakage of statuary, marble, glassware, bric-a-brac, porcelains and similar fragile articles. A "Shortage" shall mean any difference between the stated value on the Deposit Ticket and the actual value of the contents of any sealed shipment container. Likewise, LOOMIS shall not be liable to CUSTOMER for failure to render service if LOOMIS in its sole discretion, determines the same may endanger the safety of CUSTOMER'S property or personnel or LOOMIS' vehicles or employees.

b) It is further agreed that LOOMIS shall not be held accountable or liable for any damages or losses, caused by or resulting from illegal or fraudulent acts of CUSTOMER'S employees, agents, representatives, or third-party contractors.

c) CUSTOMER agrees that LOOMIS shall not have any liability for losses of any documentation carried by LOOMIS at CUSTOMER'S request without compensation.

d) CUSTOMER expressly understands and accepts that ownership (title) to cash transported or stored by LOOMIS shall never transfer to LOOMIS.

e) It is further agreed LOOMIS shall not be held accountable or liable for any damages or losses, whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by the peril(s) for which liability is assumed by LOOMIS, resulting from:

(i) Hostile or warlike action in time of peace or war, including action hindering, combating or defending against an actual, impending or expected attack; (1) by any government or sovereign power (de jure or de facto) or

by any authority maintaining or using military, naval or air forces; or (2) by military, naval or air forces; or (3) by any agent of any such government, power authority or forces.

- (ii) Nuclear reaction, nuclear radiation, radioactive contamination or any weapon of war employing atomic fission or radioactive force whether in time of peace or war.
- (iii) Insurrection, rebellion, revolution, terrorist act, civil war, usurped power, or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or customs regulations; confiscation by order of any governmental or public authority; or risks of contraband or illegal transportation or trade.
- (iv) Acts of God, strikes, labor disturbances, impostor pick-up or deliveries, or other conditions or circumstances beyond LOOMIS' reasonable control.

9. **Disputes:** CUSTOMER and LOOMIS agree that except for disputes regarding over-payment or non-payment of fees for services under this Agreement, any controversy or claim, including any claim of misrepresentation, arising out of or related to this Agreement, or the furnishing of any service by LOOMIS to CUSTOMER, shall be settled by arbitration under the then current rules of the American Arbitration Association. The arbitrator shall be chosen from a panel of persons knowledgeable in the fields of financial institution security operations and armored car services. CUSTOMER and LOOMIS agree to equally share in the cost and fees of this resolution process. The decision and award of the arbitrator shall be final and binding. Judgment upon the award so rendered may be entered in any court having jurisdiction thereof. Any arbitration hereunder shall be held in Houston, Texas.

10. **Container Value Limitation:** CUSTOMER acknowledges and agrees that the maximum value which LOOMIS will transport in any individual container will not exceed two hundred & fifty thousand dollars (\$250,000). If the total value of a shipment which CUSTOMER seeks to tender to LOOMIS exceeds two hundred & fifty thousand dollars (\$250,000), such shipment must be broken down into separate shipment containers of two hundred & fifty thousand dollars (\$250,000) or less.

11. **Holiday Service:** LOOMIS agrees to provide service as stated in the Agreement with the following holiday exceptions: New Year's Day, Martin Luther King Day, President's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Columbus Day, Thanksgiving Day, Christmas Day, federal banking and any local applicable observed holiday. Charges for service on such days will be as stated upon page 2 of this Agreement, excluding Christmas Day. LOOMIS will not provide Christmas Day service.

12. **Specials:** Unscheduled pickups or deliveries are available under the same conditions and provisions of this Agreement. Prices are quoted upon request.

13. **Excess Liability Coverage:** LOOMIS reserves the right to refuse tender of any shipment in excess of the Maximum Liability Amount.

14. **Confidentiality:** Each party receiving information (each being a "Receiving Party" and a "Disclosing Party") undertakes to retain in confidence the terms of this Agreement and all other non-public information, technology, materials and know-how of the other party disclosed or acquired by the Receiving Party pursuant to or in connection with this Agreement which is either designated as proprietary and/or confidential or, by the nature of the circumstances surrounding disclosure, ought in good faith to be treated as proprietary and/or confidential ("Confidential Information"). Neither party shall use any Confidential Information for any purpose other than to carry out the activities contemplated by this Agreement. Each party agrees to use commercially reasonable efforts to protect Confidential Information of the other party, and in any event, to take precautions at least as great as those taken to protect its own confidential information of a similar nature. Each party shall also notify the other promptly in writing in the event such party learns of any unauthorized use or disclosure of any Confidential Information that it has received from the other party, and will cooperate in good faith to remedy such occurrence to the extent reasonably possible. Confidential Information shall not include:

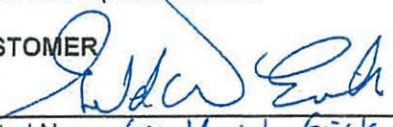
- (1) information which was already known by, or already in the possession of, Receiving Party prior to receipt from Disclosing Party;
- (2) information which is obtained by Receiving Party from a third person who, to the actual knowledge of Receiving Party is not in violation of any agreement to a third party not to disclose such information
- (3) information which is or becomes publically available other than through breach by the Receiving Party of this Agreement; and,
- (4) information which is independently developed by or on behalf of Receiving Party.

