



**Location**

- Hole 10

**Pavement Distress**

- Medium severity transverse cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

- 25-ft

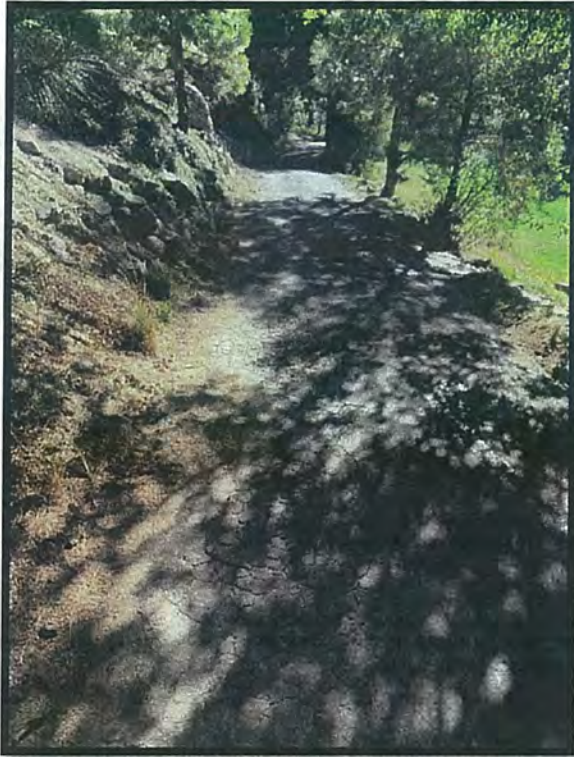
**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 25-ft L x 8-ft W
- \$3,000

## Station 74+25 – Station 80+50



### Location

- Hole 10

### Pavement Distress

- High severity fatigue cracking
- High severity edge cracking

### Ride Quality

- Very poor

### Safety Concern

- High

### Length of Distress

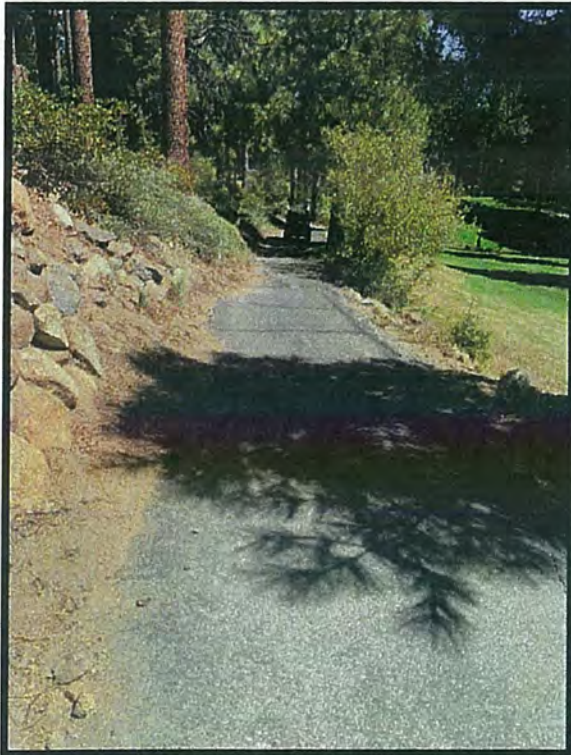
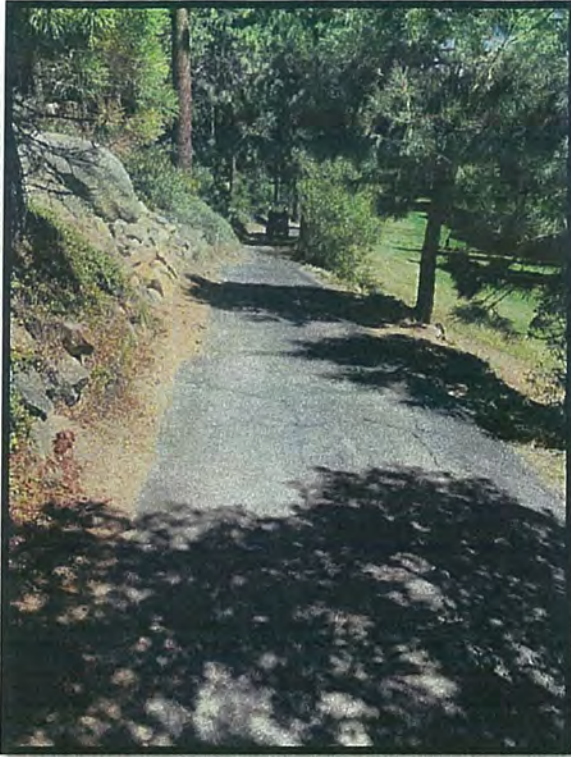
- 625-ft

### Recommended Repair

- Pavement Reconstruction

### Estimated Cost

- Unit Price - \$15 / SF
- 625-ft L x 8-ft W
- \$75,000



**Location**

- Hole 10

**Pavement Distress**

- High severity fatigue cracking
- High severity edge cracking
- Medium severity transverse cracking

**Ride Quality**

- Very poor

**Safety Concern**

- High

**Length of Distress**

- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above



**Location**

- Hole 10

**Pavement Distress**

- High severity edge cracking
- High severity transverse cracking
- High severity longitudinal cracking

**Ride Quality**

- Very poor

**Safety Concern**

- High

**Length of Distress**

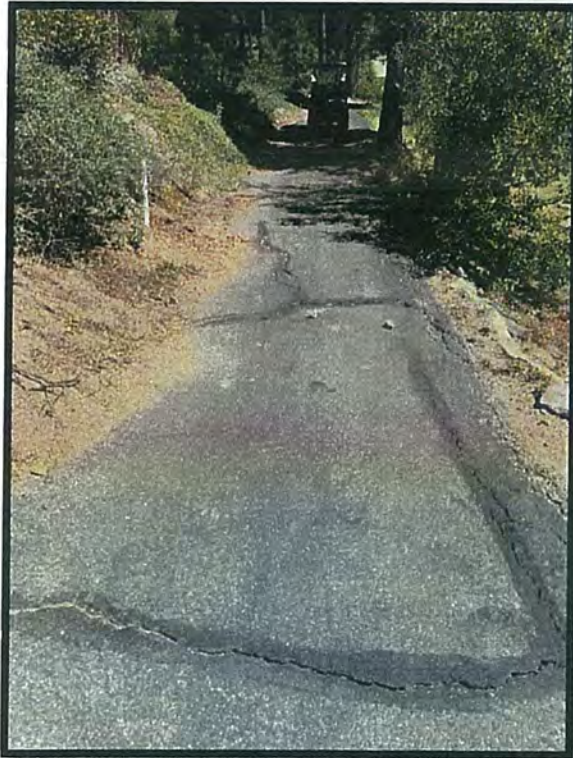
- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above





**Location**

- Hole 10

**Pavement Distress**

- High severity edge cracking
- Medium severity transverse cracking (caused by tree roots)

**Ride Quality**

- Very poor

**Safety Concern**

- Medium

**Length of Distress**

- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above



**Location**

- Hole 10

**Pavement Distress**

- High severity transverse cracking
- High severity edge cracking
- Medium severity raveling

**Ride Quality**

- Very poor

**Safety Concern**

- Medium

**Length of Distress**

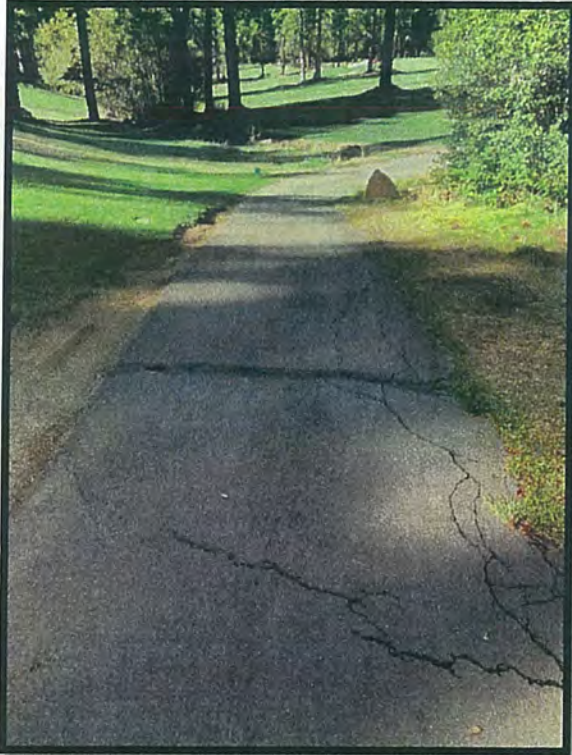
- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above



**Location**

- Hole 10

**Pavement Distress**

- High severity edge cracking
- High severity transverse cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

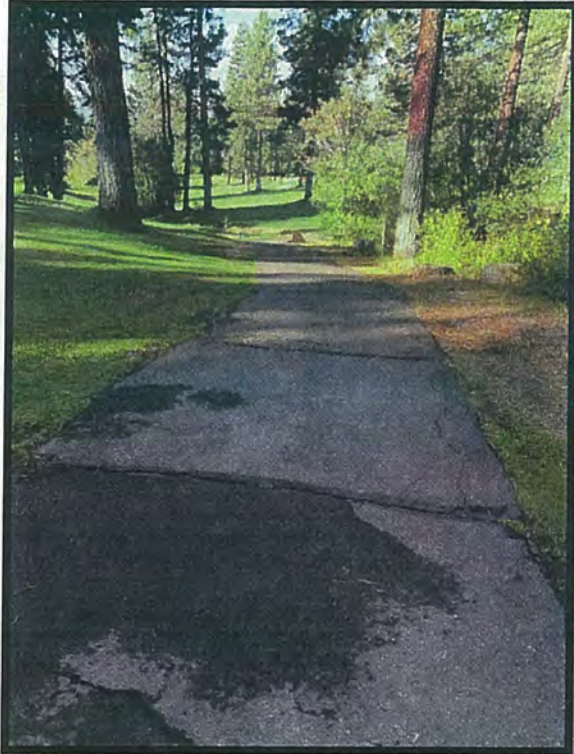
- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above



**Location**

- Hole 10

**Pavement Distress**

- High severity transverse cracking
- Medium severity edge cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above





**Location**

- Hole 10

**Pavement Distress**

- Medium severity transverse cracking
- High severity raveling
- Medium severity edge cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

- See above

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- See above



**Location**

- Hole 11

**Pavement Distress**

- High severity transverse cracking
- High severity fatigue cracking

**Ride Quality**

- Very poor

**Safety Concern**

- Low

**Length of Distress**

- 50-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 50-ft L x 8-ft W
- \$6,000



**Location**

- Hole 11

**Pavement Distress**

- Medium severity transverse cracking
- Low severity fatigue cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

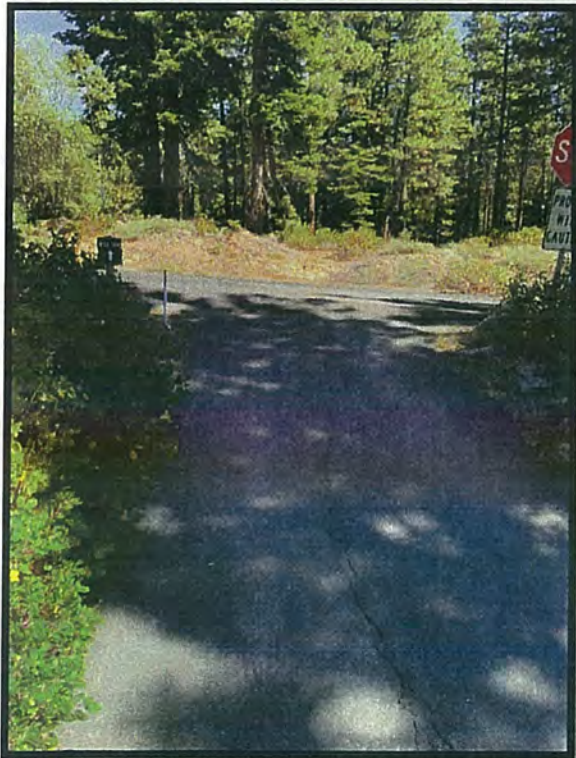
- 250-ft

**Recommended Repair**

- Pavement Reconstruction
- Shouldering (1-ft width, uphill side of path)

**Estimated Cost**

- Unit Price - \$15 / SF (Reconstruction)
- Unit Price - \$1 / LF (Shouldering)
- 250-ft L x 8-ft W, 250-ft L x 1-ft W
- \$30,000 + \$250 = \$30,250



**Location**

- Hole 11

**Pavement Distress**

- Medium severity transverse cracking
- Medium severity edge cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

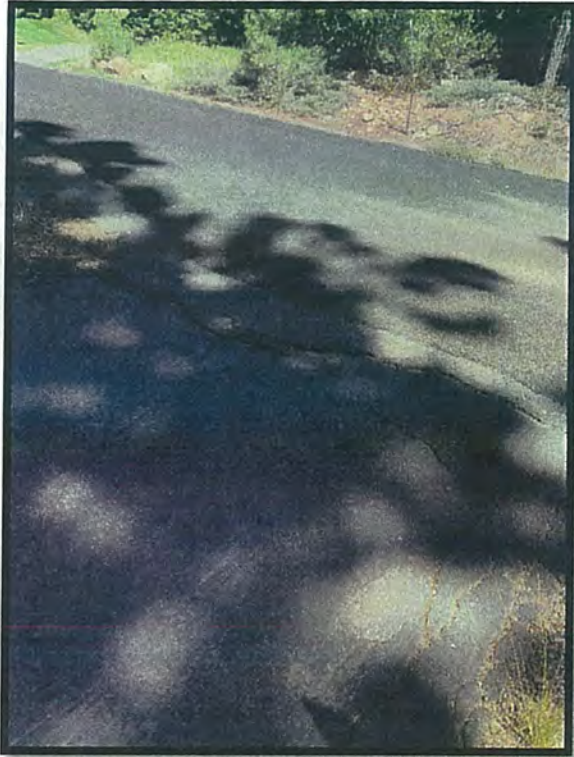
- 50-ft

**Recommended Repair**

- Pavement Reconstruction
- Shouldering (1-ft width, both sides of path)

**Estimated Cost**

- Unit Price - \$15 / SF (Reconstruction)
- Unit Price - \$1 / LF (Shouldering)
- 50-ft L x 8-ft W, 100-ft L x 1-ft W
- \$6,000 + \$100 = \$6,100



**Location**

- Intersection with Golfers Pass Rd (Hole 11)

**Pavement Distress**

- High severity transverse cracking
- Bump at road

**Ride Quality**

- Very poor

**Safety Concern**

- Medium

**Length of Distress**

- 5-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 5-ft L x 8-ft W
- \$600



**Location**

- Intersection with Golfers Pass Rd (Hole 11)

**Pavement Distress**

- Bump at road crossing

**Ride Quality**

- Low

**Safety Concern**

- Medium

**Length of Distress**

- 5-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 5-ft L x 8-ft W
- \$600



**Location**

- Hole 12/13/15

**Pavement Distress**

- High severity transverse cracking
- Medium severity edge cracking

**Ride Quality**

- Very poor

**Safety Concern**

- Low

**Length of Distress**

- 80-ft

**Recommended Repair**

- Pavement Reconstruction
- 1-ft Wide Infiltration Trench, both sides of path (BMP)

**Estimated Cost**

- Unit Price - \$15 / SF (Reconstruction)
- Unit Price - \$18 / LF (Infiltration Trench)
- 80-ft L x 8-ft W, 160-ft L x 1-ft W x 10" D
- \$9,600 + \$2,880 = \$12,480



**Location**

- Hole 12/13/15

**Pavement Distress**

- Low severity edge cracking

**Ride Quality**

- N/A

**Safety Concern**

- Low

**Length of Distress**

- 100-ft

**Recommended Repair**

- Shouldering (1-ft width)

**Estimated Cost**

- Unit Price - \$1 / LF
- 130-ft L x 1-ft W
- \$130





**Location**

- Hole 13

**Pavement Distress**

- Medium severity raveling

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

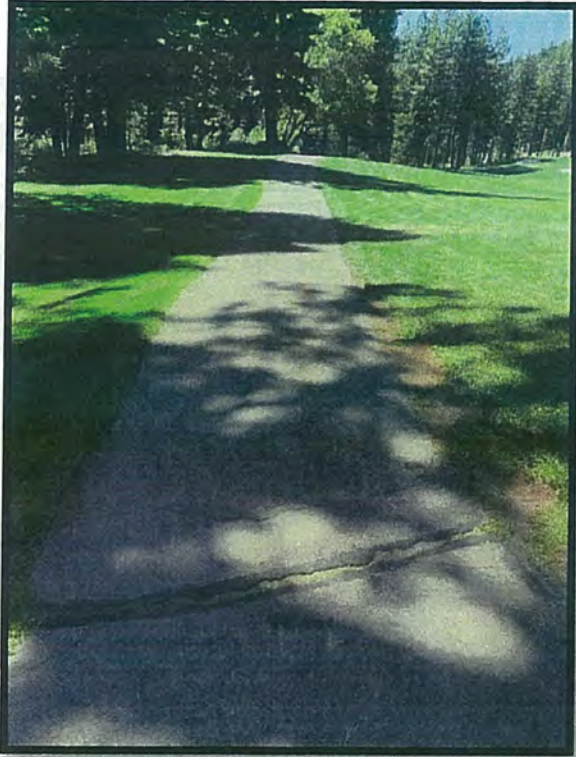
- 5-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 5-ft L x 8-ft W
- \$600



**Location**

- Hole 13

**Pavement Distress**

- High severity transverse cracking
- Low severity fatigue cracking

**Ride Quality**

- Very poor

**Safety Concern**

- Low

**Length of Distress**

- 100-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$10 / SF
- 100-ft L x 8-ft W
- \$8,000



**Location**

- Hole 13

**Pavement Distress**

- Medium severity edge cracking
- Medium severity raveling
- Low severity transverse cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

- See above

**Recommended Repair**

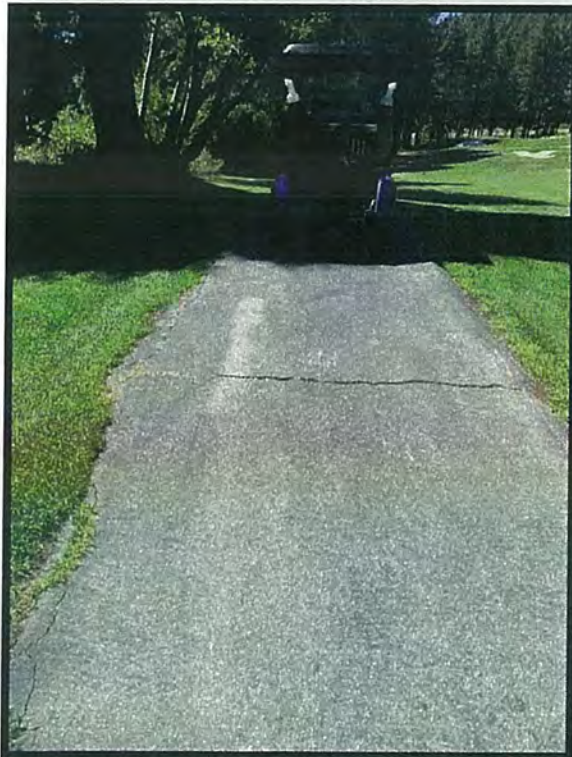
- Pavement Reconstruction

**Estimated Cost**

- See above



<p><b>Location</b></p> <ul style="list-style-type: none"> <li>• Hole 13</li> </ul> <p><b>Pavement Distress</b></p> <ul style="list-style-type: none"> <li>• Medium severity transverse cracking</li> <li>• Low severity edge cracking</li> </ul> <p><b>Ride Quality</b></p> <ul style="list-style-type: none"> <li>• Mediocre</li> </ul> <p><b>Safety Concern</b></p> <ul style="list-style-type: none"> <li>• Low</li> </ul> <p><b>Length of Distress</b></p> <ul style="list-style-type: none"> <li>• See above</li> </ul> <p><b>Recommended Repair</b></p> <ul style="list-style-type: none"> <li>• Pavement Reconstruction</li> </ul> <p><b>Estimated Cost</b></p> <ul style="list-style-type: none"> <li>• See above</li> </ul>
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<p><b>Location</b></p> <ul style="list-style-type: none"> <li>• Hole 13</li> </ul> <p><b>Pavement Distress</b></p> <ul style="list-style-type: none"> <li>• Medium severity transverse cracking</li> <li>• Low severity edge cracking</li> </ul> <p><b>Ride Quality</b></p> <ul style="list-style-type: none"> <li>• Mediocre</li> </ul> <p><b>Safety Concern</b></p> <ul style="list-style-type: none"> <li>• Low</li> </ul> <p><b>Length of Distress</b></p> <ul style="list-style-type: none"> <li>• See above</li> </ul> <p><b>Recommended Repair</b></p> <ul style="list-style-type: none"> <li>• Pavement Reconstruction</li> </ul> <p><b>Estimated Cost</b></p> <ul style="list-style-type: none"> <li>• See above</li> </ul>
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**Location**

- Hole 13

**Pavement Distress**

- Medium severity transverse cracking
- Medium severity edge cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

- 30-ft

**Recommended Repair**

- Pavement Reconstruction
- Shouldering (1-ft width) on side without AC curb

**Estimated Cost**

- Unit Price - \$15 / SF
- Unit Price - \$1 / LF
- 30-ft L x 8-ft W, 30-ft L x 1-ft W
- \$3,600 + \$30 = \$3,630



**Location**

- Hole 16

**Pavement Distress**

- Medium severity transverse cracking
- Medium severity edge cracking
- Low severity fatigue cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

- 40-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 40-ft L x 8-ft W
- \$4,800



**Location**

- Hole 16

**Pavement Distress**

- High severity transverse cracking
- Medium severity edge cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

- 20-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 20-ft L x 8-ft W
- \$2,400



**Location**

- Hole 17

**Pavement Distress**

- Medium severity transverse cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

- 25-ft

**Recommended Repair**

- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 25-ft L x 8-ft W
- \$3,000





**Location**

- Hole 18

**Pavement Distress**

- Medium severity edge cracking

**Ride Quality**

- Good

**Safety Concern**

- Low

**Length of Distress**

- 230-ft

**Recommended Repair**

- Full Depth Pavement Rehabilitation
- 1-ft Wide Infiltration Trench (BMP)

**Estimated Cost**

- Unit Price - \$10 / SF (Rehabilitation)
- Unit Price - \$18 / LF (Infiltration Trench)
- 230-ft L x 2-ft W, 230-ft L x 1-ft W x 10-in D
- \$4,600 + \$4,140 = \$8,740



**Location**

- Hole 18

**Pavement Distress**

- Medium severity edge cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

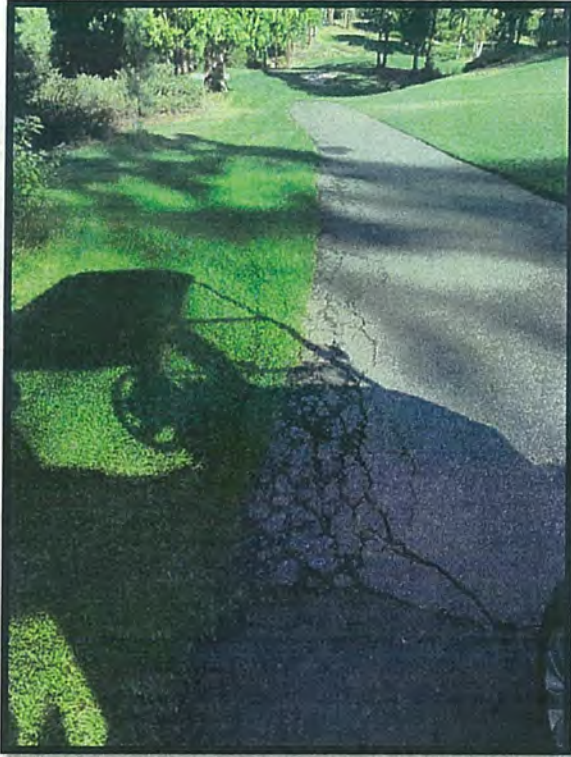
- 30-ft

**Recommended Repair**

- Full Depth Pavement Rehabilitation
- 1-ft Wide Infiltration Trench (BMP)

**Estimated Cost**

- Unit Price - \$10 / SF (Rehabilitation)
- Unit Price - \$18 / LF (Infiltration Trench)
- 30-ft L x 4-ft W, 30-ft L x 1-ft W x 10-in D
- \$1,200 + \$540 = \$1,740



**Location**

- Hole 18

**Pavement Distress**

- Medium severity edge cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

- 30-ft

**Recommended Repair**

- Full Depth Pavement Rehabilitation
- 1-ft Wide Infiltration Trench (BMP)

**Estimated Cost**

- Unit Price - \$10 / SF (Rehabilitation)
- Unit Price - \$18 / LF (Infiltration Trench)
- 30-ft L x 4-ft W, 30-ft x 1-ft W x 10-in D
- \$1,200 + \$540 = \$1,740



**Location**

- Hole 18

**Pavement Distress**

- High severity transverse cracking

**Ride Quality**

- Very poor

**Safety Concern**

- Low

**Length of Distress**

- 230-ft

**Recommended Repair**

- Full Depth Pavement Rehabilitation

**Estimated Cost**

- Unit Price - \$10 / SF
- 230-ft L x 8-ft W
- \$18,400



**Location**

- Hole 18

**Pavement Distress**

- Medium severity edge cracking

**Ride Quality**

- N/A

**Safety Concern**

- Low

**Length of Distress**

- 20-ft

**Recommended Repair**

- Shouldering (1-ft width), each side of path

**Estimated Cost**

- Unit Price - \$1 / LF
- 40-ft L x 1-ft W
- \$40



**Location**

- Hole 16/2/3

**Pavement Distress**

- High severity edge cracking

**Ride Quality**

- N/A

**Safety Concern**

- Low

**Length of Distress**

- 20-ft

**Recommended Repair**

- Shouldering (1-ft width, downhill side)