15. **Entire Agreement:** This Agreement: (a) shall be governed by and construed in accordance with the laws of the State of Texas without reference to conflict of laws principles; (b) constitutes the entire agreement and understanding of the parties with respect to its subject matter, and supersedes all prior agreements and understandings, except that the terms of any agreement regarding confidential information of the parties shall be deemed to be a part of this Agreement and each party hereto acknowledges that in entering this Agreement it has not relied on any representation or warranty not contained herein; (c) and the terms and conditions including fees set forth in it shall be treated as confidential information; (d) is not for the benefit of any third party; (e) may not be amended except by a written instrument signed by both CUSTOMER and LOOMIS; (f) may not be assigned by CUSTOMER without LOOMIS prior written consent; (g) may be assigned by LOOMIS, provided that LOOMIS shall furnish written notice of such assignment to CUSTOMER; (h) shall be binding upon any assignees, and defined terms used in this Agreement to apply to either party shall be construed to refer to such party's assignee; (i) is the product of negotiation; (j) is subject to a contractually agreed one (1) year statute of limitations on all claims or the minimum allowable by applicable law; (k) shall not be deemed to have been drafted by either party; (l) contains article and section headings which are for convenience of reference only and which shall not be deemed to alter or affect the meaning or interpretation of any provision of this Agreement; (m) does not make either party the agent, fiduciary or partner of the other; (n) does not grant either party any authority to bind the other to any legal obligation; (o) does not intend to nor grant any rights to any third party and (p) shall remain valid and enforceable despite the holding of any specific provision to be invalid or unenforceable, except for such specific provision. The waiver by either party of any rights arising out of this Agreement shall not cause a waiver of any other rights under this Agreement, at law or in equity. Any and all correspondence regarding this Agreement shall be delivered via certified mail (return receipt requested) or verifiable third-party courier (return receipt requested).

This Agreement may be executed in two or more identical counterparts, each of which shall be deemed to be an original and all of which taken together will be deemed to constitute one and the same agreement when a duly authorized representative of each party has signed a counterpart. The parties may sign and deliver this Agreement by facsimile or electronic (i.e., .pdf) transmission. Each party acknowledges that the delivery hereof by facsimile or electronic transmission will have the same force and effect as delivery of original signatures.

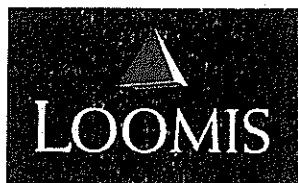
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

CUSTOMER

By 
Printed Name Gerald W Fick
Title Director of finance
Date 11/8/19

LOOMIS

By _____
Printed Name Andy Del Soldato
Title Branch Manager
Date _____



November 25 2019

Dear Loomis Customer,

Thank you for choosing Loomis for your cash-handling needs in 2019. We know you have a choice in providers and appreciate your business.

Your partnership has helped us raise the bar on the service quality you receive from our team. In fact, Loomis has been reinvesting in ways to improve how we all handle cash. This year we hope you will take advantage of new capabilities from package tracking technology, upgraded software and hardware advances.

These new capabilities, combined with cost and compliance pressures, require that we initiate a rate increase effective January 1, 2020.

If you have questions regarding this increase, please reach out to your Loomis account manager. If you do not know your Loomis account manager you may find that information on the "Locations" page at www.loomis.us.

Very best regards,

Patrick Otero
Executive Vice President and CFO
Loomis US
2500 CityWest Blvd., Ste. 2300
Houston, TX 77042

EXHIBIT "C"

Remit To:
 LOOMIS
 DEPT. CH 10500
 PALATINE IL 60055-0500

Account/Area: 098609/1520
 Invoice Number: 12543510
 Invoice Date: 12/31/19
 Invoice Amount: \$1,756.42

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
 ATTN ACCOUNTS PAYABLE
 893 SOUTHWOOD BLVD
 INCLINE VILLAGE NV 89451

Payment is due 15 days after receipt of invoice.

TAX ID: 75-0117200

Local Contact: LINDA CANFIELD; 849 WEST 24TH STREET TEMPE, AZ 85282 (480) 612-6175

PERIOD	LOOMIS ID	LOCATION	DESCRIPTION OF CHARGES	CHARGES	TAX	TOTAL
12/03	098609	DIAMOND PEAK	Trip Charge REG SVC	88.24	0.00	88.24
12/03	098609	DIAMOND PEAK	Excess Bags 17,5	32.52	0.00	32.52
12/06	098609	DIAMOND PEAK	Excess Bags 6,5	2.71	0.00	2.71
12/06	098609	DIAMOND PEAK	Trip Charge REG SVC	88.24	0.00	88.24
12/10	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/13	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/13	098609	DIAMOND PEAK	Excess Bags 16,5	29.81	0.00	29.81
12/13	098609	DIAMOND PEAK	Excess Premise Time 13:09,13:20,00:11	7.75	0.00	7.75
12/17	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/17	098609	DIAMOND PEAK	Excess Bags 10,5	13.55	0.00	13.55
12/20	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/20	098609	DIAMOND PEAK	Excess Bags 7,5	5.42	0.00	5.42
12/22	098609	DIAMOND PEAK	Off Day Service ON DEMAND SERVICE REQUEST	209.47	0.00	209.47
12/24	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/24	098609	DIAMOND PEAK	Excess Bags 9,5	10.84	0.00	10.84
12/26	098609	DIAMOND PEAK	Off Day Service ON DEMAND SERVICE REQUEST	209.47	0.00	209.47
12/27	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/30	098609	DIAMOND PEAK	Off Day Service ON DEMAND SERVICE REQUEST	209.47	0.00	209.47
12/30	098609	DIAMOND PEAK	Excess Bags 6,5	2.71	0.00	2.71
12/31	098609	DIAMOND PEAK	Trip Charge	88.24	0.00	88.24
12/19	098609	DIAMOND PEAK	Fuel Fee@8.5%	121.56	0.00	121.56
12/19	098609	DIAMOND PEAK	Insurance Fee@7%	106.98	0.00	106.98

Location Sub Total:						1756.42

Total Due This Invoice \$1,756.42
 =====

LOOMIS
 (480) 612-6175

INVOICE NUMBER: 12543510
 INVOICE DATE: 12/31/19

INVOICE AMOUNT: \$1,756.42
 ACCOUNT NUMBER: 098609

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 14, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(3) – ADOPTION OF A REPORT PRELIMINARILY APPROVING NEW RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES AND ORDERING THEIR COLLECTION ON LOCAL PARCEL OWNERS’ PROPERTY TAX BILLS

Introduction: Here the Board proposes adopting a preliminary Report for the collection of a new RFF/BFF on the county tax roll¹. However, COVID-19 has revealed the fraudulent nature of our RFF/BFF. And now staff wants the Board to perpetuate the fraud for yet another year. I and others I know ask that the Board not capitulate and that members speak the truth to the community. And that’s the purpose of this written statement.

Staff’s Represented Authority For the RFF/BFF: According to staff, the legal authority for levying the RFF/BFF is NRS 318.197(1) – “standby service charges for services and facilities furnished by the District.”² According to staff these charges are “also known as the RFF and BFF.”² It is true that NRS 318.197(1) instructs that “the board may fix, and from time to time increase or decrease... recreational facilit(y)...rates, tolls or charges other than special assessments, including, but not limited to...standby service charges...for the availability of service.” However, nowhere is the term “standby service charge” defined. But just because staff affix this label to this exaction, doesn’t necessarily mean the RFF/BFF are legitimate standby service charges.

Staff’s Preliminary Report For Collection of the RFF/BFF: According to staff, they have “prepared (a) Report³ for collection...(of) the...RFF and BFF,”² allegedly pursuant to NRS 318.201(1)¹, they propose the Board formally approve (“whereas, this Board has examined said report and finds the same to be sufficient for further proceedings in relation thereto”⁴). Paragraph I of that Report expressly represents that the RFF/BFF “are for the availability of use of the (District’s) recreational facilities.”⁵ Paragraph II of that Report expressly represents that “this Board...has...determined...(that)

¹ See NRS 318.201(1) which states that: “Any board which has adopted rates pursuant to this chapter may, by resolution or by separate resolutions, elect to have such charges for the forthcoming fiscal year collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the county’s general (*ad valorem*) taxes. In such event, it shall cause a written report to be prepared and filed with the secretary, which shall contain a description of each parcel of real property receiving such services and facilities and the amount of the charge for each parcel for such year, computed in conformity with the charges prescribed by the resolution.”

² See page 49 of the packet of materials prepared by staff in anticipation of this April 14, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-14-20.pdf (“the 4/14/2020 Board packet”)].

³ See pages 51-55 of the 4/14/2020 Board packet.

⁴ See page 57 of the 4/14/2020 Board packet.

⁵ See page 53 of the 4/14/2020 Board packet.

the amount of moneys required for...fiscal year...July 1, 2019 to June 30, 2020 (i.e., the current fiscal year rather than 2020-21 is)...about \$5,783,115 for the RFF and \$968,500 for the BFF”⁶ and “it is proposed that (said)... charges...be collected...in accordance with...NRS 318.201.”⁴ Staff represent that their proposed "fiscal year 2020-21 budget assumes that (a) RFF of \$705...and (a)...BFF of \$125 will be collected...from all properties within the District.”⁷

Paragraph II of that Report expressly represents that rather than for “the availability of use of the (District’s) recreational facilities” (see above), these sums are necessary “for the proper servicing of...bonds and...the administration, operation, maintenance and improvement of (the District’s)...real properties, equipment and facilities.”⁶

Finally, paragraph III of that Report expressly represents that these “sum(s) ha(ve) been (fairly) apportioned among...(unimproved) lots...parcels of real property, and dwelling units with the District.”⁶ In other words, the sums levied against an unimproved lot have allegedly been fairly apportioned in comparison to a Lake front lot with a 7,000 square foot six (6) bedroom “monster home” constructed thereon.

Has the Board Determined: that any of the District’s recreational facilities are “available for use” by those whose properties staff proposes be involuntarily assessed? If not, what is the justification for the RFF/BFF? Has it determined that “\$5,783,115 for the RFF and \$968,500 for the BFF” are actually necessary to make the District’s recreational facilities merely “available for use” by those whose properties staff propose be involuntarily assessed (or do these sums represent *more* than is necessary)? If not, why represent the contrary?

Moreover, the RFF/BFF Represent *More* Than What is Necessary to Make the Public’s Recreational Facilities Merely “Available to be Used” by Those Whose Real Properties Are Assessed: Moreover, ever since the District began retiring recreation bonds, past Boards at the urging of staff have been collecting *more* than that necessary to make the District’s recreational facilities merely “available for use” by those whose properties have been involuntarily assessed. After all, how else does one explain the projected increase in a community services fund balance from essentially zero to \$11,590,180 as of June 30, 2020⁸? And how else does one explain the increase in a beach fund balance from essentially zero to \$2,033,015 as of June 30, 2020⁸?

It was for this reason that for the last several years, Trustees Dent and Callicrate have voted *against* adoption of the RFF/BFF (or alternatively, adoption at a combined \$830). Although they were consistently outvoted by the Kendra Wong, Phil Horan and Peter Morris coalition, today the three of

⁶ See page 54 of the 4/14/2020 Board packet.

⁷ See page 50 of the 4/14/2020 Board packet.

⁸ See page 54 of the packet of materials prepared by staff in anticipation of the Board’s April 1, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-1-20.pdf (“the 4/1/2020 Board packet”).

you are the ones who constitute a Board majority. This means that for the first time in decades, the Board *can* vote do the right thing.