**Estimated Cost**

- Unit Price - \$1 / LF
- 200-ft L x 1-ft W
- \$200



**Location**

- Hole 16/2/3

**Pavement Distress**

- High severity edge cracking

**Ride Quality**

- Mediocre

**Safety Concern**

- Low

**Length of Distress**

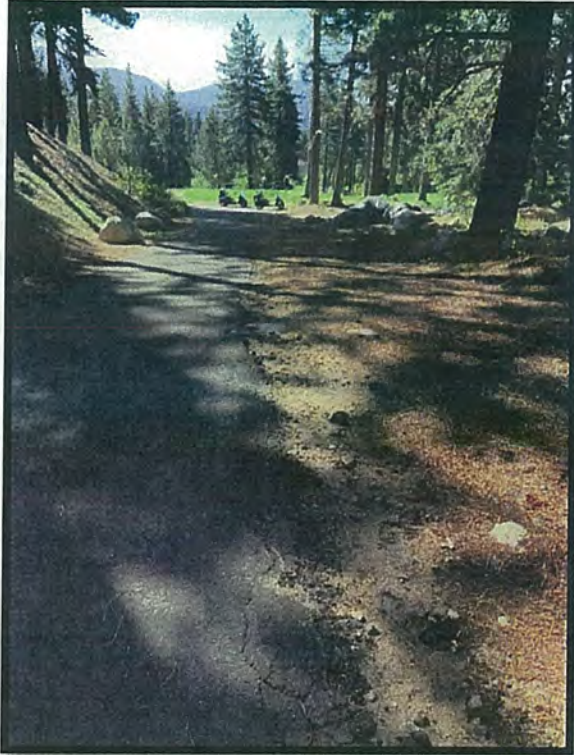
- See above

**Recommended Repair**

- Shouldering (1-ft width, downhill side)

**Estimated Cost**

- See above



**Location**

- Hole 16/2/3

**Pavement Distress**

- Medium severity edge cracking

**Ride Quality**

- N/A

**Safety Concern**

- Low

**Length of Distress**

- See above

**Recommended Repair**

- Shouldering (1-ft width, downhill side)

**Estimated Cost**

- See above



**Location**

- Hole 2/3

**Pavement Distress**

- Medium severity transverse cracking
- Low severity longitudinal cracking

**Ride Quality**

- Poor

**Safety Concern**

- Low

**Length of Distress**

- 125-ft

**Recommended Repair**

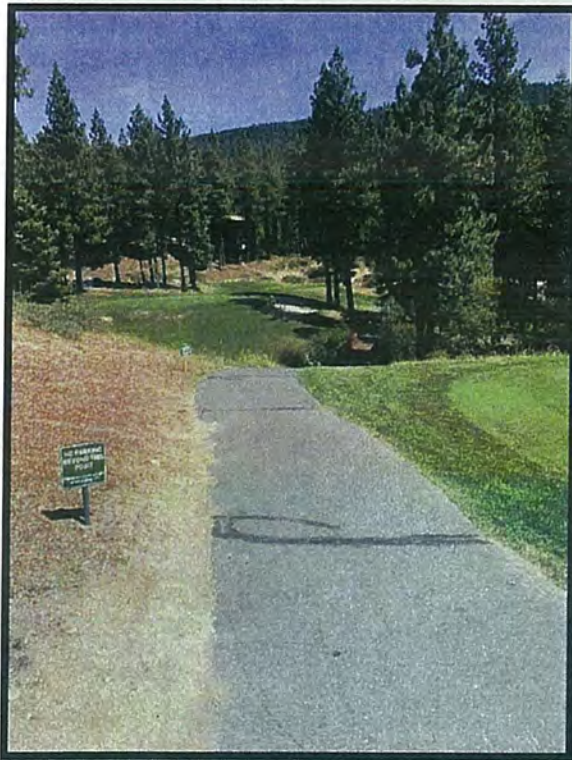
- Pavement Reconstruction

**Estimated Cost**

- Unit Price - \$15 / SF
- 125-ft L x 8-ft W
- \$15,000



## **Appendix D: Adjacent Slope/Drainage Concerns**



**Location**

- Hole 2

**Slope Stability Issue**

- N/A

**Drainage Issue**

- Sediment tracking onto cart path from uphill slope

**Safety Concern**

- Low

**Recommendation**

- 1-ft Wide Infiltration Trench (BMP)

**Estimated Cost**

- Unit Price - \$18 / LF
- 100-ft L x 1-ft W x 10-in D
- \$1,800



**Location**

- Hole 3

**Slope Stability Issue**

- N/A

**Drainage Issue**

- Runoff from storm events is ponding at curb on cart path, tracking sediment onto cart path

**Safety Concern**

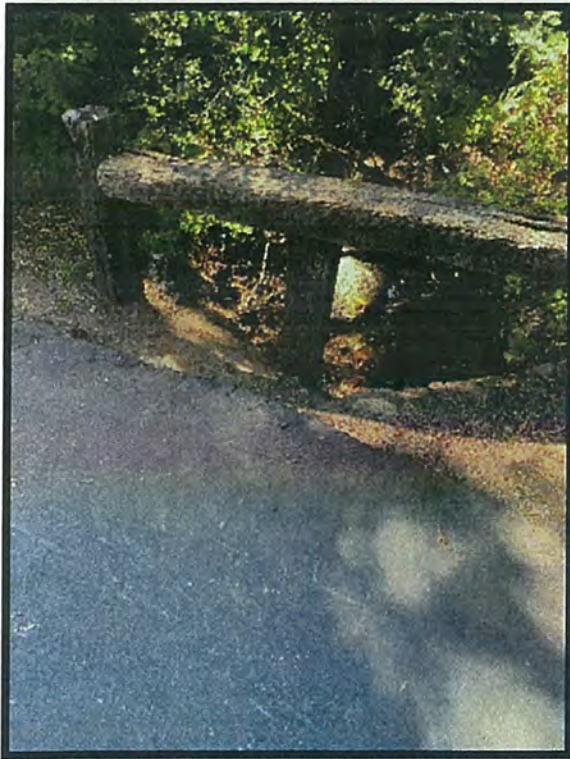
- Low

**Recommendation**

- AC Curb Cut

**Estimated Cost**

- Unit Price - \$250 LS
- 1-ft L
- \$250



**Location**

- Hole 9/18

**Slope Stability Issue**

- No pavement edge stabilization

**Drainage Issue**

- N/A

**Safety Concern**

- Medium

**Recommendation**

- Shouldering (1-ft width)

**Estimated Cost**

- Unit Price - \$1 / LF
- 5-ft L x 1-ft W
- \$5



**Location**

- Hole 10

**Slope Stability Issue**

- No pavement edge stabilization next to culvert

**Drainage Issue**

- N/A

**Safety Concern**

- High

**Recommendation**

- Shouldering (1-ft width, downhill side)
- Fencing or Guard Rail (each side)

**Estimated Cost**

- Unit Price - \$1 / LF (Shouldering)
- Unity Price - \$25 / LF (Fencing)
- 20-ft L x 1-ft W, 20-ft L x 3-ft H + 5-ft L fence on other side of path
- \$20 + \$500 = \$520



**Location**

- Hole 10

**Slope Stability Issue**

- High slopes on uphill side of cart path

**Drainage Issue**

- N/A

**Safety Concern**

- Medium

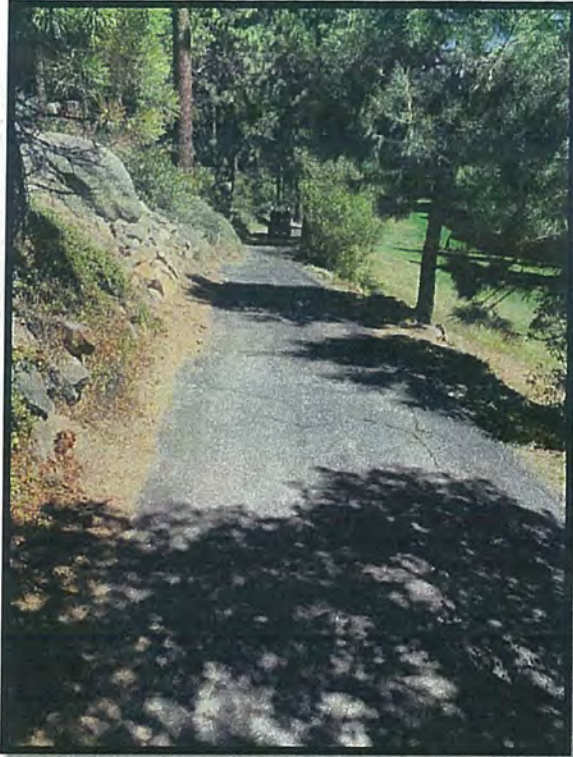
**Recommendation**

- Retaining wall with drainage rock

**Estimated Cost**

- Unit Price - \$50 / SF
- 200-ft L x 3-ft H
- \$30,000

**Station 75+00 – Station 77+00**



**Location**

- Hole 10

**Slope Stability Issue**

- High slopes on uphill side of cart path

**Drainage Issue**

- N/A

**Safety Concern**

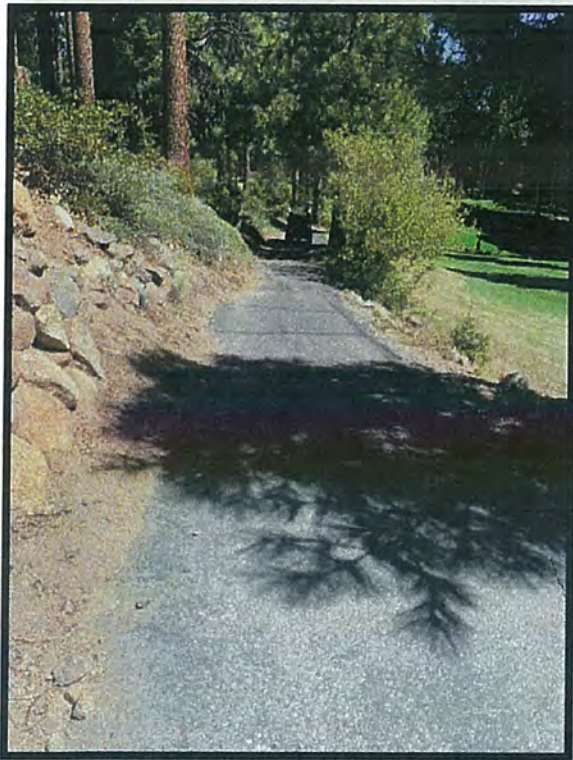
- Medium

**Recommendation**

- Retaining wall with drainage rock

**Estimated Cost**

- See above



**Location**

- Hole 10

**Slope Stability Issue**

- High slopes on uphill side of cart path

**Drainage Issue**

- N/A

**Safety Concern**

- Medium

**Recommendation**

- Retaining wall with drainage rock

**Estimated Cost**

- See above



**Location**

- Hole 10

**Slope Stability Issue**

- Culvert is very close to cart path

**Drainage Issue**

- N/A

**Safety Concern**

- High

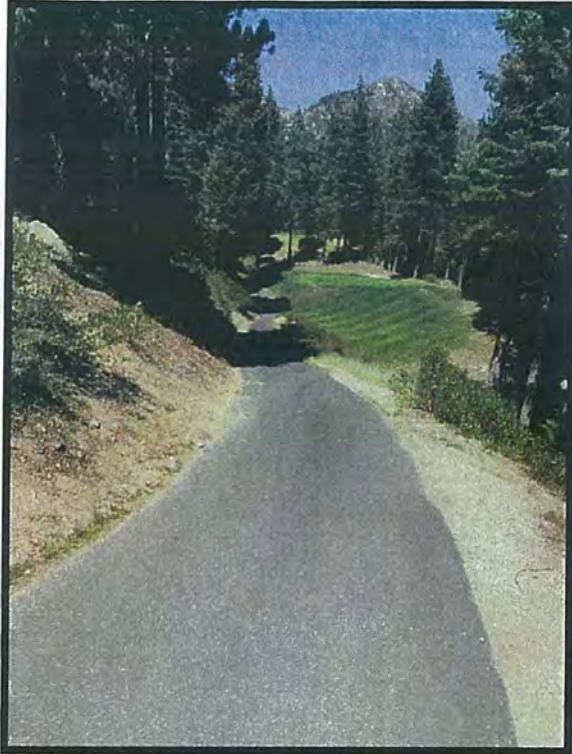
**Recommendation**

- Shouldering (1-ft width)
- Fencing or Guard Rail

**Estimated Cost**

- Unit Price - \$1.00 / LF (Shouldering)
- Unit Price - \$25.00 / LF (Fencing or Guard Rail)
- 5-ft L x 1-ft W, 5-ft L x 3-ft H
- \$5 + \$125 = \$130





**Location**

- Hole 12

**Slope Stability Issue**

- High slopes on each side of cart path

**Drainage Issue**

- Gullies forming on downhill side of cart path

**Safety Concern**

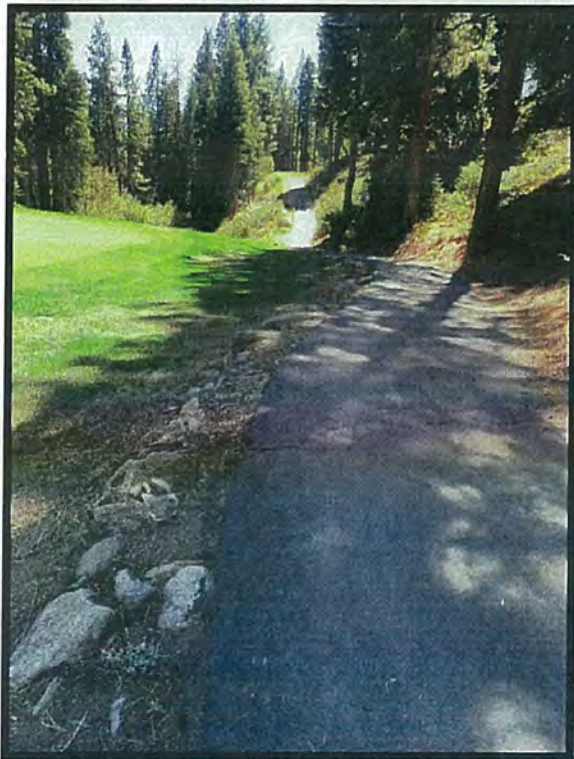
- High

**Recommendation**

- Shouldering (1-ft width, both sides)
- Fencing or Guard Rail
- Rip rap slope stabilization

**Estimated Cost**

- Unit Price - \$1 / LF (Shoulder)
- Unit Price - \$25 / LF (Fencing or Guard Rail)
- Unit Price - \$100 / SY (Rip rap)
- 300-ft L x 1-ft W (Shouldering)
- 150-ft L x 3-ft H (Fencing or Guard Rail)
- 600 SY (Rip rap)
- \$300 + \$3,750 + \$60,000 = \$64,050



**Location**

- Hole 12

**Slope Stability Issue**

- No pavement edge stability

**Drainage Issue**

- N/A

**Safety Concern**

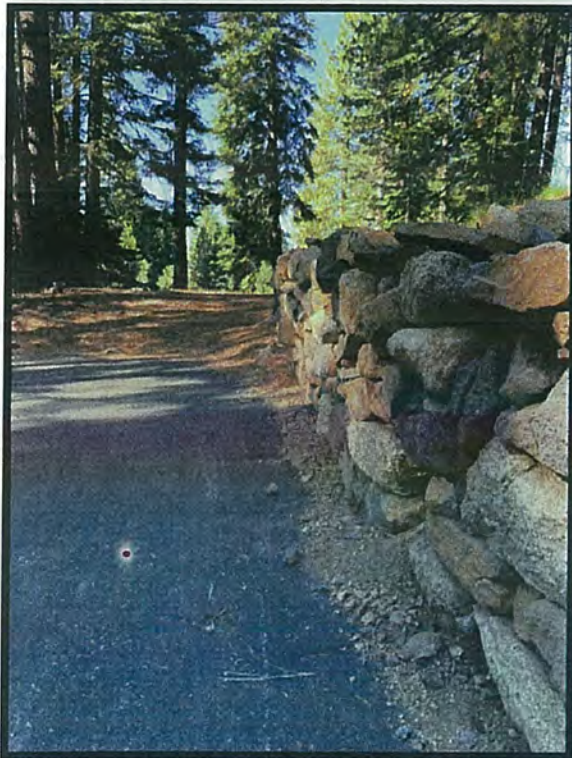
- Low

**Recommendation**

- Shouldering (1' width, one side)

**Estimated Cost**

- Unit Price - \$1 / LF
- 270-ft L x 1-ft W
- \$270



**Location**

- Hole 13

**Slope Stability Issue**

- Retaining wall is beginning to fail and is leaning toward the cart path.

**Drainage Issue**

- Drainage is causing retaining wall to lean and will eventually cause failure.

**Safety Concern**

- High

**Recommendation**

- Replace retaining wall with retaining wall + drainage rock

**Estimated Cost**

- Unit Price - \$50 / SF
- 40-ft L x 3-ft H
- \$6,000



**Location**

- Hole 13/14

**Slope Stability Issue**

- No pavement edge stability

**Drainage Issue**

- N/A

**Safety Concern**

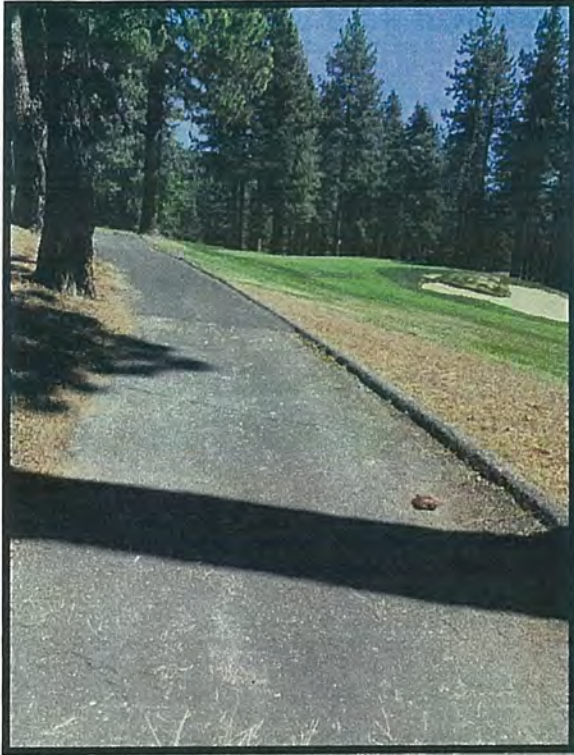
- Medium

**Recommendation**

- Shouldering (1-ft width)

**Estimated Cost**

- Unit Price - \$1 / LF
- 10-ft L x 1-ft W
- \$10



**Location**

- Hole 14

**Slope Stability Issue**

- N/A

**Drainage Issue**

- Ponding occurring at AC curb on cart path

**Safety Concern**

- Low

**Recommendation**

- 4 AC Curb cuts spaced 25' apart to allow drainage to flow onto course

**Estimated Cost**

- Unit Price - LS
- 1-ft L x 4
- \$500



**Location**

- Hole 16

**Slope Stability Issue**

- No pavement edge stability. Edge cracking is beginning to occur.
- High slopes on uphill side of cart path

**Drainage Issue**

- N/A

**Safety Concern**

- High

**Recommendation**

- Timber Barricade

**Estimated Cost**

- Unit Price - \$20 / SF
- 225-ft L x 3-ft H
- \$13,500



**Location**

- Hole 2/3

**Slope Stability Issue**

- High slope. Soil is being carried over existing retaining wall.

**Drainage Issue**

- Runoff from storm event is carrying sediment onto cart path

**Safety Concern**

- Low

**Recommendation**

- Retaining wall with drainage rock

**Estimated Cost**

- Unit Price - \$50 / SF
- 125-ft L x 3-ft H
- \$18,750



**Location**

- Hole 2/3

**Slope Stability Issue**

- N/A

**Drainage Issue**

- Runoff from storm events is carrying sediment onto cart path and is ponding at curb cuts.

**Safety Concern**

- Low

**Recommendation**

- 1-ft Wide Infiltration Trench (BMP)

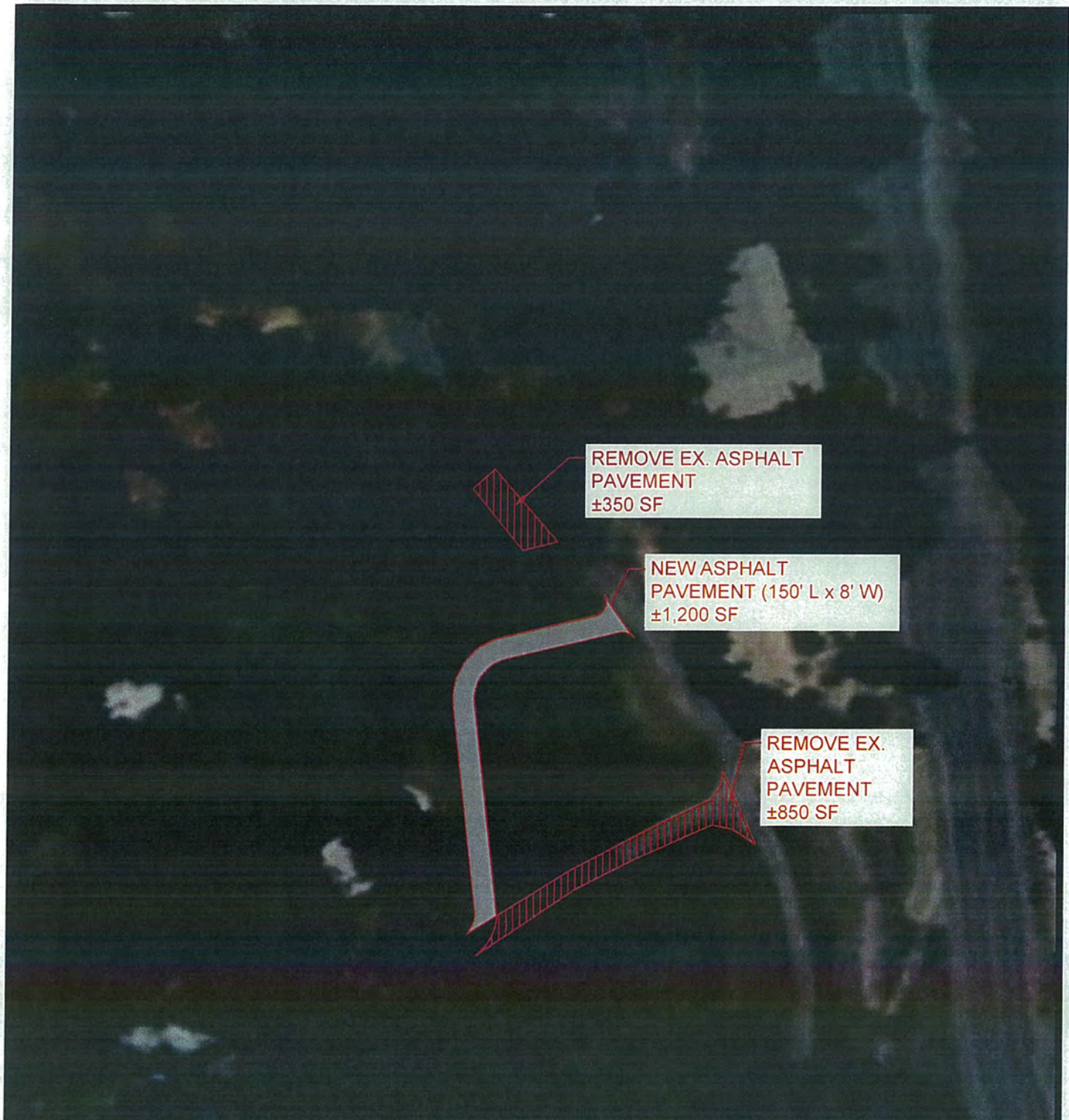
**Estimated Cost**

- Unit Price - \$18 / LF
- 20-ft L x 1-ft W x 10-in D
- \$360

# Appendix E: Circulation Problem Areas







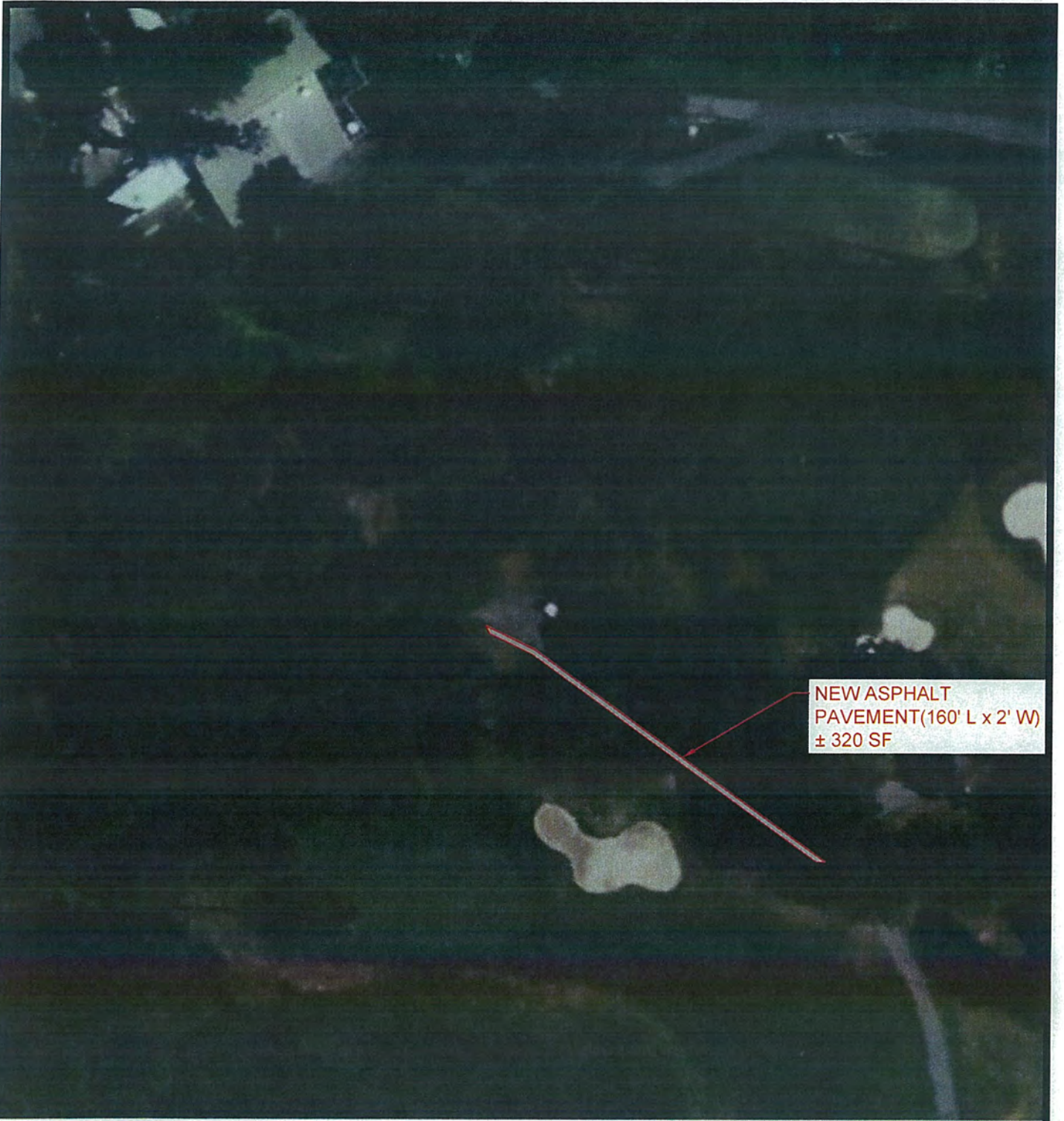
REMOVE ASPHALT PAVEMENT: ±1,200 SF  
 NEW ASPHALT PAVEMENT: ±1,200 SF  
 NEW IMPERVIOUS SURFACE: 0 SF