Rather Than Paying For Assessed Property Owners' Mere "Availability" to Use the District's Public Recreational Facilities, the RFF/BFF Subsidize Staff's Over Spending "of Operating, Capital and Debt in Support of District Activities:" Staff tell the Board and the public that they "ha(ve) prepared a preliminary budget for fiscal year 2020-21 that...provides appropriations (i.e., expenditures) covering costs of operating, capital and debt in support of District activities (of all kinds)...*assum(ing a)...RFF of \$705...and (a) BFF of \$125.*"⁹ In other words, rather than budgeting for expenditures based upon staff's estimate of actual tax and fees for services revenues, they have budgeted for *over-expenditures*¹⁰ *upon the assumption the District will realize additional RFF revenues of \$5,783,115 and additional BFF revenues of \$968,500* for "total combined (additional) revenues" of \$6,751,615¹¹. In other words, rather than "provid(ing) appropriations covering (the true) costs of operating, capital and debt in support of District activities," staff have budgeted to steady, reliable RFF/BFF revenues as if they were a given as are *ad valorem* and consolidate tax (C-Tax) revenues. Thus rather than being a "fee" for the mere "availability for use" of the District's recreation and beach facilities, the RFF/BFF are really taxes which pay the "costs of operating, capital and debt in support of District activities."

Hasn't the Time Come to Call the RFF/BFF What They Really Are? That is, special taxes levied against property. However, the NRS prohibits such taxes ["the assessment made by the county assessor and...the Department (of Taxation), as equalized according to law, shall be the *only* basis for property taxation by any city, town, school district, road district *or other district* in that county" (see NRS 361.445)]. Moreover, the *only* taxes recognized in NRS 318 which a GID is permitted to levy are *ad valorem* taxes (see NRS 318.225). *Ad valorem* taxes are taxes based upon application of a fixed tax rate applied to each \$X.00 of assessed valuation. In contrast, the RFF/BFF represent a uniform tax assessed against all levied properties regardless of their assessed valuation.

Moreover, the NRS Expressly Prohibits Assessment of Private Property For the Costs of Development: We all know that the beaches are *private property* (no they're not "public with restrictions" former Trustee Chuck Weinberger). Although bare legal title to the beaches stands in the District's name, a closer examination of the beach deed¹² reveals that the District holds title as nothing more beach steward or trustee for the benefit of local property owners whose properties are located within the boundaries of IVGID as IVGID existed on June 4, 1968 ["the real property (herein) described...shall be held, maintained and used by grantee (i.e., IVGID)...*only* for the purpose of

⁹ See pages 49-50 of the 4/14/2020 Board packet.

¹⁰ See page 203 of the 4/14/2020 Board packet.

¹¹ See page 50 of the 4/14/2020 Board packet.

¹² Go to page 1, line 28 through page 2, line 5 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Beach_Deed.pdf.

recreation *by, and for the benefit of property owners*, and their tenants within IVGID as (then constituted"). At least three published court cases involving IVGID and Crystal Bay residents Steve Kroll and Frank Wright have come to that conclusion¹³. Being private property, I call the Board's attention to NRS 318.015(2) which "declare(s) that the provisions of this chapter are *not* intended to provide a method for financing the costs of developing private property." So when staff propose that a BFF be adopted which funds the costs of replacing the Burnt Cedar pool, or building an Incline Beach House, or paving/repairing the overflow Beach parking lot, or replacing Incline Beach restrooms, or issuing bonds to fund the same¹⁴, aren't they violating NRS 318.015(2)?

So are you as Board members going to perpetuate the fraud which empowers staff to overspend nearly \$7 million each year (the RFF/BFF being nothing more than financial "subsidies") on endeavors having little if anything to do with making the public's recreational facilities "available" for local property owners' use? Or are you going to make those facilities sink or swim on the sales and fee revenues staff are able to generate?

Evidence We Can Easily Reduce Overspending and Eliminate the Pressure of Adopting a RFF/BFF Which Subsidizes That Overspending: I have provided written evidence (an exhibit to a companion written statement I asked be attached to the minutes of the Board's April 1, 2020 meeting¹⁵ (Susan Herron has not yet attached, although she states will be attached prior to this meeting), that in October of 2013 the then Board instructed staff which recreational facilities should operate at break even, on a positive cash flow basis, or at a loss (and thus requiring a subsidy). Since then, staff have thumbed their collective noses at this Board and the public by continuing to administer the operation of essentially all of the public's recreational facilities *at a loss!* Since there's no other way to stop the budgeted *over* spending other than to take away the money that empowers it, this means taking away the RFF/BFF. This way staff will be forced to cut staff, cut the outrageous salaries and benefits staff pay themselves¹⁶, and cut spending so as to "live within their financial means" like each of us must do.

At the Board's April 1, 2020 meeting I suggested more than \$1.6M of proposed CIP expenditures which could be very easily eliminated "without our skipping a beat."¹⁷ Yet have staff done *anything* to reduce overspending in proposing a tentative budget to be sent to the State? Of course not. In their minds it's "business as usual." Which again demonstrates that there's no other way to stop the budgeted *over* spending other than to take away the money to do so; i.e., the RFF/BFF.

¹³ See *Wright v. Incline Village General Improvement District*, 597 F.Supp.2d 1191, 1197 (2009); *Kroll v. Incline Village General Improvement District*, 598 F.Supp.2d 1118, 1126-28 (2009); *Wright v. Incline Village General Improvement District*, 665 F.3d 1128,1137-38 (9th Cir. 2011).

¹⁴ Responding to Trustee Morris' recommendations made at this evening's meeting.

¹⁵ See pages 163-231 of the 4/14/2020 Board packet.

¹⁶ Rather than the Board, it is the GM who determines what salaries and benefits are paid to our staff.

¹⁷ See pages 205-207 of the 4/14/2020 Board packet.