**LUMOS**  
 & ASSOCIATES  
 PO BOX 3570  
 STATELINE, NEVADA 89449  
 PH. (775) 588-6490

IVGID	
MOUNTAIN GOLF COURSE CART PATH	
HOLE #2 - REALIGN PATH BEHIND GREEN #2 TO TEE-BOX #3	
WASHOE	NEVADA

Date:	9/17/2020
Scale:	NTS
Job No:	10164.000
FIGURE	1.0



NEW ASPHALT  
PAVEMENT (160' L x 2' W)  
± 320 SF

REMOVE ASPHALT PAVEMENT: ±0 SF  
 NEW ASPHALT PAVEMENT: ±320 SF  
 NEW IMPERVIOUS SURFACE: ±320 SF



**L**  
**LUMOS**  
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IVGID  
 MOUNTAIN GOLF COURSE CART PATH  
 HOLE #9 - WIDEN PATH TO 10 FEET FOR REDUCED CONGESTION  
 WASHOE NEVADA

Date: 9/17/2020  
 Scale: 1" = 50'  
 Job No: 10164.000  
 FIGURE 2.0

REMOVE EX. ASPHALT  
PAVEMENT  
± 335 SF

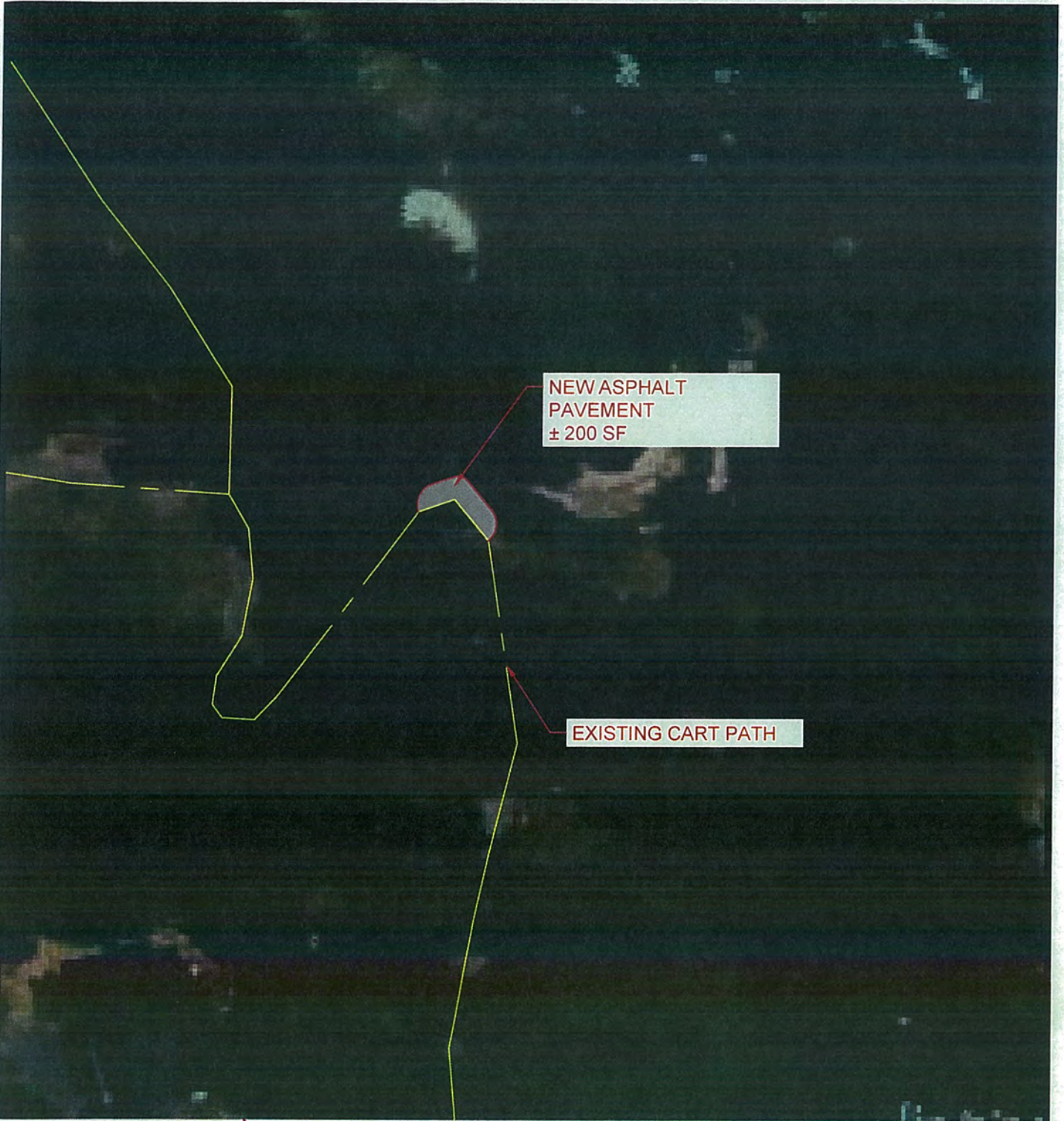
NEW ASPHALT PAVEMENT  
± 1,150 SF

REMOVE ASPHALT PAVEMENT: ±335 SF  
 NEW ASPHALT PAVEMENT: ±1,150 SF  
 NEW IMPERVIOUS SURFACE: ±815 SF



IVGID  
 MOUNTAIN GOLF COURSE CART PATH  
 HOLE #11 - SHIFT PATH TO STRAIGHTEN ROAD CROSSING TO HOLE #12  
 WASHOE NEVADA

Date: 01/22/2021  
 Scale: 1" = 50'  
 Job No: 10164.000  
 FIGURE 3.0



REMOVE ASPHALT PAVEMENT: ±0 SF  
 NEW ASPHALT PAVEMENT: ±200 SF  
 REDUCED IMPERVIOUS SURFACE: ±200 SF



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IVGID  
 MOUNTAIN GOLF COURSE CART PATH  
 HOLE #15 - NEW TURN-OUT W/ CURB AT GREEN  
 WASHOE NEVADA

Date: 9/17/2020  
 Scale: 1" = 50'  
 Job No: 10164.000  
 FIGURE 4.0

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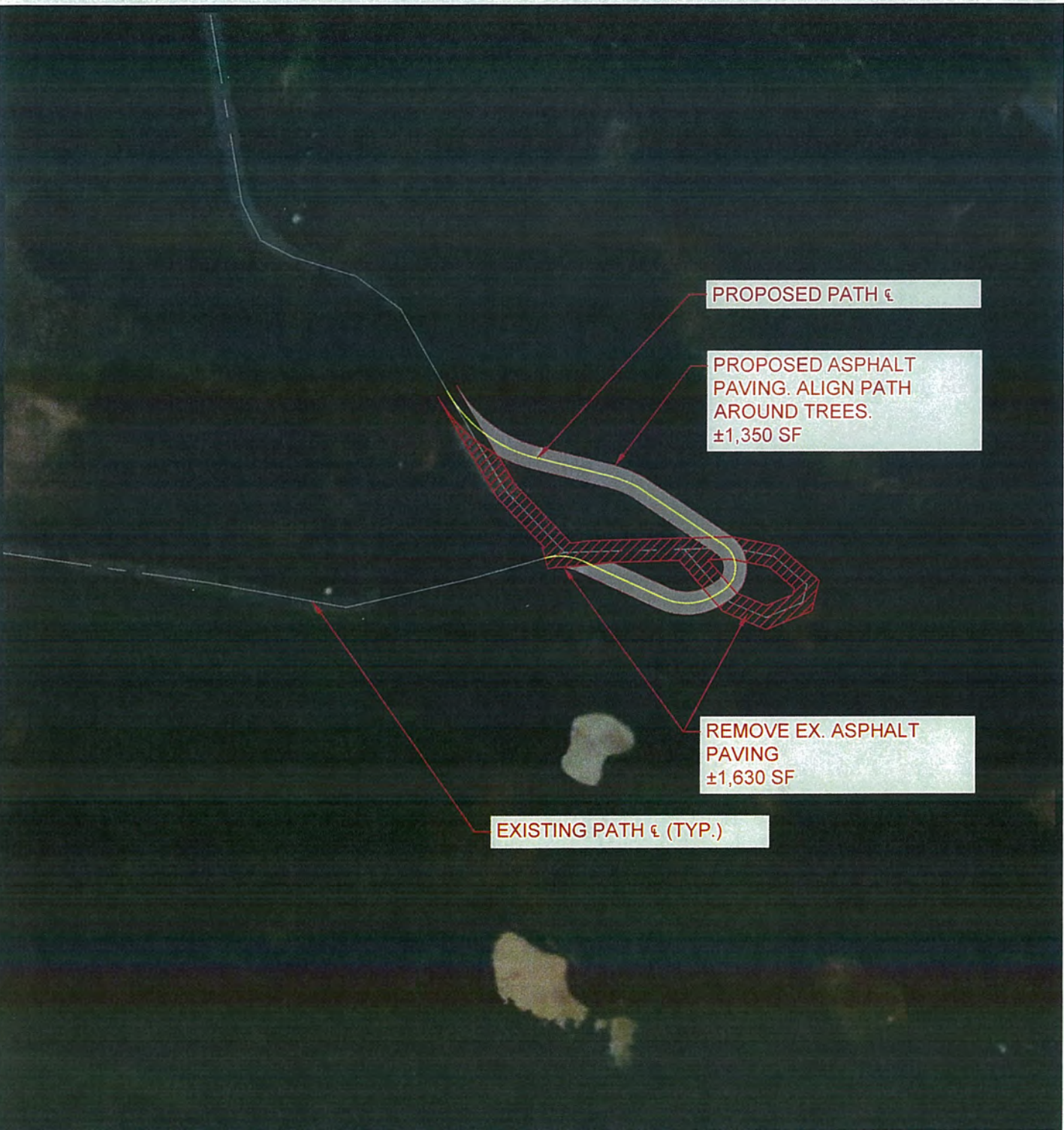
REMOVE ASPHALT PAVEMENT: ±320 SF  
NEW ASPHALT PAVEMENT: ±200 SF  
REDUCED IMPERVIOUS SURFACE: ±120 SF



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IVGID  
MOUNTAIN GOLF COURSE CART PATH  
HOLE #17 - REPLACE PERPENDICULAR TURN-OUT WITH PARALLEL TURN-OUT  
WASHOE NEVADA

Date: 9/17/2020  
Scale: 1" = 50'  
Job No: 10164.000  
FIGURE 5.0



REMOVE ASPHALT PAVEMENT: ±1,630 SF  
 NEW ASPHALT PAVEMENT: ±1,350 SF  
 REDUCED IMPERVIOUS SURFACE: ±280 SF



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IVGID  
 MOUNTAIN GOLF COURSE CART PATH  
 HOLE #9 - REALIGNMENT AT TEE #9  
 WASHOE NEVADA

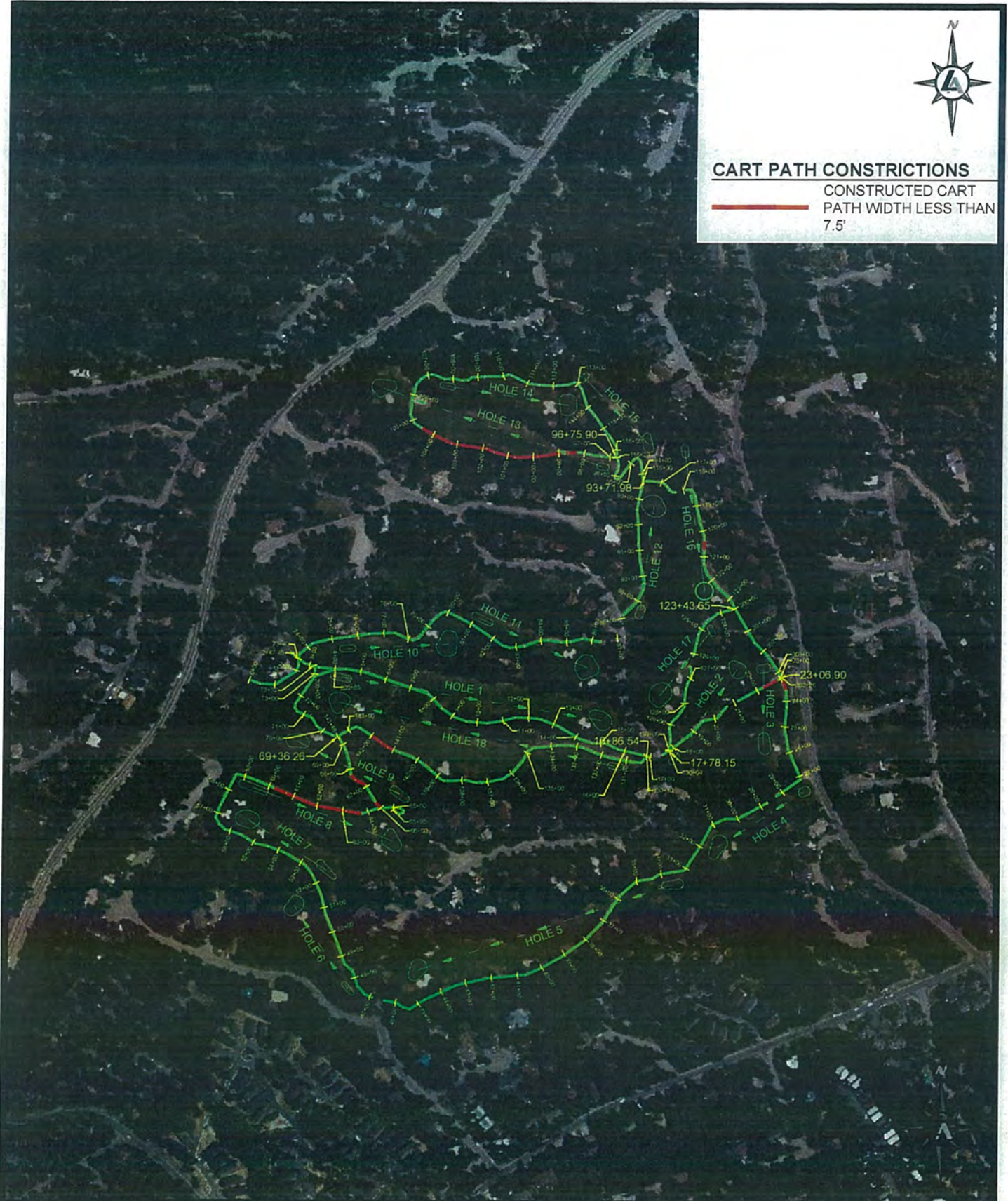
Date: 01/22/2021  
 Scale: 1" = 50'  
 Job No: 10164.000  
 FIGURE 6.0

# Appendix F: Cart Path Width



### CART PATH CONSTRUCTIONS

CONSTRUCTED CART  
PATH WIDTH LESS THAN  
7.5'



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& ASSOCIATES  
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PH. (775) 588-6490

IVGID

## MOUNTAIN GOLF COURSE CART PATH APPENDIX F: CART PATH CONSTRUCTIONS

WASHOE

NEVADA

Date: 11/24/2020

Scale: 1"=5000'

Job No: 10164.000

FIGURE 1.0



# Appendix G: Recommended Repair Logs



## High Severity Areas

The following repair log documents areas where repairs or maintenance items are recommended over the next 1 to 2 years:

High Severity - Repairs Recommended in 1-2 Years				
Station	Quantity	Distress Type	Recommended Repair	Estimated Cost
0+50 - 1+25	75 LF	Raveling	Pavement Reconstruction	\$ 9,000.00
1+25 - 2+50	125 LF	Heaved AC at trench drain, raveling, transverse cracking, longitudinal cracking	Pavement Reconstruction	\$ 15,000.00
5+00 - 7+75	41 LF	Transverse cracking, edge cracking, depression	Pavement Reconstruction	\$ 4,920.00
16+80 - 17+00	20 LF	Fatigue cracking, edge cracking	Pavement Reconstruction	\$ 4,500.00
17+00 - 17+05	5 LF	Edge cracking, bump at road crossing	Pavement Reconstruction	\$ 750.00
17+45 - 17+50	5 LF	Bump at road crossing	Pavement Reconstruction	\$ 600.00
22+00 - 22+25	25 LF	Transverse cracking	Pavement Reconstruction	\$ 3,000.00
24+15 - 24+55	40 LF	Transverse cracking, raveling	Pavement Reconstruction	\$ 4,800.00
28+75 - 33+00	850 LF (both sides)	Edge cracking, transverse cracking	Shouldering (1' width)	\$ 850.00
33+00 - 33+25	25 LF	Edge cracking, fatigue cracking, transverse cracking	Pavement Reconstruction	\$ 3,000.00
	50 LF (both sides)		Shouldering (1' width)	\$ 50.00
46+40 - 46+90	10 LF (5 LF a side)	Bump at road crossing	Pavement Reconstruction	\$ 1,200.00
52+60 - 53+10	50 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 6,000.00
53+50 - 58+65	515 LF	Fatigue cracking, edge cracking, transverse cracking	Pavement Reconstruction	\$ 61,200.00
59+00 - 66+30	730 LF	Transverse cracking, fatigue cracking, edge cracking, raveling	Pavement Reconstruction	\$ 87,600.00

74+25 - 80+50	625 LF	Fatigue cracking, edge cracking, transverse cracking, longitudinal cracking, raveling	Pavement Reconstruction	\$ 75,000.00
82+50 - 83+00	50 LF	Transverse cracking, fatigue cracking	Pavement Reconstruction	\$ 6,000.00
87+00 - 87+05	5 LF	Transverse cracking, bump at road crossing	Pavement Reconstruction	\$ 600.00
120+50 - 120+70	20 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 2,400.00
Bridge Approaches	8 EA	Heaved AC at abutments	Pavement Reconstruction	\$ 4,800.00
				\$ -
25+50 - 25+51	1 LF	Ponding water	AC Curb Cut	\$ 250.00
75+00 - 77+00	200 LF	Steep slope	Retaining Wall	\$ 30,000.00
96+00 - 96+40	40 LF	Retaining wall failure	Retaining Wall	\$ 6,000.00
111+00 - 112+00	4 LF	Ponding water	AC Curb Cuts	\$ 500.00
302+00 - 303+25	125 LF	Eroding slope	Retaining Wall	\$ 18,750.00
	20 LF	Eroding slope	Infiltration Trench	\$ 360.00
			<b>Total:</b>	<b>\$ 347,130.00</b>

**Table 1: 1-2 Year Estimated Costs – High Severity Repairs**

The table below provides a summary of the work items, quantities, and estimated costs under the high severity category to anticipate potential maintenance contract costs.

<b>Recommended Repair</b>	<b>Est. Unit Cost</b>	<b>Estimated Quantity</b>	<b>Estimated Cost</b>	<b>Detail</b>
<b>Pavement Reconstruction</b>	\$15 / SF	22,278 SF	\$334,170	3" AC Pavement, 4" aggregate base
<b>Retaining Wall (Block)</b>	\$50 / SF	915 SF	\$54,750	Block retaining wall with 1-ft of drainage rock behind wall
<b>Shouldering (1' width)</b>	\$1 / LF	920 LF	\$900	Shouldering Material Aggregate (NDOT 704.03.09)
<b>Infiltration Trench</b>	\$18 / LF	20 LF	\$360	1' width, 10" depth
<b>AC Curb Cuts</b>	LS	-	\$750	1' AC curb cuts
<b>Total</b>			<b>\$390,930</b>	

**Table 2: 1-2 Year Estimated Unit Costs - High Severity Repairs**

## Medium Severity Areas

The following repair log documents areas where repairs or maintenance items are recommended over the next 2 to 5 years:

Medium Severity - Repairs Recommended in 2-5 Years				
Station	Quantity	Distress Type	Recommended Repair	Estimated Cost
8+50 - 9+50	100 LF	Transverse cracking, edge cracking, fatigue cracking	Pavement Reconstruction	\$ 12,000.00
17+50 - 17+70	20 LF	Transverse cracking	Pavement Reconstruction	\$ 2,400.00
18+00 - 19+00	100 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 12,000.00
24+60 - 25+10	50 LF	Fatigue cracking, transverse cracking, longitudinal cracking, edge cracking	Pavement Reconstruction	\$ 6,000.00
	50 LF		Shouldering (1' width)	\$ 50.00
25+50 - 27+10	160 LF	Raveling, transverse cracking, edge cracking	Pavement Reconstruction	\$ 19,200.00
27+10 - 27+90	80 LF	Raveling, transverse cracking	Pavement Reconstruction	\$ 13,200.00
28+75 - 33+00	425 LF	Edge cracking, transverse cracking	Pavement Reconstruction	\$ 51,000.00
33+25 - 35+00	175 LF	Edge cracking, transverse cracking	Pavement Reconstruction	\$ 21,000.00
	350 LF (both sides)		Shouldering (1' width)	\$ 350.00
37+00 - 37+25	25 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 3,000.00
47+20 - 47+30	10 LF	Edge cracking, Transverse cracking	Pavement Reconstruction	\$ 1,200.00
	10 LF		Shouldering (1' width)	\$ 10.00
50+25 - 50+50	25 LF	Transverse cracking, fatigue cracking	Pavement Reconstruction	\$ 3,000.00
52+00 - 52+60	60 LF	Edge cracking	Shouldering (1' width)	\$ 60.00
67+25 - 69+00	175 LF	Fatigue cracking, transverse cracking	Pavement Reconstruction	\$ 21,000.00
69+40 - 72+00	260 LF	Transverse cracking, longitudinal cracking, edge cracking	Pavement Reconstruction	\$ 31,200.00
73+75 - 74+00	25 LF	Transverse cracking	Pavement Reconstruction	\$ 3,000.00
83+00 - 85+50	250 LF	Transverse cracking, fatigue cracking	Pavement Reconstruction	\$ 30,000.00
	250 LF		Shouldering (1' width)	\$ 250.00

86+00 - 86+50	50 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 6,000.00
	100 LF (both sides)		Shouldering (1' width)	\$ 100.00
88+05 - 88+10	5 LF	Bump at road crossing	Pavement Reconstruction	\$ 600.00
93+70 - 94+50	80 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 9,600.00
94+70 - 96+00	130 LF	Edge cracking	Shouldering (1' width)	\$ 130.00
101+00 - 101+05	5 LF	Raveling	Pavement Reconstruction	\$ 600.00
102+00 - 103+00	100 LF	Transverse cracking, fatigue cracking	Pavement Reconstruction	\$ 8,000.00
105+20 - 105+50	30 LF	Transverse cracking, edge cracking	Pavement Reconstruction	\$ 3,600.00
	30 LF		Shouldering (1' width)	\$ 30.00
118+00 - 118+40	40 LF	Transverse cracking, edge cracking, fatigue cracking	Pavement Reconstruction	\$ 4,800.00
128+75 - 129+00	25 LF	Transverse cracking	Pavement Reconstruction	\$ 3,000.00
130+60 - 132+90	230 LF	Edge cracking	Pavement Reconstruction	\$ 4,600.00
	230 LF	Edge saturation	Infiltration Trench	\$ 4,140.00
139+00 - 139+30	30 LF	Edge cracking	Pavement Reconstruction	\$ 1,200.00
	30 LF	Edge saturation	Infiltration Trench	\$ 540.00
139+50 - 139+80	30 LF	Edge cracking	Pavement Reconstruction	\$ 1,200.00
	30 LF	Edge saturation	Infiltration Trench	\$ 540.00
141+00 - 143+30	230 LF	Transverse cracking	Pavement Reconstruction	\$ 18,400.00
143+30 - 143+50	40 LF (both sides)	Edge cracking	Shouldering (1' width)	\$ 40.00
300+00 - 302+00	200 LF	Edge cracking	Shouldering (1' width)	\$ 200.00
302+00 - 303+25	125 LF	Transverse cracking, longitudinal cracking	Pavement Reconstruction	\$ 15,000.00
			<b>Total:</b>	<b>\$ 312,240.00</b>

**Table 3: 2-5 Year Estimated Costs – Medium Severity Repairs**

The table below provides a summary of the work items, quantities, and estimated costs under the medium severity category to anticipate potential maintenance contract costs.

<b>Recommended Repair</b>		<b>Est. Unit Cost</b>	<b>Estimated Quantity</b>	<b>Estimated Cost</b>	<b>Detail</b>
<b>Pavement Reconstruction</b>		\$15 / SF	21,235 SF	\$318,525	3" AC Pavement, 4" aggregate base
<b>Shouldering (1' width)</b>		\$1 / LF	1,230	\$1,220	Shouldering Material Aggregate (NDOT 704.03.09)
<b>Infiltration Trench</b>		\$18 / LF	20 LF	\$5,220	1' width, 10" depth
<b>Total</b>				<b>\$324,965</b>	

**Table 4: 2-5 Year Estimated Unit Costs – Medium Severity Repairs**

## Low Severity Areas

The following repair log documents areas where repairs or maintenance items are recommended over the next 5 to 10 years:

Low Severity - Repairs Recommended in 5-10 Years				
Station/Area	Quantity	Distress Type	Recommended Repair	Estimated Cost
Circulation Area 1	2,400 SF	Circulation Problem	Realign Path	\$ 33,600.00
Circulation Area 2	320 SF	Circulation Problem	Widen Path	\$ 5,760.00
Circulation Area 3	2,980 SF	Circulation Problem	One-Way Loop	\$ 54,775.00
Circulation Area 4	1,485 SF	Circulation Problem	New Road Crossing	\$ 36,125.00
Circulation Area 5	200 SF	Circulation Problem	New Turn Out	\$ 4,000.00
Circulation Area 6	520 SF	Circulation Problem	Replace Turn-Out	\$ 6,800.00
18+25 – 19+25	100 LF	Eroding slope	Infiltration Trench	\$ 1,800.00
71+50 - 71+55	5 LF	Eroding shoulder	Shouldering (1' width)	\$ 5.00
74+50 - 74+70	25 LF (20' downslope side, 5' upslope side)	Rider safety concern	Install fence or guard rail	\$ 500.00
	20 LF	Eroding shoulder/slope	Shouldering (1' width)	\$ 20.00
78+20 - 78+25	5 LF	Rider safety concern	Install fence or guard rail	\$ 125.00
	5 LF	Eroding shoulder	Shouldering (1' width)	\$ 5.00
89+50 - 93+70	150 LF	Rider Safety Concern	Install fence or guard rail	\$ 3,750.00
	300 LF (each side)	Eroding slope	Shouldering (1' width)	\$ 300.00
	270 LF	Eroding slope	Shouldering (1' width)	\$ 270.00
	600 SY	Gullying, eroding slope	Rip Rap	\$ 60,000.00
93+70 – 94+50	160 LF	Edge saturation	Infiltration Trench	\$ 2,880.00
106+50 - 106+60	10 LF	Eroding slope	Shouldering (1' width)	\$ 10.00
118+75 - 121+00	225 LF	Rider Safety Concern	Timber Barricade	\$ 13,500.00
			<b>Total:</b>	<b>\$ 224,225</b>

**Table 5: 5-10 Year Estimated Costs – Low Severity Repairs**



The table below provides a summary of the work items, quantities, and estimated costs under the low severity category to anticipate potential maintenance contract costs.

<b>Recommended Repair</b>	<b>Est. Unit Cost</b>	<b>Estimated Quantity</b>	<b>Estimated Cost</b>	<b>Detail</b>
<b>Remove AC Pavement</b>	\$10 / SF	3,485 SF	\$34,850	Remove existing AC pavement, off-haul, revegetation, grading
<b>New AC Pavement</b>	\$18 / SF	4,420 SF	\$79,560	3" AC Pavement, 4" aggregate base, soil compaction, grading
<b>Shouldering</b>	\$1 / LF	610	\$610	Shouldering Material Aggregate (NDOT 704.03.09)
<b>Wood Fencing or Guard Rail</b>	\$25 / LF	175 LF	\$4,375	Fencing and posts or guard rail
<b>Timber Barricade</b>	\$20 / SF	675 SF	\$13,500	Timber barricade to block rock fall from adjacent steep slope
<b>AC Curb</b>	\$20 / LF	20 LF	\$400	AC curb
<b>Infiltration Trench</b>	\$18 / LF	20 LF	\$4,680	1' width, 10" depth
<b>Rip Rap</b>	\$100 / SY	600 SY	\$60,000	Heavy Rip Rap
<b>Grading, Clearing, and Grubbing</b>	\$7 / SF	3,750 SF	\$26,250	Grading, Clearing, Grubbing
<b>Total</b>			<b>\$224,225</b>	

**Table 6: 5-10 Year Estimated Unit Costs – Low Severity Repairs**

**SHORT FORM AGREEMENT**  
Between  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
and  
**LUMOS & ASSOCIATES**  
for  
**PROFESSIONAL SERVICES**

This Agreement is made as of August 19, 2020 between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "OWNER," and **LUMOS & ASSOCIATES**, hereinafter referred to as "CONSULTANT." OWNER intends to complete the Project(s) as described in *Attachment A* and as amended from time to time, hereinafter referred to as the "Project."

**1.0 BASIC SERVICES**

The CONSULTANT shall perform the following tasks and additional services as may be included from time to time by Additional Services Addendums (ASAs) to this Agreement in accordance with Paragraph 4.2:

Services as described in Attachment "A," correspondence from Consultant dated July 8, 2020, basically consisting of professional services for work related to the evaluation of golf course cart paths at the Owner's Mountain Golf Course.

All documentation, drawings, reports and invoices submitted for this project will include IVGID Purchase Order Number 21-0032.

**2.0 OWNER'S RESPONSIBILITIES**

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

- 2.1 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 CONSULTANT's services for the PROJECT.
- 2.2 Assist CONSULTANT by placing at CONSULTANT'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 CONSULTANT'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.
- 2.3 Provide "Measured Drawings" for project.

### 3.0 PERIODS OF SERVICE

- 3.1 **General.** The provisions of Section 3 and the various rates of compensation for CONSULTANT's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the Services contained herein. CONSULTANT's obligation to render services hereunder will extend for a period which may reasonably be required for the performance of CONSULTANT's services and required extensions thereto. If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided and if such dates are exceeded through no fault of CONSULTANT, all rates, measures, and amounts of compensation provided herein shall be subject to equitable adjustment.
- 3.2 It is agreed that time is of the essence and the Project shall be completed by no later than October 15, 2020.

### 4.0 PAYMENT TO CONSULTANT

#### 4.1 Methods of Payment for Services and Expenses of CONSULTANT

##### 4.1.1 Compensation Terms Defined

- 4.1.1.1 "Per Diem" shall mean an hourly rate(s) as indicated in Attachment "A" to be paid to CONSULTANT as total compensation for each hour(s) of each employee of CONSULTANT work(s) on the Project, plus Reimbursable Expenses.
- 4.1.1.2 "Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with the Project, including, but not limited to subconsultants or SubCONSULTANT costs, transportation and subsistence incidental thereto, obtaining bids or proposals from CONSULTANT(s), toll telephone calls, express mail and telegrams, reproduction of Reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Section 1. In addition, Reimbursable Expenses will also include expenses incurred for main frame computer time and other highly specialized equipment, including photographic production. Reimbursable Expenses will include a ten percent (10%) markup over CONSULTANT's cost.

##### 4.1.2 Basis and Amount of Compensation for Basic Services. Compensation shall be as indicated in Attachment "A", with a Not to Exceed amount of Twenty-Seven Thousand Five Hundred Dollars (\$27,500.00).

#### 4.2 Basis and Amount of Compensation for Additional Services

Compensation for Additional Services shall be on the basis of Per Diem or Lump Sum, to be agreed upon at the time of request for Additional Services. The estimated amount of Additional Services will be determined at the time the Additional Services are requested.

### **4.3 Intervals of Payments**

Payments to CONSULTANT for Basic and Additional Services rendered and Reimbursable Expenses incurred shall be made once every month by OWNER. CONSULTANT's invoices will be submitted once every month and will be based upon total services completed at the time of billing. OWNER shall make prompt payments in response to CONSULTANT's invoices.

### **4.4 Other Provisions Concerning Payments**

- 4.4.1** If OWNER fails to make any payment due CONSULTANT for services and expenses within 30 days after receipt of CONSULTANT's statement, the amounts due CONSULTANT will be increased at the rate of one percent (1%) per month from date of OWNER's receipt of invoice.
- 4.4.2** If the Project is suspended or abandoned in whole or in part for more than 90 days, CONSULTANT shall be compensated for all services performed prior to receipt of written notice from the OWNER of such suspension or abandonment, together with Reimbursable Expenses then due.
- 4.4.3** If any items in any invoices submitted by CONSULTANT are disputed by OWNER for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER shall promptly notify CONSULTANT of the dispute and request clarification and/or remedial action. After any dispute has been settled, CONSULTANT shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice.

## **5.0 GENERAL CONSIDERATIONS**

### **5.1 Termination**

- 5.1.1** This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.
- 5.1.2** This Agreement may be terminated in writing (delivered by certified mail, return receipt requested) by OWNER for its convenience.
- 5.1.3** Upon any termination, CONSULTANT shall (1) promptly discontinue all Services affected (unless a termination notice from OWNER directs otherwise); and (2) deliver or otherwise make available to OWNER upon full payment for services rendered to the date of termination, all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by CONSULTANT in performing this Agreement, whether such materials are completed or in process. All payments due CONSULTANT at termination shall be made by OWNER.

## **5.2 Ownership of Documents**

The original documents, plans, electronic files, studies or reports prepared under this Agreement, for which the OWNER pays compensation to the CONSULTANT, except working notes and internal documents, shall become and remain the property of the OWNER, and upon payment of said compensation shall be surrendered to the OWNER upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by the OWNER. The CONSULTANT may retain copies of said Work in their files, but such Work shall not be released to any other party or reused by the CONSULTANT without the express written consent of the OWNER. Reuse of any of these drawings, specifications or other work products of the CONSULTANT by the OWNER for other than the specific project covered in this Agreement without the written permission of the CONSULTANT shall be at the OWNER's risk; provided that the CONSULTANT shall not be liable for any claims or damages arising out of such unauthorized reuse by the OWNER or by other's actions through the OWNER.

## **5.3 Professional Liability Insurance**

5.3.1 CONSULTANT shall maintain professional liability insurance for protection against claims arising out of performance of services under this Agreement caused by negligent acts, errors, or omissions for which "PROFESSIONAL SERVICES" is legally liable for a period of five (5) years thereafter, if available and reasonably affordable. The professional liability policy shall provide a minimum coverage of \$1,000,000. CONSULTANT shall maintain the existing retroactive date on all future policies with the same insurance company and attempt to do so if CONSULTANT changes insurance companies. In the event that CONSULTANT goes out of business during the instant period, CONSULTANT shall purchase, at the request of OWNER, an extended reporting period.

5.3.2 Should CONSULTANT's normal professional liability coverage be less than the minimum required amount, CONSULTANT may purchase project insurance or obtain a rider on his normal policy in an amount sufficient to bring CONSULTANT's coverage up to minimum requirements.

## **5.4 Controlling Law**

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

## **5.5 Successors and Assigns**

5.5.1 The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by Paragraph 5.5.2, their assigns, to the terms, conditions, and covenants of this Agreement.

5.5.2 Neither OWNER nor CONSULTANT 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.

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 CONSULTANT from employing such independent professional associates, subCONSULTANTS, and consultants as CONSULTANT may deem appropriate to assist in the performance of Services.

- 5.5.3** 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 CONSULTANT, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of OWNER and CONSULTANT and not for the benefit of any other party.

## **5.6 Dispute Resolution**

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 Section 5.6 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 CONSULTANT 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 CONSULTANT 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 CONSULTANT 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 CONSULTANT fails to object or withdraw from the agreement. If mediation shall be unsuccessful, either OWNER or CONSULTANT may then initiate judicial proceedings by filing suit. OWNER and CONSULTANT will share the cost of mediation equally unless agreed otherwise.

## **5.7 Equal Employment and Non-discrimination**

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

## **5.8 Indemnification**

Indemnification of OWNER by CONSULTANT: CONSULTANT 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 CONSULTANT's negligent acts, errors or omissions or by the negligent acts, errors or omissions of CONSULTANT's subconsultants, agents, or anyone acting on behalf of or at the direction of CONSULTANT.

CONSULTANT'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 CONSULTANT at the then-current rate charged for such services by the private sector.

Indemnification of CONSULTANT by OWNER: OWNER agrees to indemnify and hold CONSULTANT 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 OWNER's subconsultants, agents or anyone acting on behalf of, or at the direction of, the OWNER.

OWNER's obligation to hold harmless and indemnify CONSULTANT shall include reimbursement to CONSULTANT of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by CONSULTANT's personnel shall be charged to OWNER at the then-current rate charged for such services by the private sector.

Notwithstanding anything contained herein to the contrary, Nevada's comparative negligence doctrine shall apply to both OWNER and CONSULTANT. In addition, nothing herein shall prevent OWNER or CONSULTANT from relying upon any Nevada statute or case law that protects OWNER or CONSULTANT with respect to liability or damages. This Provision shall survive the termination, cancellation or expiration of the Agreement.

## **5.9 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.

## **5.10 Licenses**

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

**5.11 Severability**

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.

**5.12 Waiver**

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.

**5.13 Extent of Agreement**

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 CONSULTANT's services.



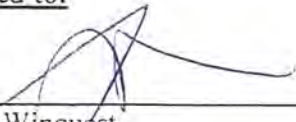
IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

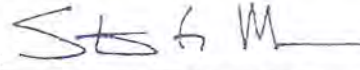
**OWNER:**  
**INCLINE VILLAGE G. I. D.**

**CONTRACTOR:**

Agreed to:

Agreed to:

By:  8/24/20  
Indra Winquest  
General Manager

By:  08-20-2020  
*Sign AND Print or Type Name*  
Steven G. Moon  
Construction Division Director

Address for Giving Notice:  
**Incline Village GID**  
893 Southwood Boulevard  
Incline Village, NV 89451

Attest:

  
*Sign AND Print or Type Name*  
Brian Harer  
Project Manager - Construction Division

If CONTRACTOR is a Corporation, attach evidence of authority to sign.

Address for Giving Notice:  
**Lumos and Associates**  
9222 Prototype Drive  
Reno, NV 89521

Washoe County  
Business License No. W039803A-LIC

**CORPORATE RESOLUTION  
OF  
LUMOS HOLDING INC.**

We the undersigned, being of Lumos Holding Inc., organized and existing under the laws of Nevada, and having its principal place of business at 9222 Prototype Drive, Nevada 89521 (the "Corporation"), hereby certify that the following is a true and correct copy of a resolution adopted at a meeting of the Corporation duly held and convened on October 22, 2019, at which a quorum of the Board of Directors was present and voting throughout, and that such resolution has not been modified, rescinded or revoked, and is at present in full force and effect:

Therefore, it is resolved:

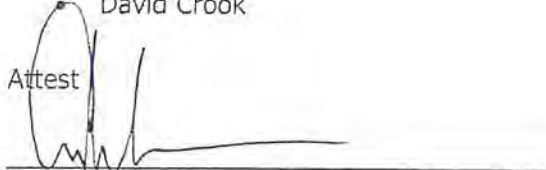
The Board of Directors authorizes the employees in the following positions to sign proposals, contracts, addendums, sub-consultant agreements, and purchase orders:

- CEO
- COO
- Principal
- Division Director

Individuals are authorized to sign proposals, contracts, addendums, and sub-consultant agreements, utilizing Corporation standard documents up to \$100,000:

- Tim Russell
- Mitch Burns
- Dean Neubauer
- Michelle Gamble
- David Crook

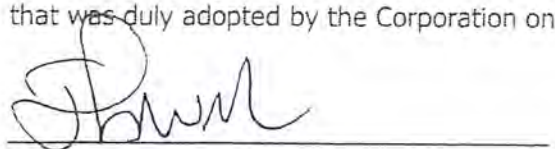
Attest

  
\_\_\_\_\_  
Craig Wesner  
President

11/15/20  
~~12/15/20~~  
\_\_\_\_\_  
Date

Certificate of Secretary

The Secretary of the Corporation hereby certifies that he is duly elected and qualified Secretary of Lumos Holding Inc. and certifies that the above is true and correct record of the resolution that was duly adopted by the Corporation on October 22, 2019.

  
\_\_\_\_\_  
Thomas Young  
Secretary

10/22/19  
\_\_\_\_\_  
Date



Carson City • Fallon • Lake Tahoe • Reno

[www.lumosinc.com](http://www.lumosinc.com)

**Reno**  
9222 Prototype Drive  
Reno, Nevada 89521  
775.827.6111

July 8, 2020

LA20.481

Mike Lefrancois, P.E., Senior Engineer  
Incline Village General Improvement District – Public Works  
1220 Sweetwater Road  
Incline Village, Nevada 89451

**Subject: Incline Village General Improvement District – Mountain Golf Course Pathway Evaluation**

Dear Mike:

Lumos and Associates, Inc. (Lumos) is pleased to provide you with this proposal for professional services for the work related to the evaluation of the Mountain Golf Course pathway system maintained by the Incline Village General Improvement District (IVGID).

### **Project Understanding**

The scope of services included in this proposal has been developed with the goal of compiling recommendations and a preliminary cost estimate for maintenance or rehabilitation of the existing Mountain Golf Course pathway system.

We propose the following tasks to assist you with your project.

### **Project Scope**

#### **Task 1 – Pathway Evaluations**

Lumos will perform a pavement evaluation of the existing conditions. This assessment will include evaluation of existing asphalt pavement distresses, previous surface treatments, golf cart ride quality, drainage facilities, BMP evaluation, impacts from tree roots and groundwater springs, slope failure, irrigation issues, access restrictions, and asphalt concrete curbing. This task includes two (2) coordination meetings with IVGID and Mountain Golf Course staff.

#### **Task 2 – Pathway Bridges Structural Evaluation**

Lumos will perform a visual inspection to assess the condition of the three bridges, including the bridge decks, superstructure components, and abutments. A report summarizing the results of our inspection will be prepared and will include general recommendations for repair and/or replacement and an associated budgetary cost estimate.

### **Task 3 – Geotechnical Investigation**

For the current scope of work, we propose a field investigation that will consist of approximately eight (8) to ten (10) core excavations within the area proposed for maintenance/reconstruction. Lumos will collect samples of each soil type encountered within the core excavation and document the existing pavement structural section. We understand Lumos will provide the coring services.

Lumos & Associates, Inc. herein proposes to provide laboratory testing on the samples collected. Additionally, we propose to perform engineering analyses and calculations and develop a report that will discuss the site conditions, field and laboratory test data, and our conclusions and recommendations from a geotechnical perspective. Our Geotechnical Investigation will be supervised by a Registered Professional Engineer in the State of Nevada and will specifically include the following services:

Field Investigation will include:

- Identification of All Corehole Locations
- Soil Sampling/Coring

Laboratory analysis may include:

- Atterberg Limits
- R-Value
- Grain Size Analysis (including fines and moisture content)

Report, Recommendations, and Conclusions:

- Table of Contents
- Project Location, Background, and Purpose
- Exploration Logs and Maps
- Site Conditions
- Field Investigation
- Soil Types and Classifications
- Laboratory Test Results
- Site Preparation Recommendations
- Pavement Structural Design & Recommendations
- Construction Procedures
- Ground Water Depth, if Encountered
- Slope Stabilization Recommendations

### **Task 4 – Design Memorandum and Preliminary Cost Estimate**

Lumos will prepare a design memo which will summarize the findings for the pathway system, including pavement condition, ride quality, pathway widths, adjacent slopes, tree impacts, irrigation issues, and drainage facilities. Utilizing guidance provided by USGA, GCSAA, ASGCA, and local design standards, Lumos will provide pavement maintenance improvement or reconstruction recommendations, anticipated design effort, and discussion on constructability of the proposed

improvements. Based on these findings, Lumos will also provide recommendations on project phasing and prepare a preliminary cost estimate.

**Assumptions / Exceptions**

Lumos has made the following assumptions in preparation of this proposal:

- IVGID will provide access to all facilities to be included in the assessment.
- This scope does not include any bid documents, design plans, survey, permitting or related work.
- This scope does not include preparation of structural repair documents.
- This scope does not include any soil and/or groundwater contamination evaluation at the site.
- This scope does not include an investigation of impacts to existing irrigation facilities.
- The work can be completed within 4-5 weeks once authorized to proceed.

**Fees**

The tasks described in the Scope of Work will be completed for the following fees:

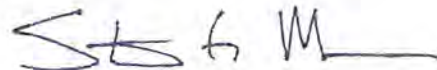
Task	Description	Fee
Task 1	Pathway Evaluations	\$ 7,800
Task 2	Pathway Bridges Structural Evaluation	\$ 6,500
Task 3	Geotechnical Investigation	\$ 7,200
Task 4	Design Memo & Preliminary Cost Estimate	\$ 6,000
Total:		\$ 27,500

Tasks 1 through 4 are time and materials (T&M) not to exceed without prior authorization. Lumos will be happy to amend this proposal as necessary to include services not included or to amend the proposed services to better match the scope of services required by IVGID. Thank you again for allowing Lumos to provide you with this proposal. Please do not hesitate to contact myself or Steve Moon at 775.827.6111 if you have questions or concerns as we would happy to discuss them with you.

Sincerely,



Brian Harer  
Project Manager, Construction Division



Steven G. Moon, P.E.  
Director, Construction Division

∞ ADDITIONAL SERVICES ADDENDUM (ASA) #1 ∞  
to SHORT FORM AGREEMENT dated August 19, 2020  
between  
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
and  
LUMOS & ASSOCIATES, INC.  
for PROFESSIONAL SERVICES

This ASA, dated **date**, shall amend the referenced agreement to include the following project with relevant description, compensation, and schedule addressed herein.

**PROJECT DESCRIPTION**

Consultant shall provide engineering and related services for Phase 1 of the Mountain Golf Course Cart Path Reconstruction Project. Work is more fully described in the attached Exhibit A, Consultant's Proposal for Engineering Services, dated March 1, 2021.

**PAYMENT TO CONSULTANT**

Payment to be as follows:

1. Task 1 will be billed as a Lump Sum fee.
2. Tasks 2 and 3 will be billed on a Time and Materials basis, with total not to exceed amounts of \$39,800 and \$4,300, respectively.
3. Tasks 4 and 5 will be billed under the allowance amounts indicated on Consultant's Proposal, at \$5,000 and \$1,000, respectively.
4. All invoices and correspondence are to reference **PO TBD**.
5. Total Not to Exceed amount of this work will be **\$75,100.00**.

**PERIOD OF SERVICE**

It is anticipated that services shall be begin on or about **March 11, 2021** and be substantially completed by **July 14, 2021**.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**The undersigned has read, reviewed**  
**and approves this document**

By:

\_\_\_\_\_  
Joshua Nelson  
District General Counsel

\_\_\_\_\_  
*Date*

**Agreed to:**

\_\_\_\_\_  
Indra Winquest  
IVGID General Manager

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Div. Phone

**CONTRACTOR:**  
**LUMOS & ASSOCIATES, INC.**  
**Agreed to:**

By:

\_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

If Contractor is a corporation, attach evidence of authority to sign.

Contractor's address for giving notice:  
**Lumos & Associates, Inc.**  
9222 Prototype Drive  
Reno, Nevada 89521



Carson City • Fallon • Lake Tahoe • Reno

[www.LumosInc.com](http://www.LumosInc.com)

**Lake Tahoe**  
225 Kingsbury Grade, Suite A | P.O. Box 3570  
Stateline, Nevada 89449  
775.588.6490

March 1, 2021

Via email: [npc@ivgid.org](mailto:npc@ivgid.org)

Mr. Nathan Chorey, P.E.  
Incline Village GID  
1220 Sweetwater Road  
Incline Village, NV 89451

**Subject: Mountain Golf Course Cart Path Reconstruction – Phase 1  
Proposal for Engineering Services (LA21.138)**

Dear Mr. Chorey:

Lumos and Associates, Inc. is pleased to provide you with this proposal for engineering and related services for Phase 1 of the Mountain Golf Course Cart Path Reconstruction Project (Project).

### **Project Understanding**

The proposed project is located on an approximately 68.22 acre site (APNs: 128-351-01, 128-352-01, 128-220-02), located at 690 and 687 Wilson Way, Incline Village, NV 89451. It is our understanding that the scope of work for this project is to design a phased approach to a complete cart path reconstruction project, as recommended under Alternative #2 in the Pavement Evaluation & Recommendations report prepared by Lumos & Associates, dated February 2021. Full reconstruction of the cart path system would allow for better control of construction methods for a uniform pavement section, increasing the service life of the path, while providing an economy of scale with construction quantities as opposed to a spot repair approach. The project will also involve cart path circulation improvements in six locations in order to improve circulation of golf cart traffic and will also include implementation of best management practices (BMPs) for water quality.

Mountain Golf Course Cart Path Reconstruction – Phase 1 includes preparation of a base map and preliminary engineering drawings (50% Design) for the entire Mountain Golf Course cart path system. These drawings will then be submitted to Incline Village General Improvement District (IVGID) for review and utilized to identify a portion of the project that can be constructed in Fall 2021. Existing pavement condition, site access, permitting, IVGID budget, and impacts to the golf course will be studied to determine the exact limits of the Project. It is anticipated that improvements exceeding the thresholds defined in IVGID's Memorandum of Understanding (MOU) with TRPA will be constructed in future phases so that permitting requirements do not delay Phase 1 work.

We propose the following tasks to assist you with your project:

### **Project Scope**

#### **Task 1 – Topographic Mapping**

Lumos will prepare a Topographic Survey Map at 1" = 20' scale with 1 foot contour interval accuracy in accordance to National Map Accuracy Standards for the area indicated on the attached exhibit. The total area to be surveyed consists of approximately 14,600 lineal feet of cart path corridor, covering the entire golf course cart path system. The survey will be conducted by conventional



ground based surveying methods. Contours and a surface model will be generated in the Civil3D format.

In addition, the entire 68-acre site will be flown and photographed by a fixed wing aircraft to create a digital orthophoto and to allow for mapping expansion beyond the cart path corridor as may be needed.

Control for the project will be referenced to the Nevada Coordinate System, West Zone, NAD83, modified to ground, and the vertical datum for the project will be referenced to NAVD88. Parcel boundaries and right-of-way lines will be shown from available GIS information. This scope of services does not include any boundary survey work or the placement of property corners. Deliverables for this project will be a portable document format file (.pdf) and an AutoCAD file of the survey map and the orthophoto image file.

The topographic mapping will be completed under this phase for the multi-phase cart path reconstruction project. It is anticipated that additional survey will not be needed to design future phases of the project.

### **Task 2 – Civil Improvement Plans**

This task will include preparation of civil construction drawings in a phased approach. As requested, we will prepare 50% design plans for the reconstruction of the entire cart path system and all proposed realignments for circulation improvements, along with selected BMPs identified in the Pavement Evaluation & Recommendations report. We will submit these plans to IVGID for review and comment. We will address one round of IVGID review comments on the full plan set and consider these 60% design plans.

We will review the 50% design documents with IVGID in order to determine the limits for the initial phase of a two or three phase construction project. We will incorporate IVGID review comments and progress the first phase of improvements to 100% design for review by Washoe County and IVGID for permitting of the project improvements. 100% design for subsequent phases of construction will be provided under a separate scope of services. The drawings will be prepared on 24"x36" format sheets and at a standard engineering scale as required by Washoe County. Engineer's estimates of probable construction costs will be provided for the 50% design of the entire cart path system and for the 100% design of Phase 1 improvements.

Construction drawings will include the in-place cart path reconstruction areas, select BMP improvements, and proposed cart path realignments for circulation improvements. Dimensions and grading will be provided as required for construction. The design or relocation of any utilities, including irrigation lines is not included in this fee proposal.

### **Task 3 – Bid Assistance – Phase 1**

Under this task, Lumos will prepare bid/contract documents for contractor bidding for the first phase of construction. Bid documents will include technical specifications and bid items descriptions as necessary for Phase 1 of construction. We will also provide assistance with public project advertisement, bid evaluation, recommendation for award. Lumos will also be available to answer bidder questions during the bid phase. Shop drawing review, plan revisions, field changes, and other

construction services are not included, but can be included in a separate construction services proposal.

#### **Task 4 – TRPA Compliance & Permitting**

Under this task, Lumos will provide all TRPA required submittals, coordination, mapping, checklists, and notifications required for the proposed project. Washoe County coordination and processing of requested revisions of the civil improvement plans will be completed under this task. This scope includes mapping of land classification, land capability, and coverage, BMP infiltration calculations (if necessary), permitting requirements, and submittals required for qualified exempt work.

Due to the uncertainty in earth disturbance quantities and permitting requirements, the efforts required under this task cannot be anticipated and will be performed on a time and materials (T&M) basis, with an initial allowance of \$5,000. Services provided under this task are only to be performed at the direction of IVGID.