In addition to these cuts, at pages 204-205 of the 4/14/2020 Board packet I provided evidence that another \$1,132,381 of alleged overspending (“Community Services Administration”) which is subsidized by the RFF, is a phony expense that can be easily eliminated. This expense represents nothing more than a contribution into a “discretionary fund” (i.e., a “cushion”) to finance future unappropriated, unbudgeted, and unidentified staff pet projects. Under the current COVID-19 environment, this is an expenditure local property owners simply cannot afford.

Conclusion: So in summary, I ask that each of you to take a look around town. In the last ten (10) years local property owners have involuntarily contributed nearly \$70 million to subsidize staff’s operation of the public’s recreational facilities. Do you see \$70 million? Let me ask the question a bit differently. If I as a local property owner am an owner of let’s say Diamond Peak (which is what staff tell us), and Diamond Peak generates \$2 million or more of positive cash flow in a single season, why isn’t any portion of this financial windfall shared with me either as either a cash dividend or a reduction in next year’s RFF? The fact it isn’t speaks volumes.

So what should the Board do in response to this agenda item? DO NOT ADOPT A RFF/BFF. Send the message to staff that the time has come to stop propagating untruths to local property owners, and for the District to live within its financial means. It may be hard medicine for staff to swallow but have they stopped to consider the detriment to local property owners by perpetrating the fraud of the RFF/BFF? Actually these facts harken back to another one of my more fundamental criticisms: exactly who’s working for whom? Does our staff work for the public, or is their real boss our GM and because of Resolution 1480¹⁸, the Board acts as nothing more than staff’s rubber stamp?

I am mindful of the fact this agenda item only seeks approval of a *preliminary* Report which staff are quick to point out can be “revise(d), change(d), or modif(ied)” at “the May 27, 2020 public hearing.”¹¹ But this is staff’s standard *modus operandi*. Go ahead and approve what staff wants approved at the preliminary stage, kick the can down the road, and make it seem like the final decision (here the RFF/BFF) can always be modified. But rarely if ever does this take place. In the last thirteen (13) or more years I’ve been attending meetings such as these, *never* have I seen a final RFF/BFF turn out to be any different than the preliminary one. So the time to get it right is now. Three (3) minutes of public comment on May 6, May 7 or May 27, 2020 won’t likely change anything.

And to those asking why your Recreation (“RFF”) and Beach (“BFF”) Facility Fees are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

¹⁸ See pages 12-17 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Policy_and_Procedure_Resolutions.pdf.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS APRIL 14, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM H(4) – BECAUSE STAFF CONTINUE TO REFUSE TO SHARE THE SERVICES AND SUPPLIES LINE ITEM EXPENDITURES THEY PROPOSE BE BUDGETED FOR 2020-21 TO THE COMMUNITY SERVICES AND BEACH FUNDS, AND LOCAL PARCEL/RESIDENTIAL DWELLING UNIT OWNERS ARE FORCED TO SUBSIDIZE BUDGETED OVERSPENDING IN THESE FUNDS THROUGH THE RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES THEY ARE INVOLUNTARILY COMPELLED TO PAY, THE BOARD SHOULD NOT RATIFY/ APPROVE STAFF’S PROPOSED TENTATIVE 2020-21 BUDGET

Introduction: Here staff seek Board approval to send their proposed tentative 2020-21 budget to the State Department of Taxation (“NDOT”). Although staff seek to make the Board and the public believe this is really the same proposed operational budget submitted to the Board on March 11, 2020, and the same proposed capital improvement project (“CIP) budget submitted to the Board on April 1, 2020 [“staff has prepared forms...consistent with the Sources and Uses presented to the Board on March 11th(, 2020). The Capital Budget information is derived from the information presented to the Board on April 1”, 2020¹], allegedly because of a looming April 15, 2020 “drop dead” submittal date, the Board and public will see that staff have actually modified their proposed budgets in some respects. Which means they could have been doing the same thing for proposed revenues and expenses in the last two (2) weeks, if not before. I and others I know are opposed to submitting staff’s tentative budget because it is phony. In its place I proposed the same tentative budget be submitted with the omission of nearly \$7 million of RFFs/BFFs. This is the purpose of this written statement.

Please Understand That the Numbers I Will Share With the Board and the Public Are Staff’s Numbers: even though I and others I know are of the opinion staff’s financial reporting is deceitfully presented to put the happiest face forward. Nevertheless, I shall use those numbers because they make my case.

Staff’s March 11, 2020 2020-21 Operational Budgetary Numbers: At the Board’s March 11, 2020 meeting staff presented its proposed draft operational budget². From those pages I have prepared the spreadsheet below which contributes to each recreational venue’s estimated profit/loss³.

¹ See page 59 of the packet of materials prepared by staff in anticipation of this April 14, 2020 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-14-20.pdf (“the 4/14/2020 Board packet”)].

² See pages 89-161 of the packet of materials prepared by staff in anticipation of the Board’s March 11, 2020 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/BOT_Packet_Regular_3-11-20.pdf (“the 3/11/2020 Board packet”)].

³ Note that all recreational facilities were budgeted to lose money but for Diamond Peak.