#### **Task 5 – Reimbursables**

Any fees or other associated project costs incurred by Lumos and Associates to obtain copies of previous plans or reports, additional mapping, permit fees paid by Lumos, or other unforeseen reimbursable expenses will be billed under this task at cost plus 15%. Additional production of plans and specifications as requested by the client will also be billed under this task on a time and materials basis in accordance with our current fee schedule.

#### **Deliverables**

The following are the deliverables identified for each respective task:

- Task 1 – Orthophoto and Base Map (PDF & .dwg)
- Task 2 – 50% Design Documents (drawings only) of entire cart path system (PDF & .dwg)
  - 100% Design Documents of Phase 1 Project (PDF, .dwg, and Word documents)
  - Written response to 50% Design comments (PDF)
- Task 3 – Final bid documents
- Task 4 – No deliverables
- Task 5 – Receipts for services rendered

#### **Assumptions / Exceptions**

Lumos has made the following assumptions in preparation of this proposal:

- Proposed improvements will be located entirely within APNs 128-351-01, 128-352-01, 128-220-02.
- Any proposed TRPA land coverage purchase, sale, or transfer is excluded.
- Submittals to agencies other than IVGID, Washoe County and TRPA are excluded.
- This scope does not include preparation of a drainage report.
- Utility extensions are not included in the scope of this proposal.
- Landscape, irrigation, lighting and electrical design are excluded from this proposal.
- Documents will include a performance specification to ensure Contractor is responsible for impacts cause by Project.
- Design of underground storm drain improvements, retention, or detention areas is not included in this proposal.
- IVGID will provide boiler plate general conditions and contract documents for bidding purposes.

- IVGID will award and manage the project during construction. Otherwise, Lumos can provide a separate proposal for these services.
- This proposal does not include scope for construction administration/assistance/management, construction staking, inspection, or materials testing.

**Fees**

The tasks described in the Scope of Work will be completed for the following fees:

Task	Description	Fee
Task 1	Topographic Mapping	Lump Sum \$25,000
Task 2	Civil Improvement Plans	T&M (NTE) \$39,800
Task 3	Bid Assistance - Phase 1	T&M (NTE) \$4,300
<b>Total:</b>		<b>\$69,100</b>
Task 4	TRPA Compliance & Permitting	Allowance \$5,000
Task 5	Reimbursables	Allowance \$1,000

Task 1 will be a Lump Sum fee, Tasks 2 and 3 will be billed on a T&M basis, with a not-to-exceed amount as indicated above. Tasks 4 and 5 will be performed as directed by IVGID and billed under the allowance amounts indicated. Receipts will be provided for reimbursable expenses incurred under Task 5.

The Project is anticipated to proceed in accordance with the attached schedule. Please understand that this schedule may vary due to weather, extents of project limit defined under Phase 1, permitting requirements, or other unforeseen circumstances. If this proposal is acceptable, please execute the attached contract and provisions and return the same to our office. Any additional services requested but not covered by this Scope of Work can be provided by an amendment to this proposal. The attached Standard Provisions of Agreement are a part of this proposal.

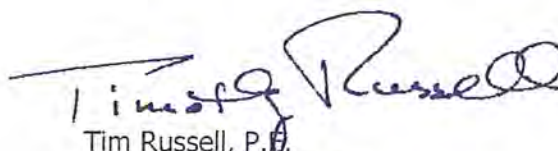
Lumos and Associates, Inc. will send monthly progress billings on this project. The amount of these billings will be based upon the percentage of work completed. The terms are 'Due Upon Receipt' and accounts are past due after 30 days. Accounts over 30 days old will be subject to interest at the rate of 1 1/2% per month and such collection action as may be necessary to collect the account. In addition, a "Stop Work Order" may be issued on past due accounts. In this case, no further work will be performed until the account is brought current.

Thank you again for allowing Lumos and Associates to provide you with this proposal. Please do not hesitate to call me if you have questions.

Sincerely,

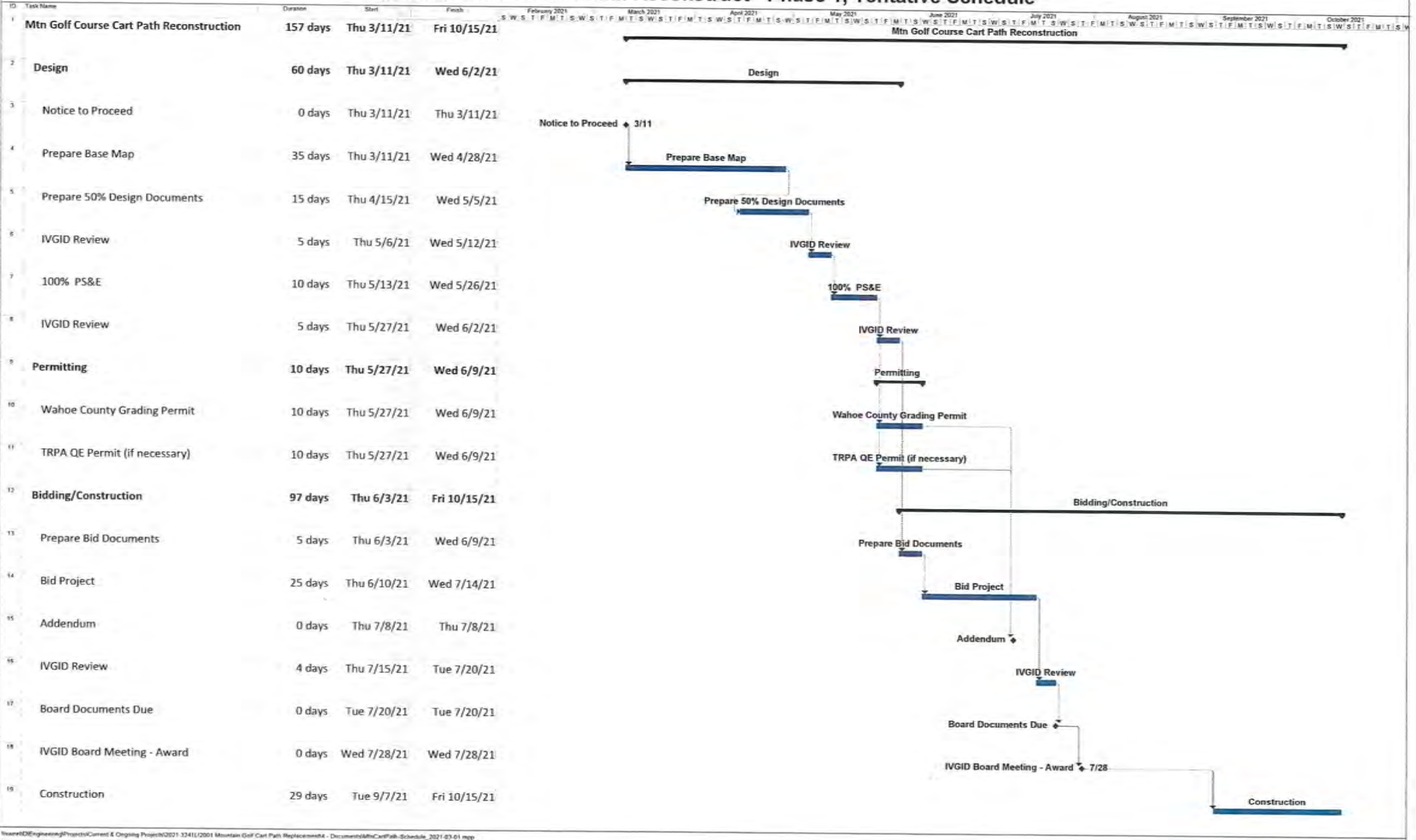


Justin Sand, P.E.  
Project Manager



Tim Russell, P.E.  
Director of Engineering

### Mtn Golf Course Cart Path Reconstruct - Phase 1, Tentative Schedule



## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Mike Bandelin  
Diamond Peak General Manager

**SUBJECT:** Review, Discuss and Possibly Approve Diamond Peak Ski Resort's 2021-2022 Picture Pass Holder daily ticket and Picture Pass Holder/Non Picture Pass Holder season pass Key Rate proposal.

**STRATEGIC PLAN:** Long Range Principle #2 - Finance

**DATE:** March 1, 2021

---

### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees makes a motion to:

1. Approve a zero-dollar increase to all Picture Pass Holder season passes and daily ticket products for fiscal year 2021-2022.
2. Approve a Fiscal Year 2021/2022 non Picture Pass Holder full season pass rate increase to pass products as shown in Table 1 of the memorandum.
3. Authorize Staff to practice yield management with non Picture Pass Holder full season pass products included in (Tier 3) of the date based pricing proposal.

### **II. DISTRICT STRATEGIC PLAN**

The Season Pass Sale Program supports the Long Range Principle #2 Finance; The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvements, and debt management.

### III. BACKGROUND

The District operated ski area provides a sale of a season long ski passes to the Picture Pass Holders and non Picture Pass Holders as well as Picture Pass Holder daily ticket products. The Picture Pass Holder ski passes as well the daily ticket products are sold at a reduced rate as compared to non-resident passes and ticket products.

During the March 11, 2020 Board of Trustees meeting, Staff recommended a zero dollar increase to the Picture Pass holder pass products including no rate changes to Picture Pass Holder daily lift ticket products. Staff also recommended a (\$10.00) increase to non Picture Pass Holder pass products within all pricing tiers. The Board of Trustees and staff discussed the recommendation and the Board of Trustees unanimously approved the recommendation of a zero dollar increase to fiscal year 2020-2021 Picture Pass Holder daily ticket and season pass rates. The Board of Trustees also approved a (\$20.00) increase to non Picture Pass Holder - resident pass products in all date-based pricing tiers and age groups with the exception of age (6) and under and Super Senior rates.

Staff will initiate a Fiscal Year 2021-2022 Diamond Peak season pass sale on or around March 16, 2021, and continue with the 3-tiered pricing structure for season passes as adopted last season, with (Tier 1) rates available through April 30, 2021; (Tier 2) rates available from May 1 – October 31, 2021; and (Tier 3) rates available from November 1, 2021 through the end of the ski season 2022.

This recommendation is proposing the IVGID Picture Pass Holder season passes and daily ticket rate structure remain consistent with no change from the 2020-2021 rates for the 2021-2022 season. Staff will note that the current rates for Picture Pass Holder day tickets have not changed since the 2010-2011 season. The Tables below provide the proposed Picture Pass Holder Key Rates for the 2021-2022 fiscal year.

Picture Pass Holder Daily Ticket Rates 2021-2022

Age Group	Value / Weekend	Peak Period
Adult	\$25	\$35
Youth/Senior	\$20	\$30
Child	\$15	\$20
Beginer	\$18	\$28
6 & under / 80 +	Free	Free

Picture Pass Holder Full Season Pass Rate

	FY 2021	FY 2022	FY2021	FY2022	FY 2021	FY 2022
Full	Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
Adult	\$289	\$289	\$319	\$319	\$349	\$349
Youth	\$139	\$139	\$159	\$159	\$189	\$189
Child	\$109	\$109	\$129	\$129	\$149	\$149
Senior	\$109	\$109	\$119	\$119	\$149	\$149
Super Senior	\$29	\$29	\$39	\$39	\$49	\$49

Picture Pass Holder Midweek Pass Rates

	FY 2021	FY 2022	FY2021	FY2022	FY 2021	FY 2022
Midweek	Tier 1	Tier 1	Tier 2	Tier 2	Tier 3	Tier 3
Adult	\$219	\$219	\$249	\$249	\$299	\$299
Youth	\$109	\$109	\$129	\$129	\$149	\$149
Senior	\$89	\$89	\$99	\$99	\$119	\$119
Super Senior	\$20	\$20	\$30	\$30	\$40	\$40

For the non Picture Pass Holder ski pass products, Staff's recommendation includes a rate increase to all age categories for the 2021-2022 season as shown in Table 1 below. The proposal includes a sizable increase to the Youth and Senior age groups. On average (111) Senior and (534) Youth passes are purchased annually and Diamond Peak's consistency of providing a quality product and service to its customers supports a rate increase and also provides a market rate adjustment as compared to other ski areas in the region. Staff will note, the comparison charts provided within the report include the 2020-2021 preseason rates that were advertised and compiled for this report from other ski areas within the area.

Staff proposes that the Board of Trustees authorize management to adjust non Picture Pass Holder pass prices to accomplish yield management. For example, staff may adjust pricing or the number of units available for purchase in (Tier 3) as a result of snow conditions, purchaser demand and or a ratio to a 2021-2022 lift ticket price.

**Table 1 – Proposed Non Picture Pass Holder Full Season Pass Rates**

Full Season Pass	FY 2021	FY 2022	FY 2022	FY2021	FY 2022	FY 2022	FY 2021	FY 2022	FY 2022	FY 2022
	Tier 1	Tier 1	Variance	Tier 2	Tier 2	Variance	Tier 3	Tier 3	Variance	Average Increase
Adult (24-64)	\$419	\$439	\$20	\$474	\$494	\$20	\$509	\$620	\$111	\$50
Youth (13-23)	\$249	\$339	\$90	\$274	\$414	\$140	\$289	\$520	\$231	\$154
Child (7-12)	\$179	\$199	\$20	\$204	\$229	\$25	\$229	\$280	\$51	\$32
Senior (65-69)	\$179	\$409	\$230	\$204	\$434	\$230	\$229	\$520	\$291	\$250
Super Senior (70-79)	\$159	\$159	\$0	\$174	\$174	\$0	\$199	\$220	\$21	\$21
6 & under / 80+	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transferable	N/A	N/A	N/A	\$799	\$1,099	\$300	\$799	\$1,099	\$300	\$300

Staff also recommends the non picture pass holder mid-week pass be removed as an option from the pass product mix. This product equates to an annual average of 3% of all pass products sold and it is likely that a percentage of the purchasers of a midweek product would choose a non picture pass holder full pass as an option. As shown in the comparison charts Tables 4-7, other resorts in the area have also discontinued this product from their pass product mix. The deletion of this product removes the task of building the product, administrating and access control of the user. As shown in Table 2, staff has provided the quantity of pass units and revenue associated with pass products that are proposed to be deleted from the product mix.

**Table 2 Non Picture Pass Holder Midweek Passes**

Midweek	FY 2019	FY 2019	FY 2020	FY 2020	FY 2021	FY 2021
	Quantity	Revenue	Quantity	Revenue	Quantity	Revenue
Adult (24-64)	86	\$26,817	131	\$39,877	165	\$58,460
Youth (13-23)	10	\$2,170	20	\$3,638	20	\$4,895
Senior (65-69)	34	\$4,947	29	\$4,172	29	\$5,016
Super Senior (70-79)	53	\$6,430	54	\$6,308	40	\$5,568
Total	183	\$40,364	234	\$53,995	254	\$73,939

Staff has included a number of tables and charts related to resident tickets and season pass products for review.

- Table 3 provides a year over year summary of resident tickets sold or provided including the Districts IVGID Community Appreciation Week.
- Tables 4 - 7 provide charts of preseason pass rate comparison by age group from other resorts in the area. Please note that each comparison ski area may have differences by age group and pass availability.
- Table 8 provides a 5 year summary of season pass units including revenue from the sale of the pass products.



- Tables 9 - 15 provide charts of total pass sales by residency, pass unit sales by age group, revenue by residency, revenue by age group, sales by period, full versus midweek units, and daily pass usage percentage.
- Table 16 provides the year over year overall summary of actual pass unit purchases, age group products purchased, revenue associated with the product, average price of the pass unit and overall fiscal year revenue. The table also includes the 2021-2022 projected number of pass units sold as well as revenue associated with the sale of season passes.

#### **IV. FINANCIAL IMPACT AND BUDGET**

Provided that the Picture Pass Holder and non picture pass holder season pass and daily ticket pricing proposal is approved, staff will reflect the pricing changes in the 340 fund proposed 340 fund 2021-2022 season pass and ticket revenue budget.

#### **V. COMMENTS**

To remain consistent with previous Community Services Memorandum's of Recommendations to Key Rates - *\*The IVGID Board of Trustees allows management to adjust prices to accomplish yield management provided the rate offered to the public is above the IVGID Picture Pass Holder rate.*

#### **VI. BUSINESS IMPACT**

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

#### **VII. ALTERNATIVES**

None proposed.

Table 3

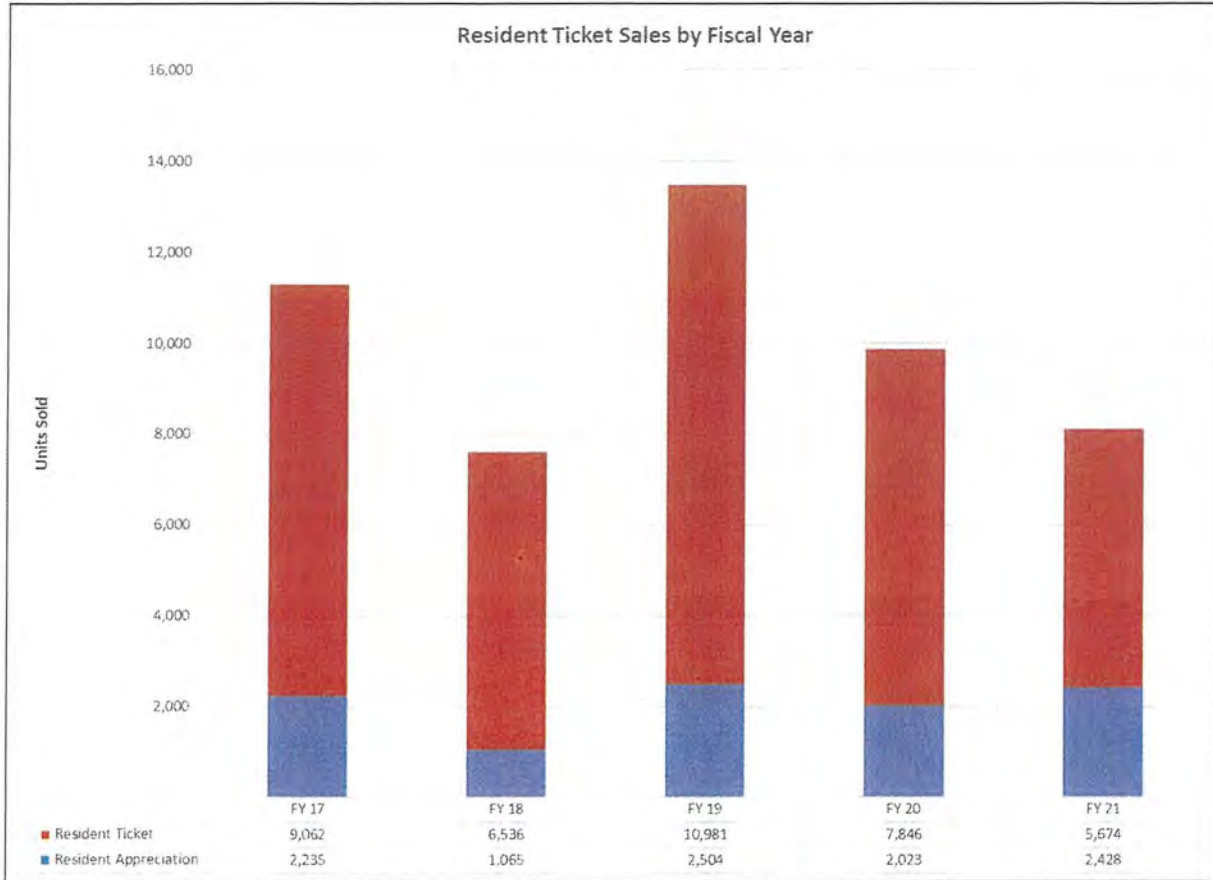


Table 4

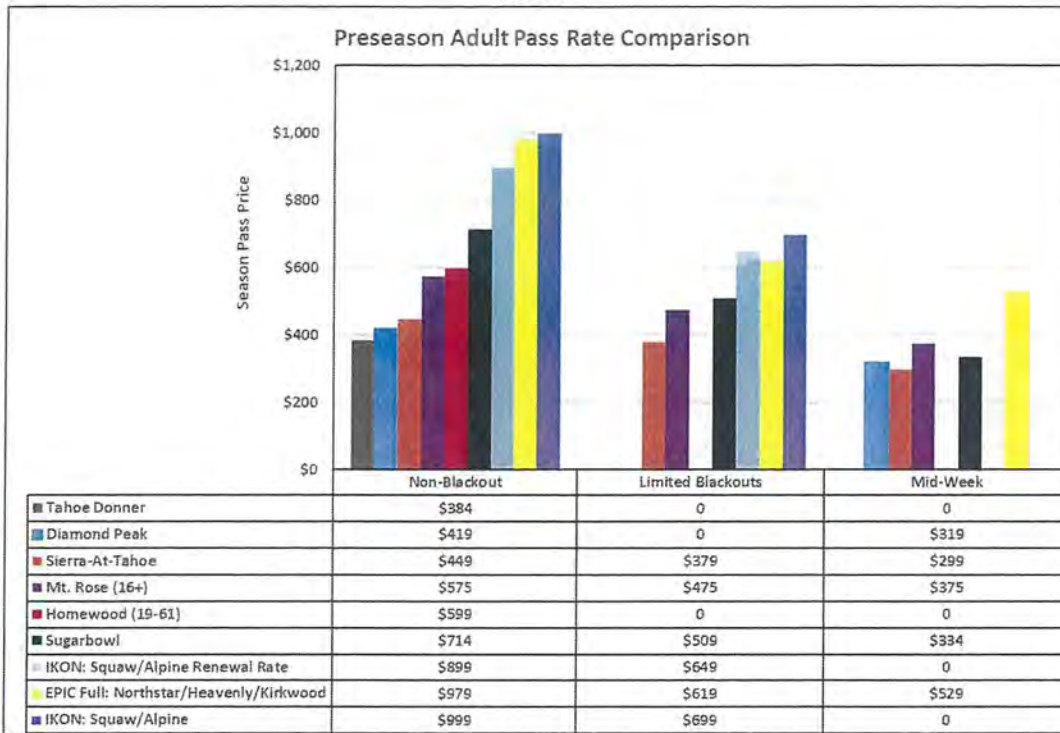


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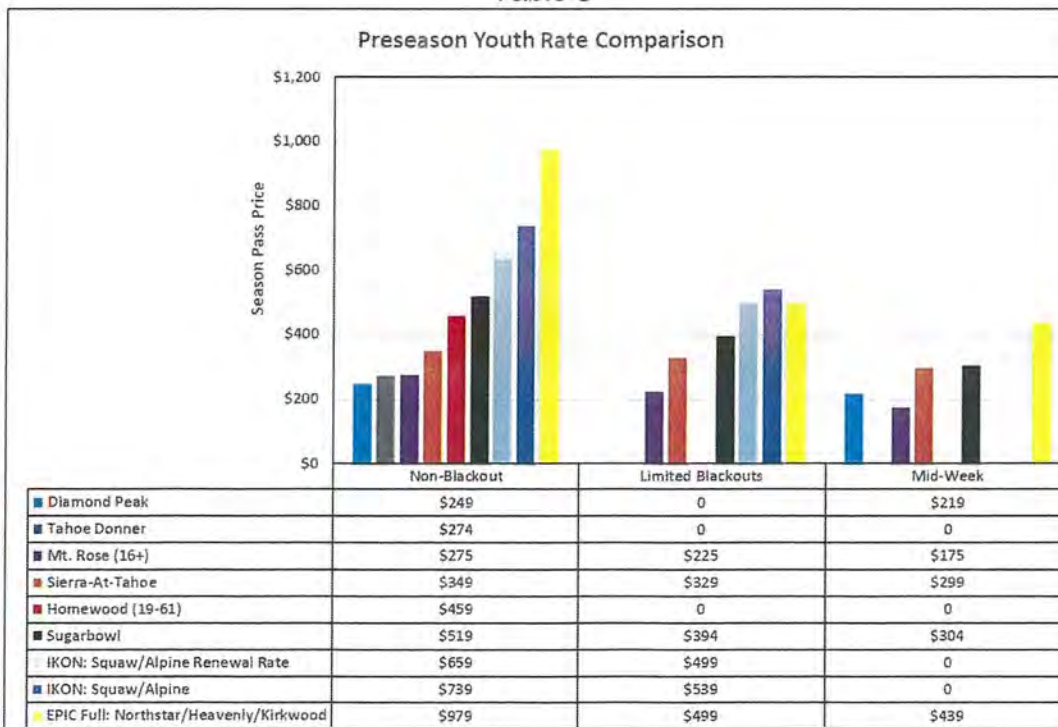


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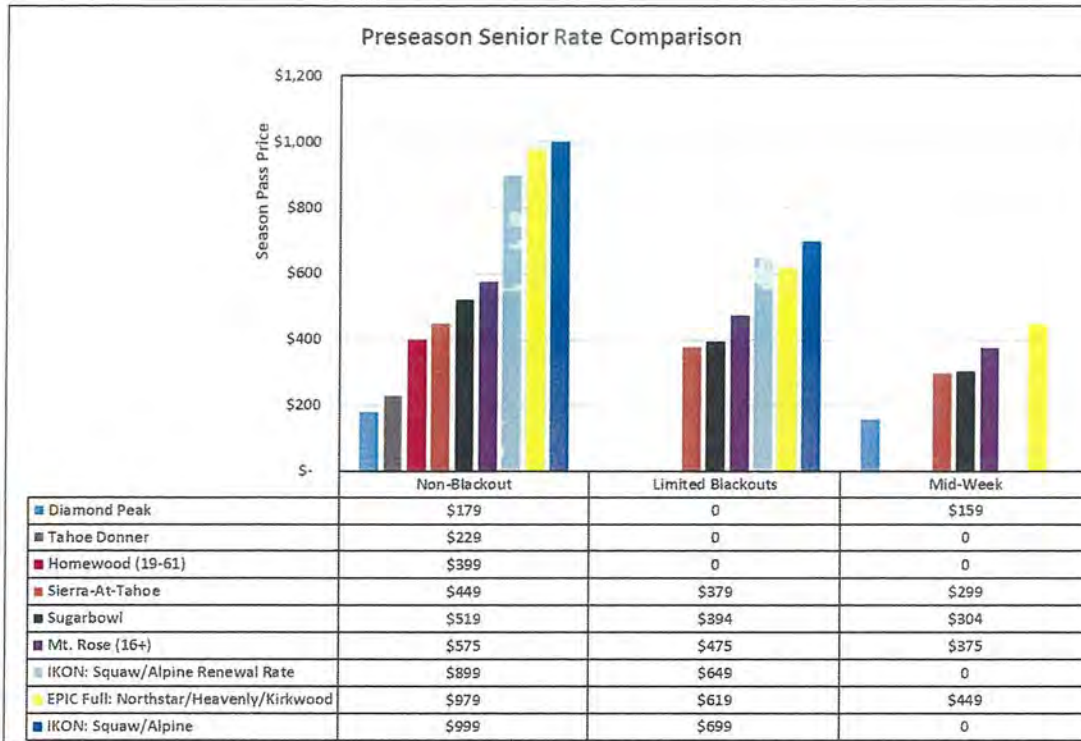


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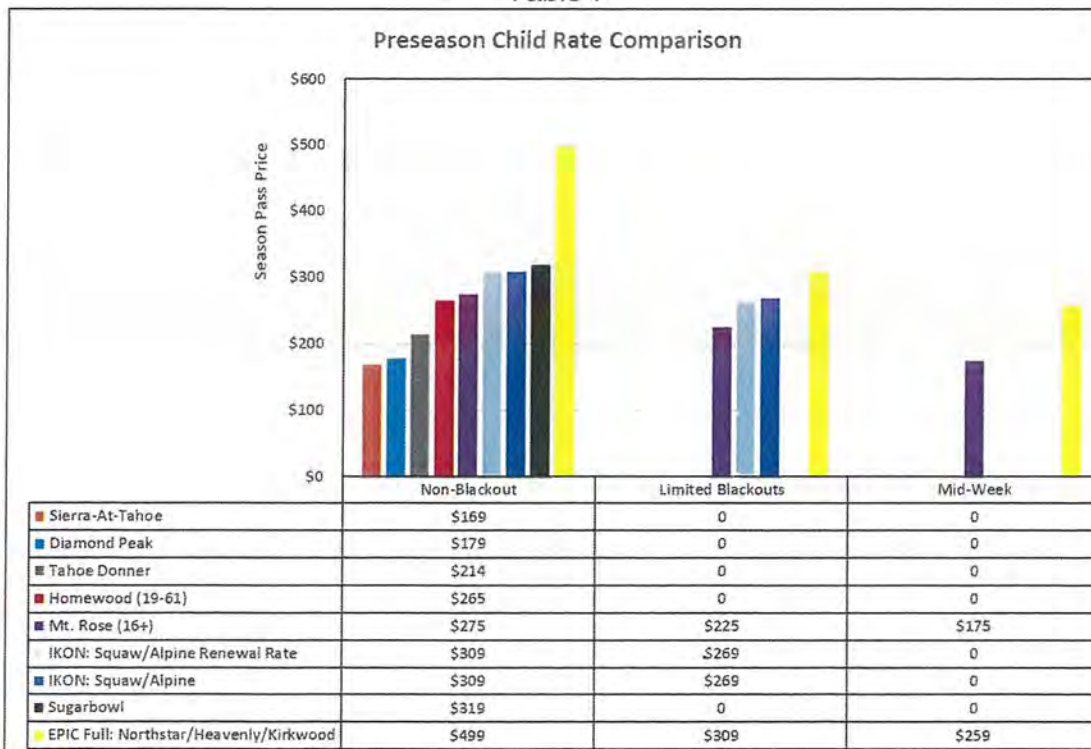


Table 8

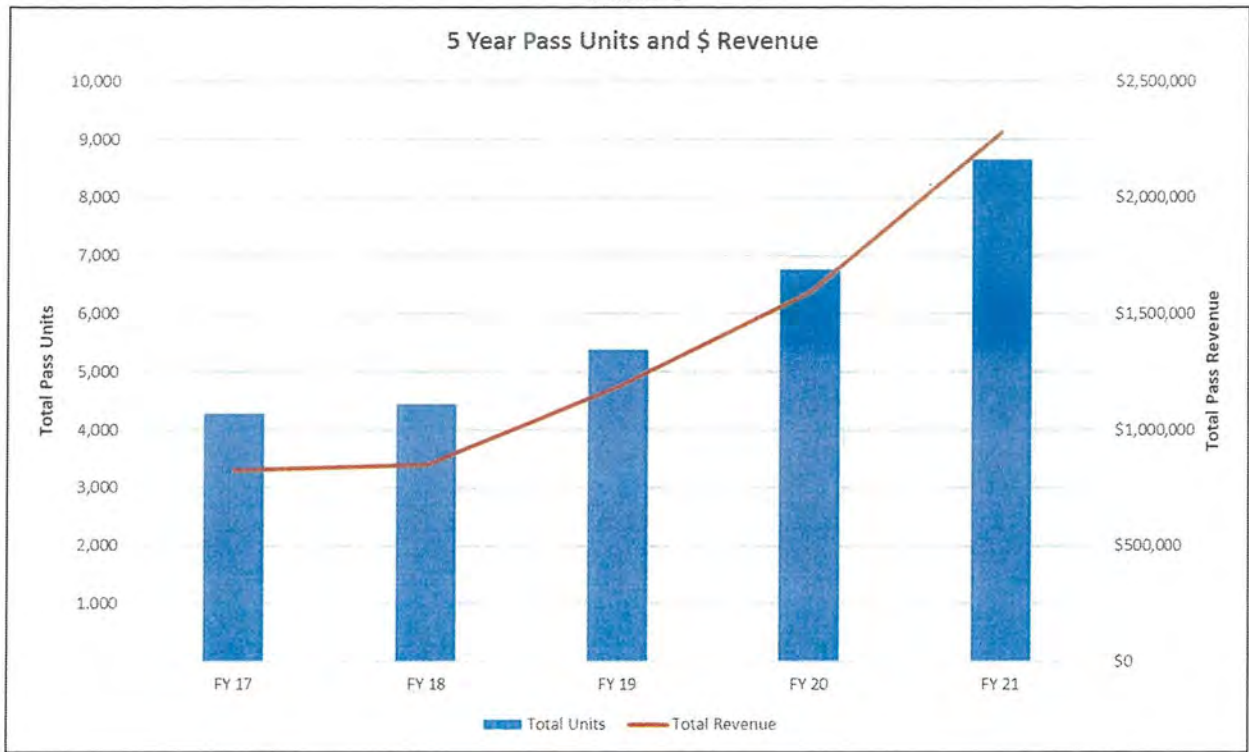


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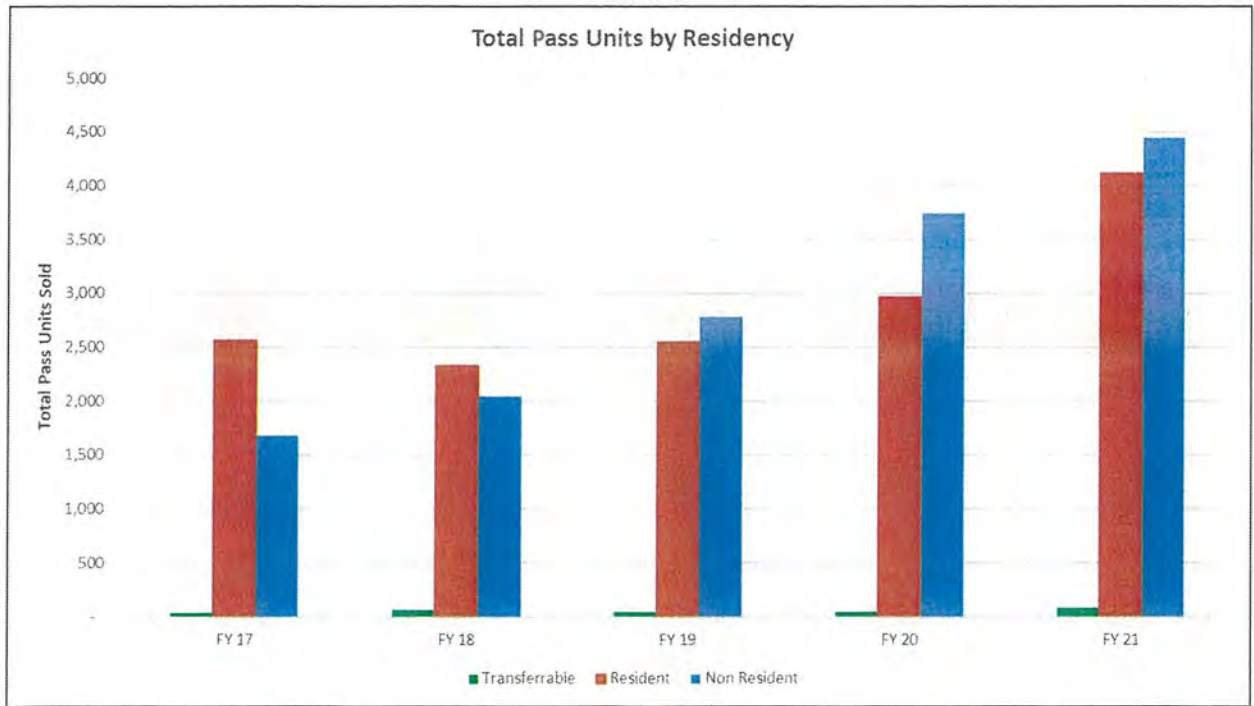


Table 10

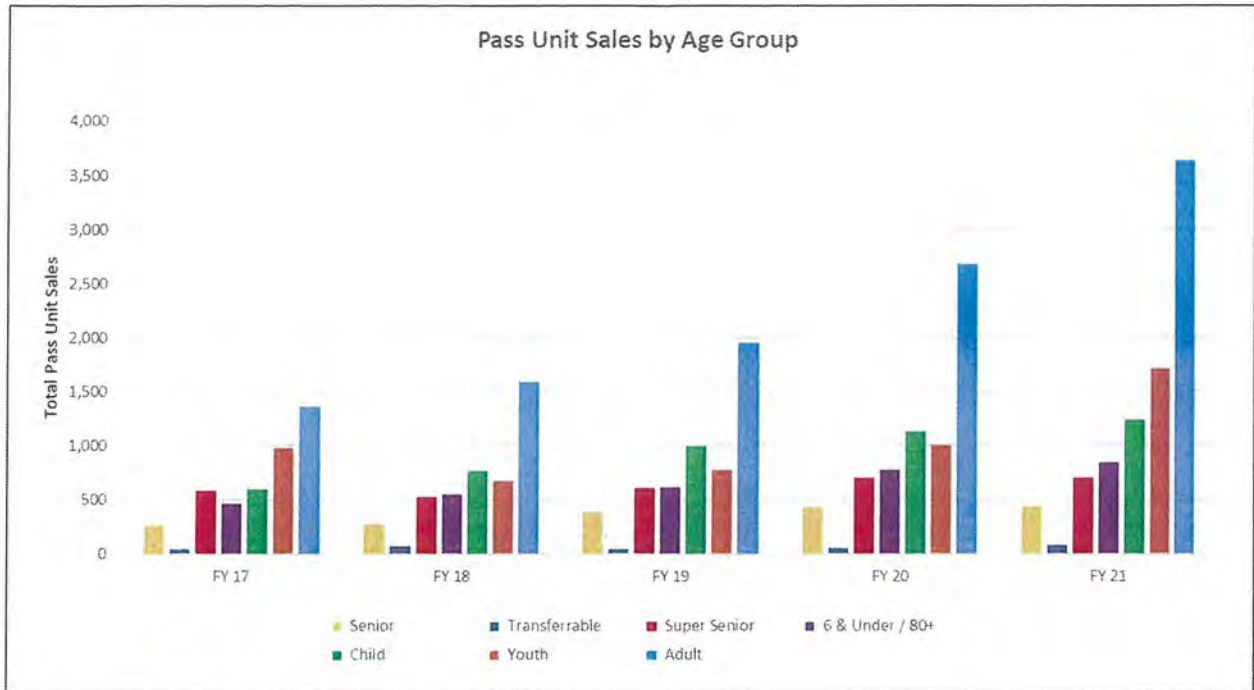


Table 11

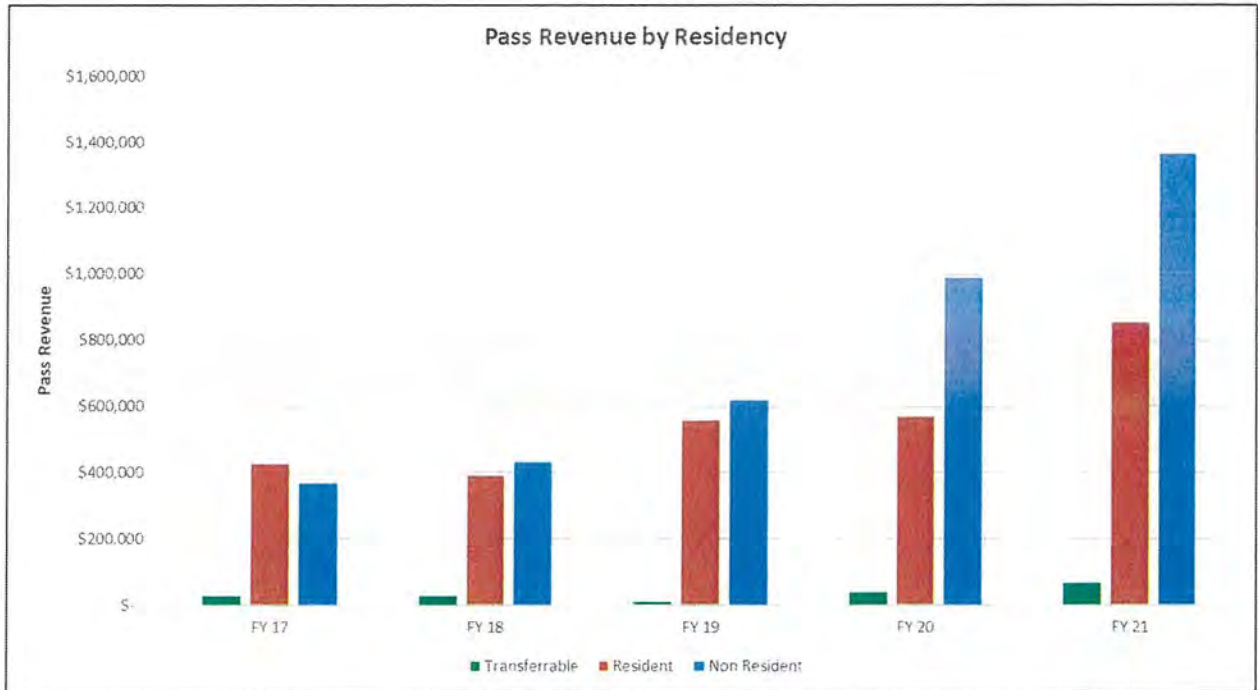


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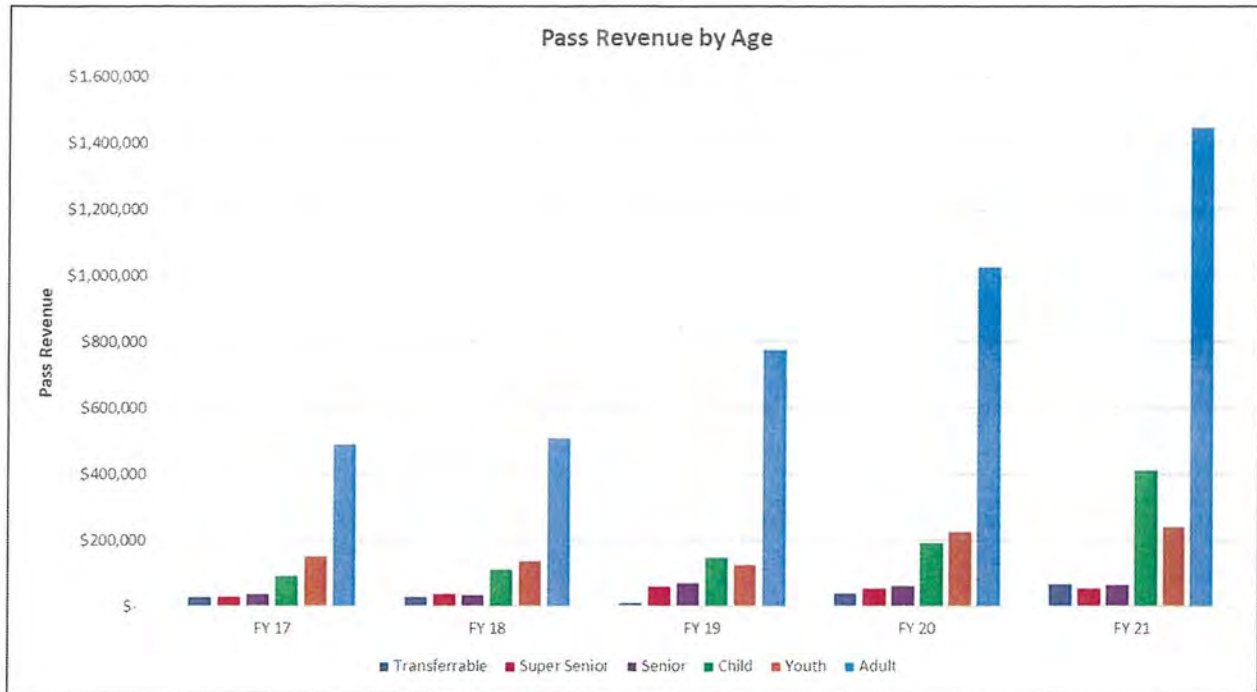