Proposed 2020-21 Budgeted Community Services and Beach Fund (Profit)/Losses			
Venue/Service	Operational (Profit)/Loss⁴	Capital Expenditures	Combined (Profit)/Losses⁴
Championship Golf	\$ 32,812 ⁵	\$ 1,535,000 ⁶	\$ 1,567,812
Mountain Golf	\$ 221,481 ⁷	\$ 199,000 ⁶	\$ 420,481
Diamond Peak	(\$ 1,640,600) ⁸	\$ 1,192,000 ⁶	(\$ 448,600)
Facilities	\$ 41,015 ⁹	\$ 100,000 ⁶	\$ 141,015
Recreation Center	\$ 820,300 ¹⁰	\$ 455,000 ⁶	\$ 1,275,300
Youth & Family Programming	\$ 114,842 ¹¹		\$ 114,842
Youth & Family Sports	\$ 98,436 ¹²		\$ 98,436
Senior Programming	\$ 188,669 ¹³		\$ 188,669
Community Services Administration ¹⁴	\$ 1,041,781 ¹⁵	\$ 90,000 ⁶	\$ 1,131,781
Parks	\$ 730,067 ¹⁶	\$ 172,440 ⁶	\$ 902,507
Tennis	\$ 114,842 ¹⁷	\$ 48,600 ⁶	\$ 163,442
Sub-Totals	\$ 1,763,645	\$ 3,792,040⁶	\$ 5,555,685
Beach	\$ 658,580 ¹⁸	\$ 454,500 ⁶	\$ 1,113,080
Totals	\$ 2,422,225¹⁹	\$ 4,246,540	\$ 6,668,765

⁴ Subsidized by the RFF/BFF.

⁵ See page 92 of the 3/11/2020 Board packet.

⁶ See page 37 of the packet of materials prepared by staff in anticipation of the Board's April 1, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_4-1-20.pdf ("the 4/1/2020 Board packet")].

⁷ See page 97 of the 3/11/2020 Board packet.

⁸ See page 102 of the 3/11/2020 Board packet.

⁹ See page 112 of the 3/11/2020 Board packet.

¹⁰ See page 119 of the 3/11/2020 Board packet.

¹¹ See page 120 of the 3/11/2020 Board packet.

¹² See page 121 of the 3/11/2020 Board packet.

¹³ See page 118 of the 3/11/2020 Board packet.

¹⁴ This is a complete phony expense entry (see discussion below).

¹⁵ See page 143 of the 3/11/2020 Board packet.

¹⁶ See page 128 of the 3/11/2020 Board packet.

¹⁷ See page 139 of the 3/11/2020 Board packet.

¹⁸ See page 134 of the 3/11/2020 Board packet.

Staff's April 1, 2020 2020-21 CIP Budgetary Numbers: At the Board's April 1, 2020 meeting staff presented its proposed draft CIP budget²⁰. From those pages I have prepared the spreadsheet above which as aforesaid, contributes to each recreational venue's estimated profit/loss³.

Staff's Tentative Budgetary Numbers²¹: I have prepared the spreadsheet below which replicates each of those numbers so they can be compared to March 11/April 1, 2020's numbers:

Proposed 2020-21 Tentative Budget - Community Services and Beach Funds				
Venue/Service	Estimated Revenues	Proposed Expenditures⁴	Proposed CIPs	Estimated (Profit)/Losses⁴
Championship Golf	\$ 5,071,084 ²²	\$ 5,099,778 ²³	\$ 1,637,000 ²³	\$ 1,665,694
Mountain Golf	\$ 922,166 ²²	\$ 1,181,086 ²³	\$ 395,791 ²³	\$ 654,711
Diamond Peak	\$ 10,148,735 ²²	\$ 8,054,900 ²³	\$ 1,614,000 ²³	(\$ 479,835)
Facilities	\$ 529,421 ²²	\$ 565,991 ²³	\$ 100,000 ²³	\$ 36,670
Recreation Center & Community Programming	\$ 1,364,897 ²²	\$ 2,604,032 ²³	\$ 489,000 ²³	\$ 1,728,135
Community Services Administration ¹¹	(\$ 738,000) ²²	\$ 460,950 ²³	\$ 90,000 ²³	(\$ 187,050)
Parks	\$ 65,801 ²²	\$ 888,119 ²³	\$ 172,440 ²³	\$ 994,718
Tennis	\$ 158,100 ²²	\$ 263,277 ²³	\$ 1,210,600 ²³	\$ 1,316,277
Community Services Debt Service		\$ 383,172 ²³		\$ 383,172
Non-Operational	\$ 309,241 ²²			(\$ 309,241)
Transfers From Fund Balance ²⁴	\$ 1,596,281 ²²			\$ 1,596,281
Sub-Totals	\$ 19,427,686	\$ 19,501,305	\$ 5,438,831	\$ 7,400,532
Beach	\$ 1,608,050 ²⁵	\$ 2,162,207 ²⁶	\$ 474,500 ²⁶	\$ 1,028,657
Beach Debt Service		\$ 6,270 ²⁶		\$ 6,270
Transfers From Fund Balance ²⁴	\$ 66,552 ²⁶	\$		\$ 66,552
Sub-Totals	\$ 1,674,602	\$ 2,168,477	\$ 474,500	\$ 1,101,479
Totals	\$ 21,102,288	\$ 21,669,782	\$ 5,913,331	\$ 8,502,011

¹⁹ See page 89 of the 3/11/2020 Board packet.

²⁰ See pages 33-71 of the 4/1/2020 Board packet.

²¹ See pages 33-71 of the 4/1/2020 Board packet.

²² See page 71 of the 4/14/2020 Board packet.

²³ See page 72 of the 4/14/2020 Board packet.

²⁴ Please understand that fund balance represents unspent repurposed previous years' RFFs/BFFs.

²⁵ See page 73 of the 4/14/2020 Board packet. Also, excludes \$968,375 of facility fee revenue.

²⁶ See page 73 of the 4/14/2020 Board packet.