Table 13

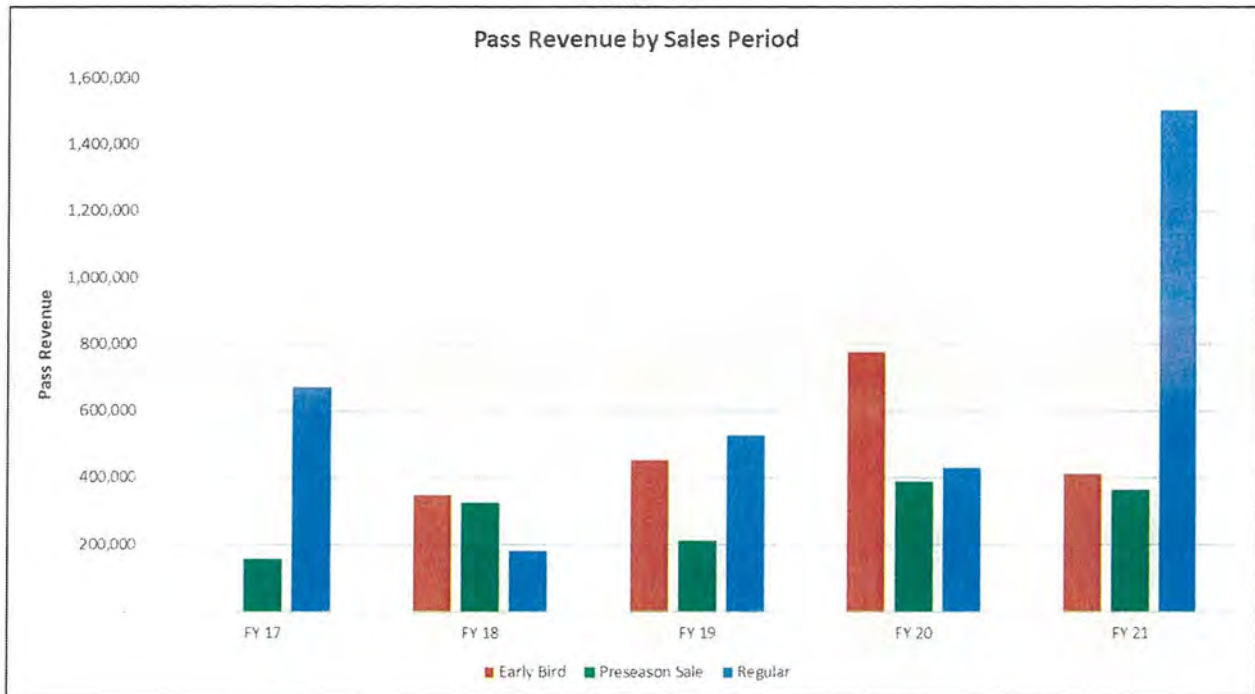


Table 14

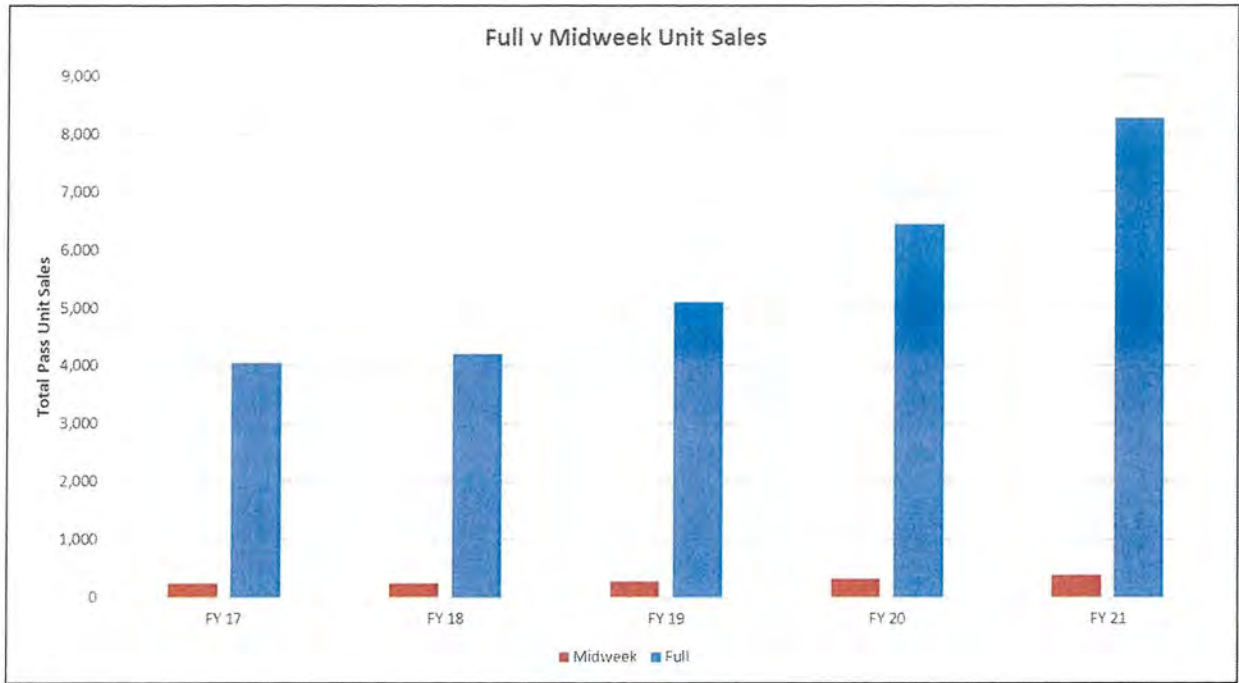




Table 15

Pass Visitation %



TABLE 16

Pass Type	FY 2017			FY 2018			FY 2019			FY 2020			FY 2021			FY 2022		
	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Quantity	Amount	Actual Avg. Product \$	Proposed Quantity	Proposed Revenue	Actual Avg. Product \$
Full	4,045	\$ 711,991	\$ 176	4,203	\$ 763,834	\$ 182	5,100	\$ 1,040,935	\$ 204	6,436	\$ 1,447,823	\$ 225	8,276	\$ 2,128,086	\$ 257	7,080	\$ 2,024,639	\$ 286
Adult	1,262	\$ 417,995	\$ 331	1,473	\$ 454,317	\$ 308	1,811	\$ 622,935	\$ 344	2,485	\$ 922,544	\$ 371	3,406	\$ 1,335,600	\$ 392	2,734	\$ 1,177,061	\$ 431
Non Resident	421	\$ 164,314	\$ 390	614	\$ 209,354	\$ 341	825	\$ 331,573	\$ 402	1,256	\$ 542,335	\$ 432	1,500	\$ 725,604	\$ 484	1,382	\$ 740,285	\$ 536
Resident	841	\$ 253,681	\$ 302	859	\$ 244,963	\$ 285	986	\$ 291,363	\$ 295	1,229	\$ 380,209	\$ 309	1,906	\$ 609,996	\$ 320	1,352	\$ 436,776	\$ 323
Youth	958	\$ 132,317	\$ 138	665	\$ 126,692	\$ 191	757	\$ 159,129	\$ 210	982	\$ 210,291	\$ 214	1,683	\$ 401,286	\$ 238	1,080	\$ 358,568	\$ 332
Non Resident	378	\$ 82,156	\$ 217	361	\$ 79,444	\$ 220	472	\$ 113,683	\$ 241	599	\$ 148,863	\$ 249	1,027	\$ 292,018	\$ 284	659	\$ 288,456	\$ 438
Resident	580	\$ 50,161	\$ 86	304	\$ 47,248	\$ 155	285	\$ 45,446	\$ 159	383	\$ 61,428	\$ 160	656	\$ 109,268	\$ 167	421	\$ 70,112	\$ 166
Child	592	\$ 83,544	\$ 141	753	\$ 102,021	\$ 135	994	\$ 149,960	\$ 151	1,133	\$ 183,604	\$ 162	1,233	\$ 224,119	\$ 182	1,246	\$ 261,064	\$ 209
Non Resident	287	\$ 45,016	\$ 157	446	\$ 64,907	\$ 146	664	\$ 108,989	\$ 164	792	\$ 141,049	\$ 178	799	\$ 168,296	\$ 211	871	\$ 211,655	\$ 243
Resident	305	\$ 38,528	\$ 126	307	\$ 37,114	\$ 121	330	\$ 40,971	\$ 124	341	\$ 42,555	\$ 125	434	\$ 55,823	\$ 129	375	\$ 49,409	\$ 132
6 & Under / 80+	459	\$ -	\$ -	547	\$ -	\$ -	612	\$ -	\$ -	773	\$ -	\$ -	846	\$ -	\$ -	850	\$ -	\$ -
Non Resident	241	\$ -	\$ -	291	\$ -	\$ -	364	\$ -	\$ -	513	\$ -	\$ -	509	\$ -	\$ -	564	\$ -	\$ -
Resident	218	\$ -	\$ -	256	\$ -	\$ -	248	\$ -	\$ -	260	\$ -	\$ -	337	\$ -	\$ -	286	\$ -	\$ -
Senior	226	\$ 29,180	\$ 129	230	\$ 26,369	\$ 115	337	\$ 41,252	\$ 122	381	\$ 51,728	\$ 136	634	\$ 44,773	\$ 71	419	\$ 103,511	\$ 247
Non Resident	65	\$ 10,261	\$ 158	72	\$ 10,586	\$ 147	114	\$ 18,313	\$ 161	145	\$ 25,296	\$ 174	176	\$ 29,559	\$ 168	160	\$ 69,827	\$ 438
Resident	161	\$ 18,919	\$ 118	158	\$ 15,783	\$ 100	223	\$ 22,939	\$ 103	236	\$ 26,432	\$ 112	458	\$ 15,214	\$ 33	260	\$ 33,684	\$ 130
Super Senior	504	\$ 22,599	\$ 45	463	\$ 27,673	\$ 60	539	\$ 34,506	\$ 64	630	\$ 43,008	\$ 68	392	\$ 56,791	\$ 145	693	\$ 61,572	\$ 89
Non Resident	153	\$ 10,999	\$ 72	109	\$ 16,041	\$ 147	156	\$ 22,059	\$ 141	202	\$ 29,016	\$ 144	127	\$ 25,388	\$ 200	222	\$ 42,570	\$ 192
Resident	351	\$ 11,600	\$ 33	354	\$ 11,632	\$ 33	383	\$ 12,447	\$ 32	428	\$ 13,992	\$ 33	265	\$ 31,403	\$ 119	471	\$ 19,002	\$ 40
Transferrable	44	\$ 26,356	\$ 599	72	\$ 26,762	\$ 372	50	\$ 33,153	\$ 663	52	\$ 36,648	\$ 705	82	\$ 65,518	\$ 799	57	\$ 62,863	\$ 1,099
Midweek	238	\$ 36,670	\$ 154	242	\$ 41,005	\$ 169	275	\$ 54,636	\$ 199	322	\$ 68,715	\$ 213	373	\$ 102,250	\$ 274	98	\$ 19,647	\$ 200
Adult	98	\$ 25,223	\$ 257	111	\$ 26,555	\$ 239	138	\$ 38,429	\$ 278	190	\$ 52,823	\$ 278	236	\$ 79,764	\$ 338	65	\$ 17,061	\$ 262
Non Resident	49	\$ 14,293	\$ 292	66	\$ 18,339	\$ 278	86	\$ 26,817	\$ 312	131	\$ 39,877	\$ 304	195	\$ 69,605	\$ 357	-	\$ -	\$ -
Resident	49	\$ 10,930	\$ 223	45	\$ 8,216	\$ 183	52	\$ 11,612	\$ 223	59	\$ 12,946	\$ 219	41	\$ 10,159	\$ 248	65	\$ 17,061	\$ 263
Super Senior	74	\$ 3,180	\$ 43	56	\$ 5,727	\$ 102	71	\$ 6,900	\$ 97	65	\$ 6,558	\$ 101	56	\$ 6,862	\$ 123	12	\$ 376	\$ 31
Non Resident	51	\$ 2,640	\$ 52	44	\$ 5,387	\$ 122	53	\$ 6,430	\$ 121	54	\$ 6,308	\$ 117	46	\$ 6,642	\$ 144	-	\$ -	\$ -
Resident	23	\$ 540	\$ 23	12	\$ 340	\$ 28	18	\$ 470	\$ 26	11	\$ 250	\$ 23	10	\$ 220	\$ 22	12	\$ 376	\$ 31
Senior	43	\$ 4,758	\$ 111	50	\$ 5,205	\$ 104	51	\$ 6,412	\$ 126	47	\$ 5,696	\$ 121	46	\$ 7,114	\$ 155	20	\$ 2,101	\$ 105
Non Resident	15	\$ 2,105	\$ 140	25	\$ 2,870	\$ 115	34	\$ 4,947	\$ 146	29	\$ 4,172	\$ 144	33	\$ 5,837	\$ 177	-	\$ -	\$ -
Resident	28	\$ 2,653	\$ 95	25	\$ 2,335	\$ 93	17	\$ 1,465	\$ 86	18	\$ 1,524	\$ 85	13	\$ 1,277	\$ 98	20	\$ 2,101	\$ 106
Youth	19	\$ 3,032	\$ 160	12	\$ 1,581	\$ 132	15	\$ 2,895	\$ 193	20	\$ 3,638	\$ 182	35	\$ 8,510	\$ 243	1	\$ 109	\$ 109
Non Resident	13	\$ 2,288	\$ 176	4	\$ 219	\$ 55	10	\$ 2,170	\$ 217	20	\$ 3,638	\$ 182	34	\$ 8,361	\$ 246	-	\$ -	\$ -
Resident	6	\$ 744	\$ 124	8	\$ 1,362	\$ 170	5	\$ 725	\$ 145	-	\$ -	\$ -	1	\$ 149	\$ 149	1	\$ 109	\$ 109
Child	4	\$ 477	\$ 119	13	\$ 1,937	\$ 149	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Non Resident	4	\$ 477	\$ 119	13	\$ 1,937	\$ 149	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Grand Total	4,283	\$ 748,661	\$ 175	4,445	\$ 804,839	\$ 181	5,375	\$ 1,095,571	\$ 204	6,758	\$ 1,516,538	\$ 224	8,649	\$ 2,230,336	\$ 258	7,178	\$ 2,044,286	\$ 285
Non Resident	1,721	\$ 360,905	\$ 210	2,117	\$ 435,846	\$ 206	2,828	\$ 668,134	\$ 236	3,793	\$ 977,202	\$ 258	4,593	\$ 1,396,828	\$ 304	3,915	\$ 1,415,656	\$ 362
Resident	2,562	\$ 387,756	\$ 151	2,328	\$ 368,993	\$ 159	2,547	\$ 427,437	\$ 168	2,965	\$ 539,336	\$ 182	4,364	\$ 833,508	\$ 191	3,263	\$ 628,631	\$ 193

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## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Darren Howard  
Director of Community Services/Golf

**SUBJECT:** Review, discuss and possibly approve Golf Play Pass rate structure, daily green fees and range fee rates for the Incline Village Golf Courses (Championship Golf Course and Mountain Golf Course) for the golf season of 2021

**STRATEGIC PLAN:** Long Range Principle #2 – Finance

**DATE:** March 10, 2021

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees makes a motion to approve the provided Golf Play Pass rate structure, daily green fees and range fee rates for the Incline Village Golf Courses (Championship Golf Course and Mountain Golf Course) for the golf season of 2021.

### **II. DISTRICT STRATEGIC PLAN**

Long Range Principle #2 – Finance: The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvements, and debt management.

- Objective #3 – Prepare a five-year projection of financial results for each fund for operations, capital improvement and debt service as part of budget deliberations.

### **III. BACKGROUND**

The daily fee pricing model, as well as range fees were increased for the 2020 season and no change is recommended for the 2021 season. An overhaul of the Play Pass structure is being recommended.

Each year, Staff uses historical play records, utilization statistics, budget initiatives, and course competitor pricing as the resources to define the play pass pricing structure, as well as what the actual dollar per round is for each round used within the Play Pass structure.

This year's Play Pass recommendation is based on a per play pass total where the District will know what the lowest total play per round will ever be. This will ensure more revenue.

Below is the list of the 2021 IVGID Picture Pass Holder Play Pass recommendations:

### **IVGID PICTURE PASS HOLDER PLAY PASSES**

Championship Course 18-Hole Pass Rates	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	\$782	\$850	\$85.00	\$92.15	8%
20 Play	\$1,430	\$1,600	\$80.00	\$92.15	13%
30 Play	N/A	\$2,250	\$75.00	\$92.15	19%
40 Play	N/A	\$2,800	\$70.00	\$92.15	24%
50 Play	N/A	\$3,250	\$65.00	\$92.15	29%
60 Play	N/A	\$3,600	\$60.00	\$92.15	35%
70 Play	N/A	\$3,850	\$55.00	\$92.15	40%
Junior Unlimited	\$250.00	\$300	\$7.50	\$92.15	92%
College Unlimited	\$400.00	\$450	\$11.25	\$92.15	88%

Championship Course PM Passes (After 2PM) 18-Hole Pass Rates	Current	Proposed Price	Average	Current Average Daily Rate (Season)	Percentage Savings
10 Play	N/A	\$500	\$50.00	\$60.00	16%
20 Play	N/A	\$900	\$45.00	\$60.00	25%
30 Play	N/A	\$1,200	\$40.00	\$60.00	33%
40 Play	N/A	\$1,400	\$35.00	\$60.00	41%

Mountain Course 18-Hole Pass Rates	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	\$350	\$370	\$37.00	\$46.00	19%
20 Play	N/A	\$680	\$34.00	\$46.00	26%
30 Play	N/A	\$930	\$31.00	\$46.00	32%
40 Play	N/A	\$1120	\$28.00	\$46.00	39%
50 Play	N/A	\$1250	\$25.00	\$46.00	46%
Junior Unlimited	\$150	\$160	\$4.00	\$46.00	92%

Mountain Course 9-Hole Pass Rates	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	N/A	\$250	\$25.00	\$29.50	15%
20 Play	N/A	\$460	\$23.00	\$29.50	22%
30 Play	N/A	\$630	\$21.00	\$29.50	28%
40 Play	N/A	\$760	\$19.00	\$29.50	35%
50 Play	N/A	\$850	\$17.00	\$29.50	42%

*\* The IVGID Board of Trustees allows management to adjust prices to accomplish yield management provided the rate offered to the public is above the IVGID Picture Pass Holder rate.*

#### **IV. FINANCIAL IMPACT AND BUDGET**

We expect the adjusted Play Passes to produce an additional \$45,059-\$178,109 (Championship Course) and \$21,201-\$38,943 (Mountain Course) in revenues compared to 2020/2021 budget. The growth over the 2019/2020 actual financial statistics is a difficult comparison due to the ever changing demographics with in IVGID and how many passes will be sold.

#### **V. ALTERNATIVES**

- Request Staff seek more information.
- Do not approve Golf Play Pass Key Rates.

#### **VI. COMMENTS**

None at this time.

#### **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.

**Play Pass Analysis  
and Pricing  
Recommendations  
for Golf**

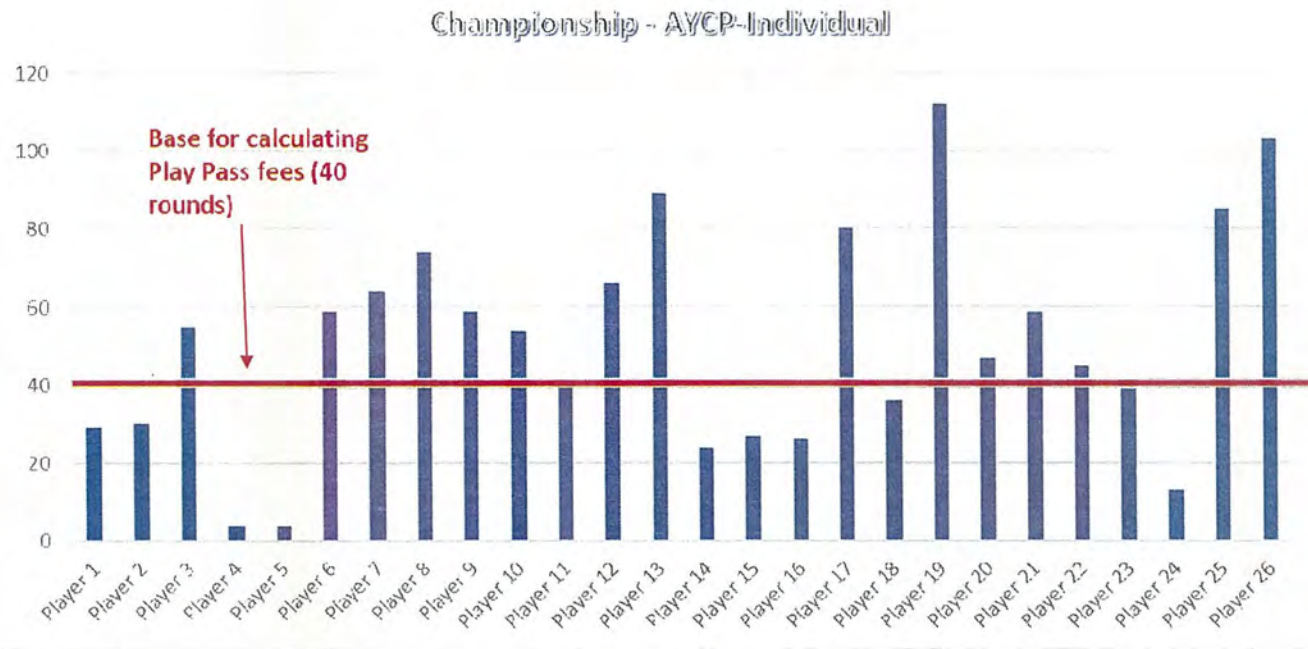
**For 2021 Season**

## Play Pass Pricing Analysis

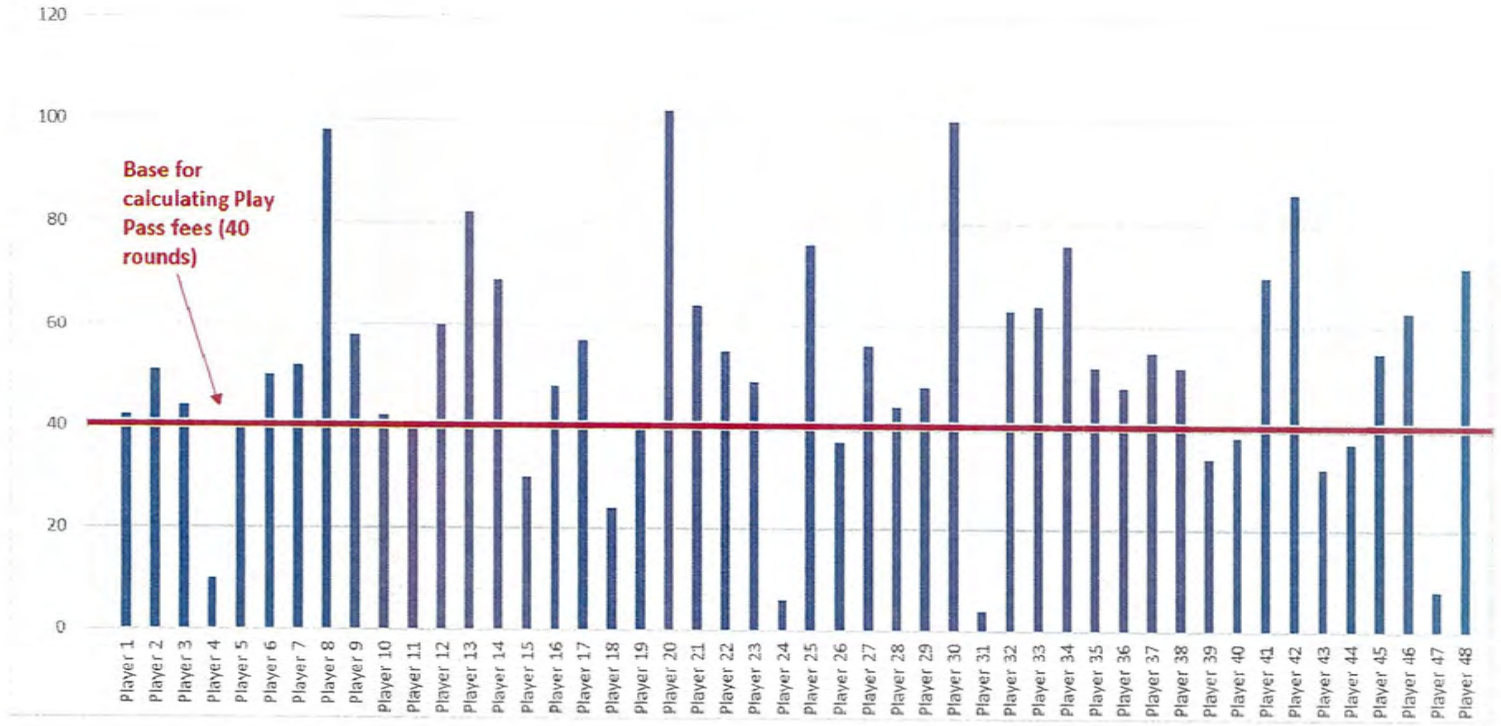
- Average Dollar per Round needs to be in the range of 20%-30% savings overall.
  - College and Junior Passes still needs to be a greater savings as this is the future of the game
- Currently the percentage of savings is too high on All You Can Play Passes.
- There are too many Play Passes currently and there is a need to make things more simple.
- Overall, to be more in-line with the Board's pricing desire, a guaranteed per round minimum per Pass Play visit is needed.
  - This would be an immediate impact at both the Championship and Mountain golf courses.
- Recommendation for Play Passes:
  - Championship Course – Slides #11 & #12
  - Mountain Course – Slides #13 & #14
- No changes recommended for Daily Green Fees, or Range Fees at either course



## Utilization by Play Pass types



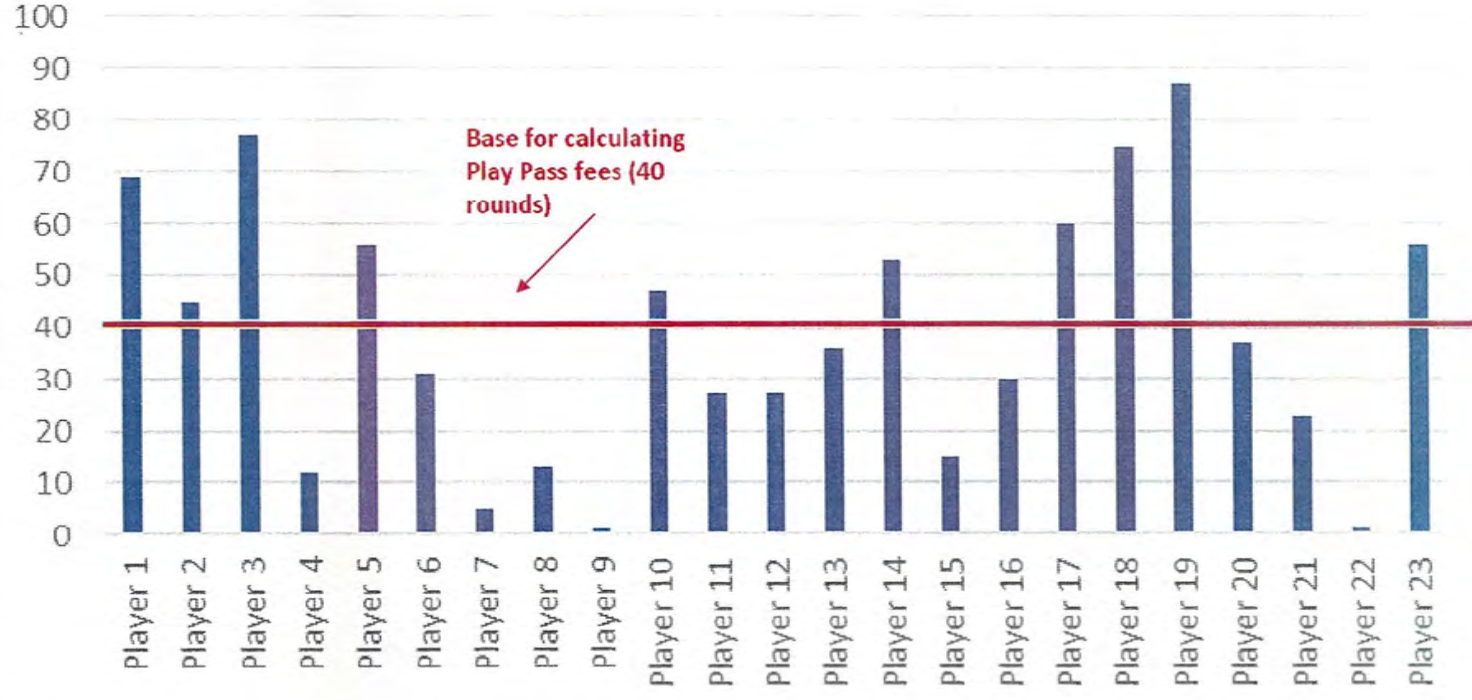
Championship - AYCP-Couples



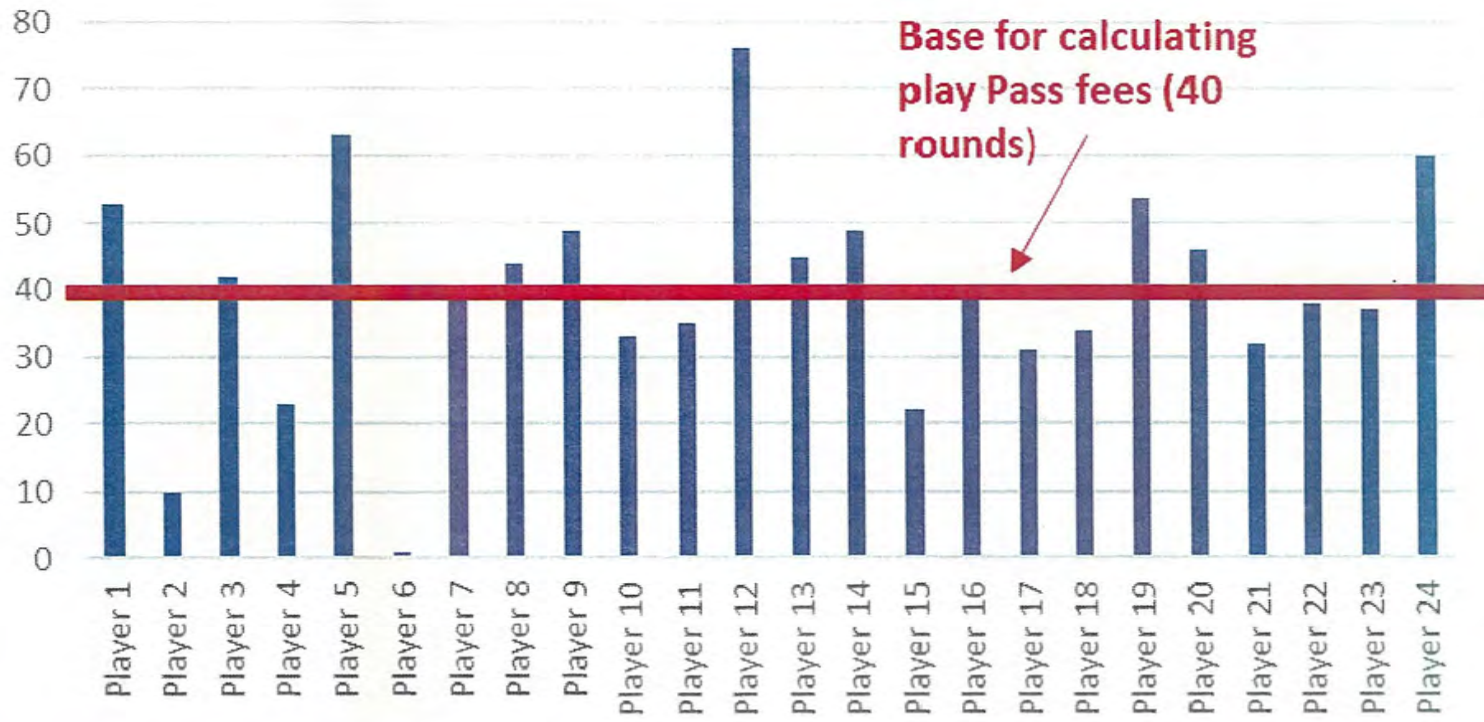
### Championship - Limited AYCP-Individual