Note the Changes to Staff's Budgetary Numbers Notwithstanding They Have Told Us "the District's Tentative Operating Budget (is) Consistent With the (Revenues) and (Expenses) Presented to the Board on March 11th (and) April 1," 2020²⁷: Moreover, notice that no effort has been made to reduce costs *anywhere*. I have prepared the spreadsheet below which demonstrates the changes on a per recreational facility basis. Now we really see that the overspending exceeds \$8.5 million:

Changes to Staff's Budgetary Numbers			
	4/1/2020 Combined (Profit)/Losses⁴	4/14/2020 Budgetary (Profit)/Losses⁴	
Venue/Service			Difference
Championship Golf	\$ 1,567,812	\$ 1,665,694	\$ 97,882
Mountain Golf	\$ 420,481	\$ 654,711	\$ 234,230
Diamond Peak	(\$ 448,600)	(\$ 479,835)	(\$ 31,235)
Facilities	\$ 141,015	\$ 36,670	(\$ 104,345)
Recreation Center	\$ 1,275,300		
Youth & Family Programming	\$ 114,842		
Youth & Family Sports	\$ 98,436		
Senior Programming	\$ 188,669		
Recreation Center & Community Programming		\$ 1,728,135	\$ 50,888
Community Services Administration	\$ 1,131,781	(\$ 187,050)	(\$ 1,318,831)
Parks	\$ 902,507	\$ 994,718	\$ 92,211
Tennis	\$ 163,442	\$ 1,316,277	\$ 1,152,835
Community Services Debt Service		\$ 383,172	\$ 383,172
Transfers From Fund Balance		\$ 1,596,281	\$ 1,596,281
Sub-Totals	\$ 5,555,685	\$ 7,708,773	\$ 2,153,088
Beach	\$ 1,113,080	\$ 1,028,657	(\$ 84,423)
Beach Debt Service		\$ 6,270	\$ 6,270
Transfers From Fund Balance		\$ 66,552	\$ 66,552
Sub-Totals	\$ 1,113,080	\$ 1,101,479	(\$ 11,601)
Totals	\$ 6,668,765	\$ 8,810,252	\$ 2,141,487

So from where does the overspending get paid? I have prepared the spreadsheet below which identifies the sources from which staff's proposed overspending gets paid:

²⁷ See page 59 of the 4/14/2020 Board packet.

From Where the \$8.5 Million of Overspending is Paid				
Budgeted Overspending				\$ 8,502,011
Community Services Fund Transfer ²⁴	\$ 1,596,281 ²²			\$ 6,907,730
Beach Fund Transfer ²⁴	\$ 66,552 ²⁶			\$ 6,839,178
Recreation Facility Fee ("RFF")	\$ 5,783,115 ²⁸			\$ 1,056,063
Beach Facility Fee ("BFF")	\$ 968,500 ²⁷			\$ 87,563

As Indicated Above, Staff's Community Services Administrative Expenses Are Phony: At the Board's May 21, 2015 meeting Former Finance Director Gerry Eick represented that \$57 of each assessed parcel owner's 2015-16 RFF went to pay operational and capital costs associated with "Comm(unity) Services Administration." On April 7, 2016 under interrogation as to what this expense category really consisted of, Mr. Eick admitted his written representations of May 21, 2015 *were false*. In testimony given to the IVGID Board as a prelude to its adoption of a Five (5) year CIP, Mr. Eick revealed that Staff's "Comm(unity) Services Administration" entry was really nothing more than a discretionary "reserve" or "cushion" intended to serve as a vehicle to accumulate funds which could be used for unforeseen expenses assigned to "recreation" or future CIPs. Listen to Mr. Eick's admission while answering former Trustee Hammerel's pointed questions pertaining to this entry²⁹:

Mr. Eick: "I have used that venue title...as *our discretionary fund*...to make it clear...what we've accumulated through operations or will accumulate through operations to finance future expenditures."

Trustee Hammerel: "I understand *it's kind of a built in cushion*...(But) more importantly, I think we talked before about not only having a reserve fund for each (recreation) venue but then having an (additional) umbrella (reserve) fund for *all* community services (venues)...*Is that what you're intending here for this Community Services Admin (entry)?*"

Mr. Eick: "***That is correct!***"

What Mr. Eick has admitted is that for 2015-16, rather than being a legitimate standby service charge to cover the necessary costs staff incur to make the public's recreational and beach facilities as well as the services offered thereat merely "availability to use," and just like a tax, this portion of the RFF represented *more than what was necessary*; a discretionary "cushion" or umbrella "reserve" to hide the fact that this sum should have been deducted from the RFF. So just like Mr. Eick's infamous "smoothing" or "repurposing" policy, here Staff admitted creation of an intentionally mis-labeled

²⁸ See page 50 of the 4/14/2020 Board packet.

²⁹ IVGID livestreams its Board meetings (<https://livestream.com/accounts/3411104>). And fortunately for the Board and the public this portion of the Board's April 17, 2016 meeting is memorialized at 43:37-53:28 of the 4/17/2016 livestream (<http://livestream.com/IVGID/events/5144683>).

expense entry to create a vehicle to accumulate funds to spend on future unidentified, unbudgeted and unappropriated pet projects. In other words, nothing more than a secret slush fund. *Thank you harrowed Staff.*

My E-Mail Request of February 17, 2020 For Financial Records: On February 17, 2020 I sent interim General Manager Winqest an e-mail pertaining to the upcoming 2020-21 budget process. Knowing that wasteful spending gets buried deep within the budget's "Services and Supplies" category, I asked to examine "EVERY individual, line item expense, under the Services and Supplies category" in the Community Services and Beach Funds. To date staff have neither acknowledged receipt of my request, nor have they made available for my examination any of the requested documents.

My E-Mail Request of February 26, 2020 For Financial Records: On February 26, 2020 I made a public records request to examine all records relied upon by Public Works Director Joseph Pomroy in support of his recommendation that monthly administrative sewer and water fees be increased. Unbelievably, Susan Herron responded that staff had no records which responded to my request.

For these reasons alone, I ask that staff's proposed budget be REJECTED as being unreliable. Unless the records I have requested are made available for public examination, consideration of staff's proposed budget is a wasteful endeavor.

Staff's Assertion its Proposed Tentative Budget is Phony: From the staff memorandum in support of this budget item "staff recognizes that there remains a number of outstanding budget issues that are pending...chief among these (being) the need to review the budget in the context of the continuing COVID-19 pandemic."²⁷ But because of the looming "April 15 deadline for filing of the Tentative Budget,"²⁷ staff has chosen to propose what they know to be a phony budget. Their justification is that "the tentative budget filing does not commit or restrict the District from modifying the budget prior to...final...adoption."²⁷ I am sorry; I don't support this behavior. If staff knows its proposed tentative budget is nowhere near resembling what the District's final budget will resemble, then why submit it now? Hasn't staff had the opportunity to make adjustments in the two weeks since April 1, 2020? Or stated a bit differently, why not propose another type of tentative budget staff knows will likely not be adopted as a final budget?

Why Not Remove the RFF/BFF as Community Services and Beach Revenue Services? Since our staff doesn't have a problem with submitting a tentative budget to the State which it knows will not resemble what's submitted as a final budget, my proposal is we simply remove RFF/BFF revenues. Yes this will result in an unbalanced budget to the tune of the RFF/BFF, but I don't see anywhere in NRS 354 where it states a local government's budget must be balanced. Furthermore, doing as I suggest is really the truth; staff budgets to overspend to the level of the RFF/BFF subsidies. Maybe this will assist staff in concentrating where other budget cuts can be made without relying upon the RFF/BFF.

Conclusion: It's time for this Board to take charge of the District's finances rather than passing off this responsibility to staff who have consistently demonstrated their arrogance by being unwilling or not capable of managing the District's facilities on a responsible basis? Given staff have refused to

share financial records, none of them can be trusted and I ask staff's proposed tentative budget be *REJECTED* and it be replaced with one which speaks the truth. That is that staff propose overspending to the level of the subsidy provided by the RFF/BFF. Remove the subsidy to share with all the extent of staff's proposed overspending.

And to those asking why your RFF/BFF are as high as they are, and never seem to be reduced, now you have another example of the reasons why.

Respectfully, Aaron Katz (Your Community Watchdog), Because Only Now Are Others Beginning to Watch!

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2020	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
05/27	Wednesday	6 p.m.	Chateau	Regular Board Meeting	05/18/2020 8 a.m.	Public Hearing on final proposed Rec Roll and 2020/2021 Fiscal Year Budget
06/10	Wednesday	6 p.m.	Chateau	Regular Board Meeting	06/01/2020 8 a.m.	Tennis Center Renovation – Contract Award Water Reservoir Safety Construction – Contract Award Board of Trustees Handbook Board Policy 7.1.0 and Board Practice 7.2.0 (Trustee Dent) Lakeview Ski Lift Maintenance and Improvements (Bandelin)
06/24	Wednesday	6 p.m.	Chateau	Regular Board Meeting	06/15/2020 8 a.m.	Championship Golf Maintenance Drainage and Washpad Improvement Project Construction – Contract Award
07/08	Wednesday	6 p.m.	Chateau – CONFLICT	Regular Board Meeting	06/29/2020 8 a.m.	7/15 or 7/22 are available at the Chateau
07/29	Wednesday	6 p.m.	Chateau	Regular Board Meeting	07/20/2020 8 a.m.	Review and approve District Indebtedness Report including the Five Year Capital Improvement Project Summary and State Forms Arc Flash Project Utility Rate adjustments (fee schedules) – pushed out from the April 14, 2020 meeting Provide bid results for the installation of the electrical panels (Bandelin)
08/12	Wednesday	6 p.m.	Chateau	Regular Board Meeting	08/03/2020 8 a.m.	
08/26	Wednesday	6 p.m.	Chateau	Regular Board Meeting	08/17/2020 8 a.m.	
09/09	Wednesday	6 p.m.	Chateau - CONFLICT	Regular Board Meeting	08/31/2020 8 a.m.	09/23 is available at the Chateau
09/30	Wednesday	6 p.m.	Chateau - CONFLICT	Regular Board Meeting	09/21/2020 8 a.m.	09/23 is available at the Chateau
10/14	Wednesday	6 p.m.	Chateau	Regular Board Meeting	10/05/2020 8 a.m.	
10/28	Wednesday	6 p.m.	Chateau	Regular Board Meeting	10/19/2020 8 a.m.	
11/11	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/02/2020 8 a.m.	
11/25	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/16/2020 8 a.m.	Typically cancelled
12/09	Wednesday	6 p.m.	Chateau	Regular Board Meeting	11/30/2020 8 a.m.	
12/30	Wednesday	6 p.m.	Chateau	Regular Board Meeting	12/21/2020 8 a.m.	Typically cancelled

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
01/13	Wednesday	6 p.m.		Regular Board Meeting		
01/27	Wednesday	6 p.m.		Regular Board Meeting		
02/10	Wednesday	6 p.m.		Regular Board Meeting		
02/24	Wednesday	6 p.m.		Regular Board Meeting		
03/10	Wednesday	6 p.m.		Regular Board Meeting		
03/24	Wednesday	6 p.m.		Regular Board Meeting		
04/14	Wednesday	6 p.m.		Regular Board Meeting		
04/28	Wednesday	6 p.m.		Regular Board Meeting		
05/12	Wednesday	6 p.m.		Regular Board Meeting		

Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar
RFID Picture Passes – Item for next Strategic Plan or three years from now – software not available nor is infrastructure/hardware
TRPA EIS Contract at Diamond Peak
WCSD Joint Agreement
Split Ordinance (allow 45 days ahead of action)

*Budget approval is required after the third Monday however whatever date is selected, a 10-day notice must be given. Must accomplished no later than June 1, 2020.