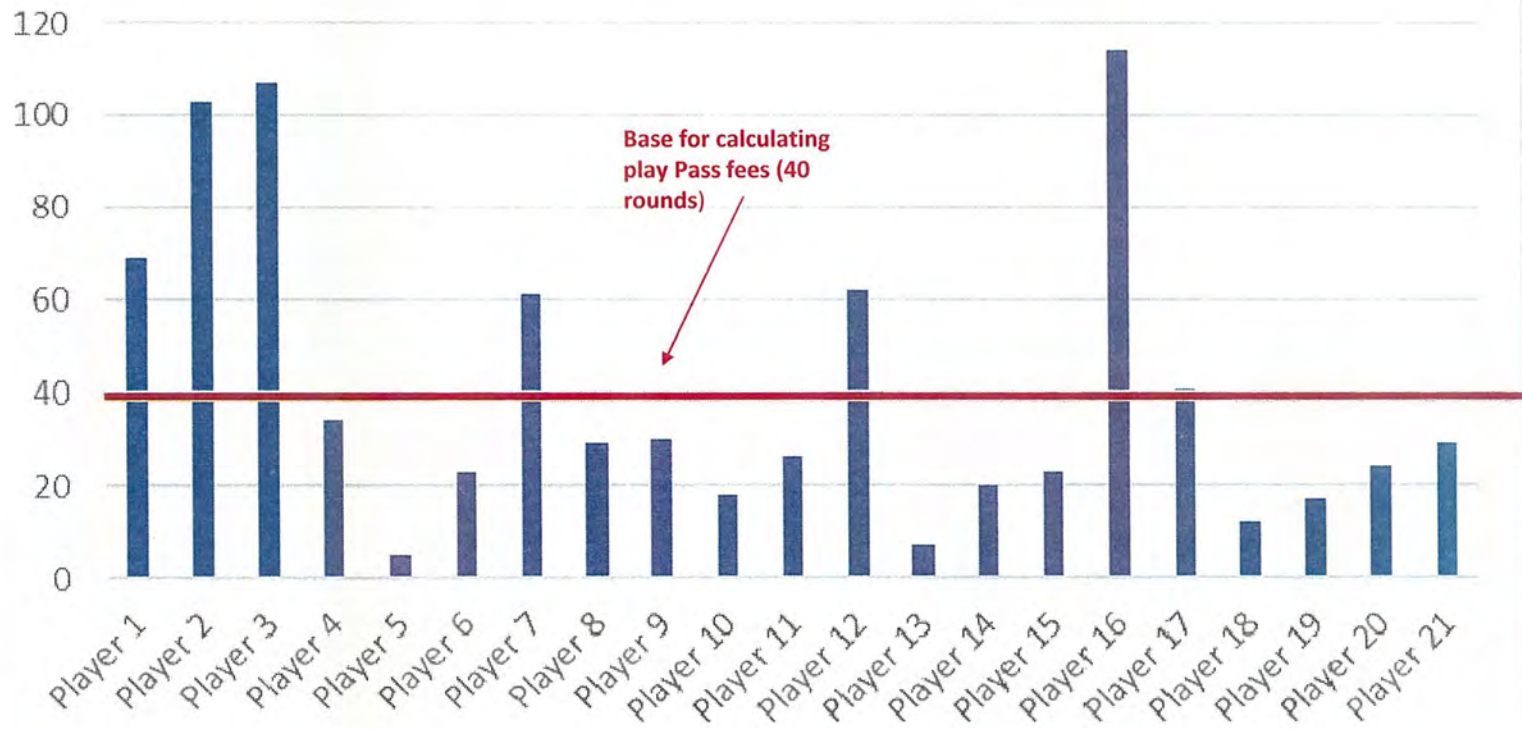
### Championship - Limited AYCP-Couples



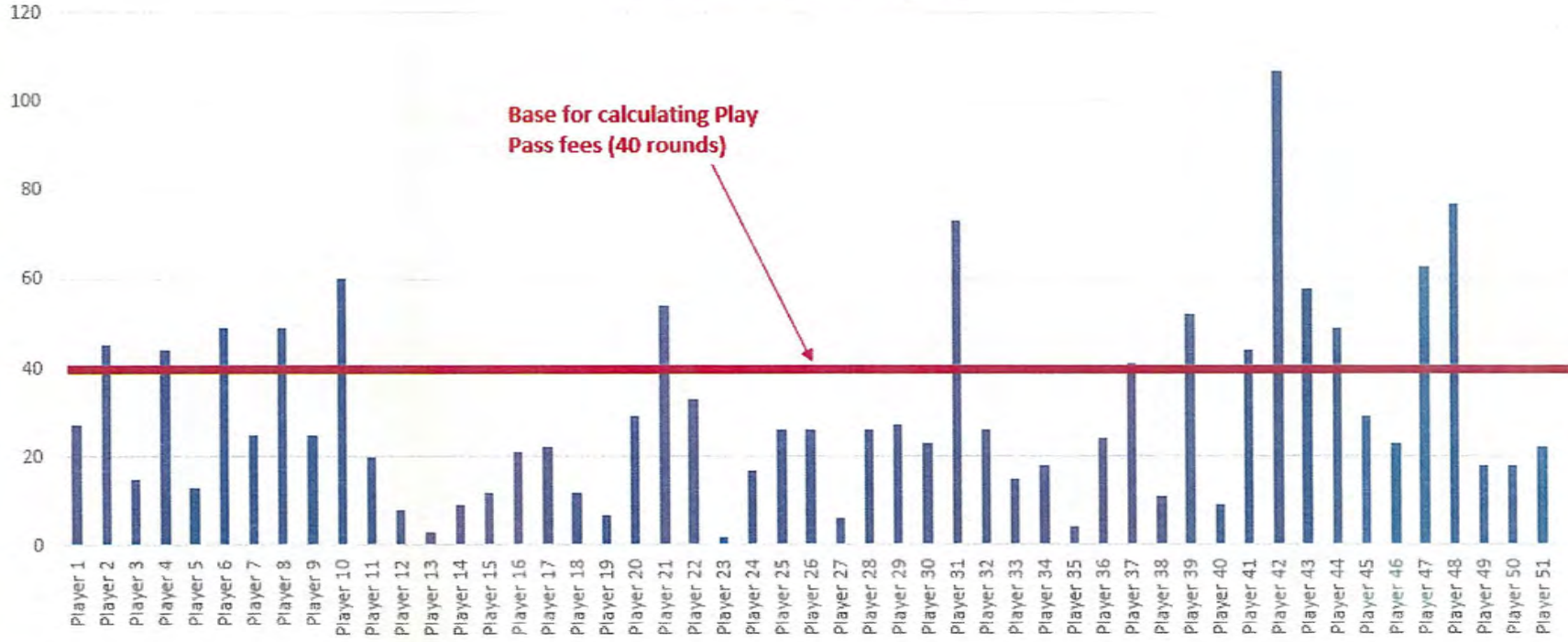
### Championship - PM-AYCP



### Mountain - AYCP-Individual



### Mountain - AYCP-Couples



## 2020 Play Pass Rates

BOTH COURSES		
	2020 Rates	All Play Pass Rates were increased by 10%
<b>UNLIMITED</b> All You Can Play Season Pass - Individual	\$2,695.00	> Includes Free Bag Storage
<b>UNLIMITED</b> All You Can Play Season Pass - Couples	\$4,345.00	
<i>*Couple is two married people or domestic partners living together in the same household as a family unit</i>		
<b>UNLIMITED</b> Junior Pass	\$250	> Walking Only, Up to age 17, Stand By Only
<b>UNLIMITED</b> College Pass	\$400	> Walking Only, Up to age 26, Currently Enrolled in College, Stand By Only
CHAMPIONSHIP COURSE		
	2020 Rates	
<b>10 Play Pass</b>	\$792.00	
<b>20 Play Pass</b>	\$1,430.00	
<b>LIMITED</b> All You Can Play Season Pass - Individual	\$2,145.00	> Open - June 17 & Sept. 17 - Closing = Unlimited Play Any Day/Any Time > June 18-Sept. 16 = Monday - Thursday Any Day/Any Time & Friday - Sunday After 12pm Only
<b>LIMITED</b> All You Can Play Season Pass - Couples	\$3,355.00	> Includes Free Bag Storage > <b>If playing within Restricted times above = Applicable daily greens fee apply</b>
<i>*Couple is two married people or domestic partners living together in the same household as a family unit</i>		
<b>PM</b> All You Can Play Season Pass - Individual	\$1,100.00	> Open - June 17 & Sept. 17 - Close = Unlimited Play AFTER 12pm > June 18-Sept. 16 = Unlimited Play AFTER 2pm > <b>If playing within Restricted times above = Applicable daily greens fee apply</b>
MOUNTAIN COURSE		
	2020 Rates	
<b>10 Play Pass</b>	\$385.00	
<b>UNLIMITED</b> All You Can Play Season Pass - Individual	\$715.00	
<b>UNLIMITED</b> All You Can Play Season Pass - Couples	\$1,100.00	
<i>*Couple is two married people or domestic partners living together in the same household as a family unit</i>		
<b>PM</b> All You Can Play Season Pass - Individual	\$495.00	> Unlimited Play AFTER 2pm All Season > <b>If playing within Restricted times above = Applicable daily greens fee apply</b>
<b>UNLIMITED</b> Junior Pass	\$150	> Walking Only, Up to age 17, Stand By Only



Option #1

Proposed for 2021/2022 **(Recommended)**

Championship Course	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	\$782	\$850	\$85.00	\$92.15	8%
20 Play	\$1,430	\$1,600	\$80.00	\$92.15	13%
30 Play	N/A	\$2,250	\$75.00	\$92.15	19%
40 Play	N/A	\$2,800	\$70.00	\$92.15	24%
50 Play	N/A	\$3,250	\$65.00	\$92.15	29%
60 Play	N/A	\$3,600	\$60.00	\$92.15	35%
70 Play	N/A	\$3,850	\$55.00	\$92.15	40%
Junior Unlimited	\$250.00	\$300	\$7.50	\$92.15	92%
College Unlimited	\$400.00	\$450	\$11.25	\$92.15	88%

*\*Note – All passes will be individual passes or couples living under the same household.*

*\*\*Using an average of \$70.00 per round with Option #1, we would go from \$49.92 average to \$70.00 per round average and increase total revenue for Play Passes by \$178,109.60. (\*Based on 8870 rounds 2020). These are pure estimates only and we have no way of knowing exactly what play pass type golfers will purchase with the new format. Even as low as \$55 average, the increase would be \$45,059.60. This policy also helps with No-Shows, if someone with a Play Pass does not call or show-up for their tee time, one round will be deducted from their total.*

## PM Pass Play Recommendations

Championship Course PM Passes (After 2PM)	Current	Proposed Price	Average	Current Average Daily Rate (Season)	Percentage Savings
10 Play	N/A	\$500	\$50.00	\$60.00	16%
20 Play	N/A	\$900	\$45.00	\$60.00	25%
30 Play	N/A	\$1,200	\$40.00	\$60.00	33%
40 Play	N/A	\$1,400	\$35.00	\$60.00	41%

**Option 1**

Proposed for 2021/2022 **(Recommended)**

Mountain Course	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	\$350	\$370	\$37.00	\$46.00	19%
20 Play	N/A	\$680	\$34.00	\$46.00	26%
30 Play	N/A	\$930	\$31.00	\$46.00	32%
40 Play	N/A	\$1120	\$28.00	\$46.00	39%
50 Play	N/A	\$1250	\$25.00	\$46.00	46%
Junior Unlimited	\$150	\$160	\$4.00	\$46.00	92%

\*After 2pm during season and after 12pm during shoulder season

**Option 2** Based on 10% increase

Proposed for 2021/2022

Mountain Course	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	\$350	\$370	\$37.00	\$46.00	19%
Unlimited AYCP-Individual	\$650	\$715	\$17.88	\$46.00	61%
Unlimited AYCP-Couples	\$999	\$1100	\$13.75	\$46.00	70%
PM AYCP-Individual	\$450	\$495	\$12.38	*\$29.50	58%
Junior Unlimited	\$150	\$165	\$4.13	\$46.00	92%

\*Note – All passes will be valid at any time, except for PM Passes.

\*\*The average dollar per round for Play Pass's was \$17.83 in the 2020 season and I do not think this is sustainable over a long period of time, especially if we are trying to get the overall Expenses to Revenue ratio closer. Option 1 using the 50 play scenario would mean the average dollar per round would not fall below \$25 per round. This is a \$7.17 per round increase. Using last year's Play Pass totals of 2,957, with the increase of \$7.17 per round, would result in \$21,201.69 increase in Play Pass revenue. Increase would jump to \$38,943.69 if an average of 30 round passes is used. (2,957 rounds x \$13.17 – difference in Play pass average for 2020 and new 2021 average)

\*\*\*Same rules apply as mentioned above for Championship Play Passes.

## Recommended

### Mountain Course 9-Hole Passes

Mountain Course 9-Hole Pass Rates	Current	Proposed Price	Average	Current Average Daily Rate (Prime Time)	Percentage Savings
10 Play	N/A	\$250	\$25.00	\$29.50	15%
20 Play	N/A	\$460	\$23.00	\$29.50	22%
30 Play	N/A	\$630	\$21.00	\$29.50	28%
40 Play	N/A	\$760	\$19.00	\$29.50	35%
50 Play	N/A	\$850	\$17.00	\$29.50	42%

Option #2

Proposed for 2021/2022

Championship Course	Current	Average Based on current model of 40 rounds	Real Average based on 50+ rounds	Percentage savings	Proposed	Average	Current Avg Daily Rate (Prime Time)	Percentage savings
Unlimited AYCP	\$2,695	\$67.35	\$53.90	27%	\$3370	\$67.35	\$92.15	27%
Unlimited AYCP-Couples	\$4,345	\$54.31	\$43.45	41%	\$5431	\$56.31	\$92.15	41%
Junior Unlimited	\$250	\$6.25	N/A	93%	\$300	\$7.50	\$92.15	92%
College Unlimited	\$400	\$10.00	N/A	89%	\$450	\$11.25	\$92.15	88%
Limited AYCP	<del>\$3,755</del>	<del>\$53.63</del>	<del>\$42.88</del>	<del>21%</del>	<del>\$3,250</del>	<del>\$52.63</del>	<del>\$70.00</del>	<del>23%</del>
Limited AYCP-Couples	<del>\$3,655</del>	<del>\$41.93</del>	<del>\$33.55</del>	<del>21%</del>	<del>\$2,250</del>	<del>\$41.93</del>	<del>\$70.00</del>	<del>20%</del>
PM Pass	\$1,100	\$27.50	\$22.00	48%	\$1,350	\$27.50	*\$60.00	54%
10 Play	\$792	\$79.20	\$79.20	14%	\$830	\$83.00	\$92.15	10%
20 Play	\$1,430	\$71.50	\$71.50	22%	\$1,500	\$75.00	\$92.15	19%

\*After 2pm during season, before 5:30pm.

\*\*This still will not get the average \$/round up high enough and we still cannot charge for No-Shows!

## Overview of the Rules for Play Passes

- All Passes will be good any day and anytime of the day, except for PM Passes.
- IVGID Picture Pass Holders who purchase passes will have the opportunity to upgrade one time during the golf season by paying the difference Example: (Original purchase was for 50 Play and you would like to upgrade to 60 Play, the difference would be an additional -\$350).
- Rollovers would still be on a case by case basis like currently – injury, family death, etc. There will be no rollovers if you just don't use all of them.
- No-Shows and No-Calls would have 1 round deducted from their pass for each round they booked that did not show. *Example – Player with pass books a tee time for 4 and only 2 show to play, they would have 2 rounds deducted.*
- One name only per pass. (All passes are individual passes, except couples living under the same household and non-transferable)

## Conclusion

- ❑ All You Can Play Passes/PM Passes and Limited All You Can Play Passes were originally created using 40 rounds as the base (80 for Couples) – research shows actual usage is 50+ rounds.
- ❑ Residents are very intelligent and have figured out the pricing structure.
- ❑ There absolutely needs to be a discount for golfers who consistently support the golf courses, but not 60%+ on top of Residents 50%+ discount off the “Rack” rate. I do not think this is what was in mind when Play Passes were originally formulated
- ❑ Demographics Change
  - 76% Resident play (passed 10 year history – 58%-60%)
  - New Residents moving in and using the facilities more often than previous Parcel Owners
  - Ski also saw an increase of 1000+ Pass sales for this ski season
  - Overall less dollars per visit
- ❑ Bottom-line
  - Average dollar per round for Play Passes in 2020 at the Championship Course was - \$49.92
    - Average needs to get closer to \$60 per round
  - Average dollar per round for Play Passes in 2020 at the Mountain Course was - \$17.83
    - Average needs to get closer to \$25 per round

## 5-Year Pricing Guides for Golf @ Both Courses

Types of Fees	Current	2021	2022	2023	2024	2025
Daily Green Fees	<i>Slide #19,#20 &amp; #21</i>	No Increase	*4%-5%	No Increase	*4%-5%	No Increase
Play Passes	<i>Slide #10</i>	Per Play Passes	No Increase	*3%-5%	No Increase	*3%-5%
Range Fees	<i>Slide #21</i>	No Increase	No Increase	*3%-5%	No Increase	*No Increase
Rider Fee <small>(Space availability only)</small>	<i>\$25/person</i>	\$35/person	No Increase	No Increase	3%-5%	No Increase
* Evaluate based on economy and area courses						



No Change from 2020

**2021 CHAMPIONSHIP COURSE -- Daily Rates **\*\*PROPOSED\*\*****

**NON-RESIDENT - Rack Rates**

	TIME OF DAY							
	Open - 2 (Prime Time)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$130	\$150	\$80	\$95	\$60	\$65	\$45	\$50
June 15 - Sept 27	\$199	\$220	\$140	\$150	\$95	\$105	\$60	\$75
Sept 28 - closing	\$145	\$165	\$100	\$120	\$60	\$65	\$45	\$50
<i>all rates include shared cart</i>								

**RESIDENT - Rack Rates**

*(50% or more discount off of Non-Resident rate)*

	TIME OF DAY							
	Open - 2 (Prime Time)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$65	\$75	\$40	\$50	\$30	\$35	\$23	\$25
June 15 - Sept 27	\$90	\$95	\$65	\$75	\$45	\$55	\$30	\$37
Sept 28 - closing	\$65	\$75	\$45	\$55	\$25	\$30	\$23	\$25
<i>all rates include shared cart</i>								

**GUEST - Rack Rates**

*(\$25 more than Res. Rate open-4pm & \$15 more than Res. Rate 4pm-close)*

	TIME OF DAY							
	Open - 12 (Prime Time)		2-4 (Twilight)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$90	\$100	\$65	\$75	\$45	\$50	\$38	\$40
June 15 - Sept 27	\$115	\$120	\$90	\$100	\$75	\$80	\$45	\$52
Sept 28 - closing	\$90	\$100	\$70	\$80	\$40	\$45	\$38	\$40
<i>all rates include shared cart</i>								

## No Change from 2020

### 2021 MOUNTAIN COURSE -- Daily Rates **\*\*PROPOSED\*\***

<b>18 HOLES</b>	<b>9 HOLES</b>
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#### NON- RESIDENT - Rack Rates

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$50	\$55	\$40	\$55	\$40	\$45
June 15 - Sept 13	\$70	\$75	\$65	\$70	\$45	\$50
Sept 14 - Closing	\$55	\$60	\$50	\$55	\$40	\$45
<i>all rates include shared cart</i>						

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 13	\$34	\$37	\$29	\$34	\$21	\$27
June 14 - Sept 14	\$42	\$46	\$37	\$42	\$26	\$32
Sept 15 - Closing	\$34	\$37	\$29	\$34	\$21	\$27
<i>all rates include shared cart</i>						

#### RESIDENT - Rack Rates

*(30% or more discount off of Non-Resident rate)*

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$36	\$41	\$33	\$37	\$21	\$24
June 15 - Sept 13	\$44	\$48	\$44	\$48	\$26	\$29
Sept 14 - Closing	\$36	\$41	\$33	\$37	\$21	\$24
<i>all rates include shared cart</i>						

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 13	\$24	\$26	\$20	\$24	\$13	\$16
June 14 - Sept 14	\$30	\$33	\$25	\$30	\$16	\$19
Sept 15 - Closing	\$24	\$26	\$20	\$24	\$13	\$16
<i>all rates include shared cart</i>						

#### GUEST - Rack Rates

*(\$10 more than Res. Rate open-12 & \$5 more than Res. Rate 12-4, 4 close = same as Res.)*

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$46	\$51	\$37	\$42	\$21	\$24
June 15 - Sept 13	\$54	\$58	\$47	\$53	\$26	\$29
Sept 14 - Closing	\$46	\$51	\$37	\$42	\$21	\$24
<i>all rates include shared cart</i>						

 MOUNTAIN COURSE <small>INCLINE VILLAGE LAKE TAHOE</small>	Time of Day					
	Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 13	\$29	\$31	\$25	\$29	\$13	\$16
June 14 - Sept 14	\$35	\$38	\$30	\$35	\$16	\$19
Sept 15 - Closing	\$29	\$31	\$25	\$29	\$13	\$16
<i>all rates include shared cart</i>						

No Change from 2020

**2021 Hyatt PREFERRED Daily Rates **\*\*PROPOSED\*\*****

**CHAMPIONSHIP COURSE**

	TIME OF DAY							
	Open - 2 (Prime Time)		2-4 (Mid-Day)		After 4 (Super Twilight)		After 5:30 (Super Twilight 9-Holes)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$100 (\$130)	\$130 (\$150)	\$70 (\$80)	\$80 (\$90)	\$50 (\$55)	\$60 (\$65)	\$40 (\$45)	\$45 (\$50)
June 15 - Sept 23	\$159 (\$199)	\$169 (\$220)	\$110 (\$140)	\$130 (\$150)	\$75 (\$95)	\$85 (\$105)	\$55 (\$60)	\$70 (\$75)
Sept 24 - closing	\$125 (\$145)	\$145 (\$165)	\$90 (\$100)	\$110 (\$120)	\$55 (\$40)	\$50 (\$55)	\$45 (\$45)	\$45 (\$50)
<i>all rates include shared cart</i>								

**MOUNTAIN COURSE**

18 HOLES							9 HOLES						
	Time of Day							Time of Day					
	Open - 2 (Prime Time)		2-4 (Mid-Day)		After 4 (Super Twilight)			Open - 12 (Prime Time)		12-4 (Mid-Day)		After 4 (Twilight)	
	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)		Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)	Mon-Thu	Fri-Sun (& holidays)
Open - June 14	\$40 (\$50)	\$50 (\$55)	\$35 (\$40)	\$45 (\$55)	\$30 (\$40)	\$40 (\$45)	Open - June 14	\$29 (\$34)	\$32 (\$37)	\$24 (\$29)	\$25 (\$28)	\$18 (\$21)	\$22 (\$27)
June 15 - Sept 3	\$60 (\$70)	\$65 (\$75)	\$55 (\$65)	\$60 (\$70)	\$40 (\$45)	\$45 (\$50)	June 15 - Sept 3	\$37 (\$42)	\$40 (\$46)	\$30 (\$37)	\$35 (\$40)	\$20 (\$26)	\$27 (\$32)
Sept 4 - Closing	\$45 (\$55)	\$55 (\$60)	\$40 (\$50)	\$45 (\$55)	\$35 (\$40)	\$40 (\$45)	Sept 4 - Closing	\$29 (\$34)	\$32 (\$37)	\$24 (\$29)	\$28 (\$31)	\$18 (\$21)	\$22 (\$27)
<i>all rates include shared cart</i>							<i>all rates include shared cart</i>						

# Range Fees

Non-IVGID Picture Pass Holder

IVGID Picture Pass Holder

**Small**

**\$7.00**

**\$5.00**

**Medium**

**\$12.00**

**\$10.00**

**Large**

**\$17.00**

**\$15.00**

**No Change for 2021**

# Facility/Venue Rates

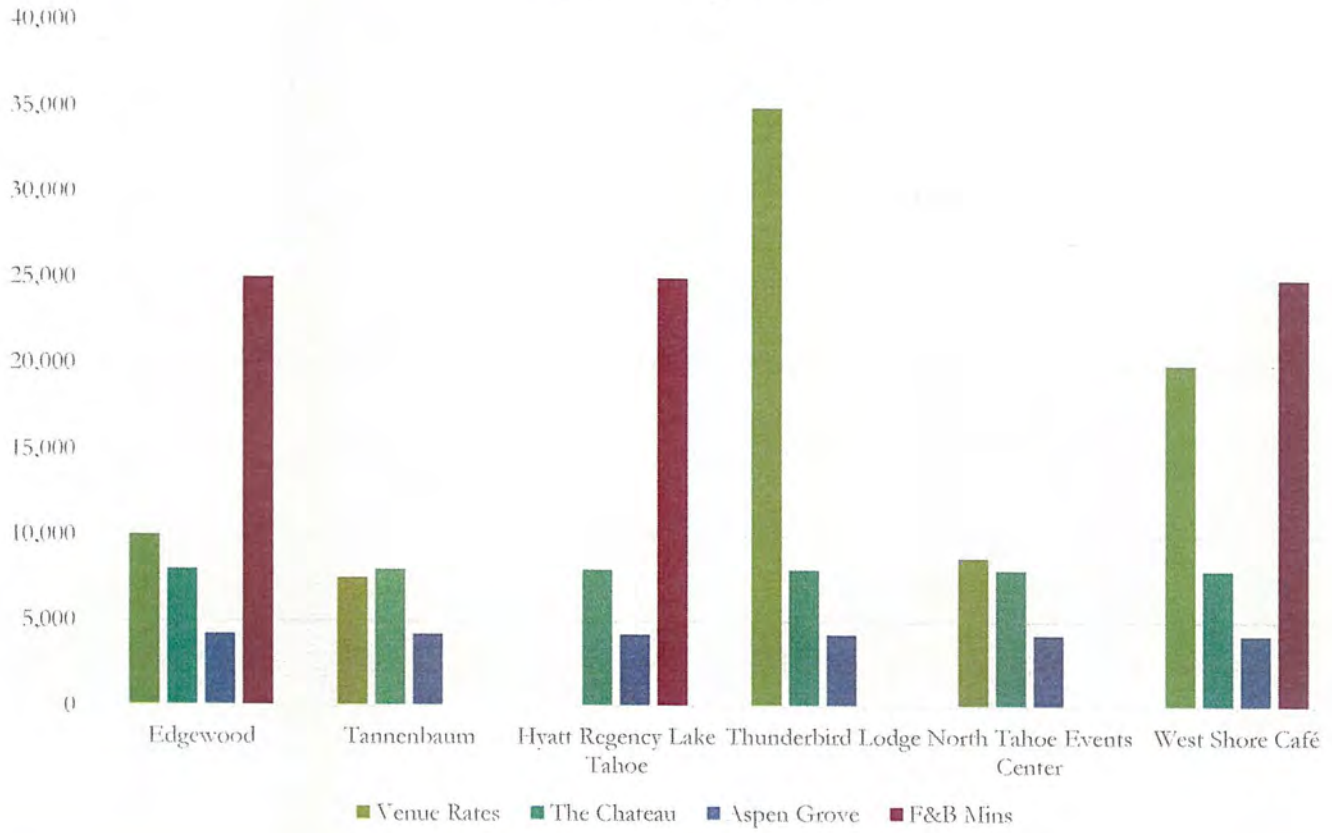
# The Chateau

June – October Venue Rates	Non-Picture Pass Holder (current rate)	Proposed Rate	IVGID Picture Pass Holder Rate (current rate)	Proposed Rate
Saturday	\$7,990	No Change	\$5,993	No Change
Friday & Sunday	\$4,970	\$6,390	\$3,528	\$4,793
Monday-Thursday	\$3,045	\$3,990	\$2,286	\$2,993
November – May Venue Rates	Non-Picture Pass Holder (current rate)	Proposed Rate	IVGID Picture Pass Holder Rate (current rate)	Proposed Rate
Saturday	\$4,660	\$6,390	\$3,495	\$4,793
Friday & Sunday	\$3,230	\$3,990	\$2,423	\$2,993
Monday-Thursday	\$2,035	\$2,590	\$1,527	\$1,943

# Aspen Grove

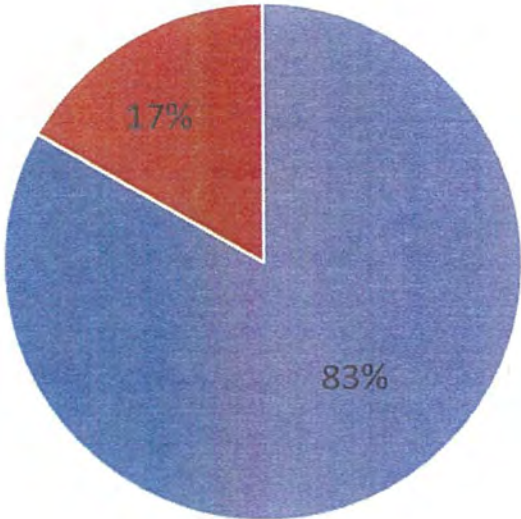
June – September	Non-Picture Pass Holder (current rate)	Proposed Rate	IVGID Picture Pass Holder (current rate)	Proposed Rate
Saturday	\$3,160	\$4,190	\$2,370	\$3,143
Friday & Sunday	\$2,085	\$3,390	\$1,565	\$2,543
Monday-Thursday	\$1,150	\$2,790	\$885	\$2,093

### Venue Comparisons



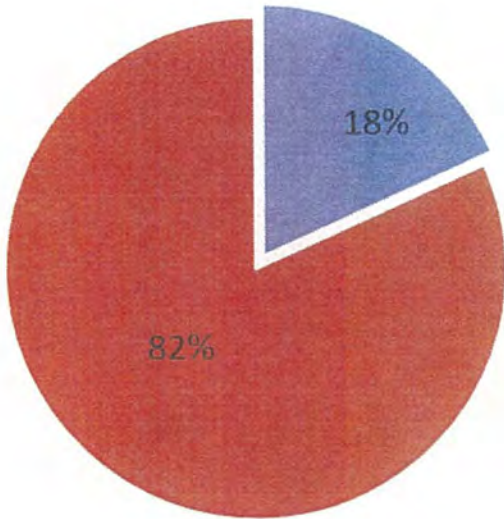


Facility Revenue 2018/19



■ Weddings ■ Community

Number of Events 2018/19



■ Weddings ■ Community

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Darren Howard  
Director of Community Services/Golf

Lauren Iida  
Sales & Events Coordinator

**SUBJECT:** Review, discuss and possibly approve facility rates for the Chateau and Aspen Grove, effective immediately for all future bookings

**STRATEGIC PLAN:** Long Range Principle #2 – Finance

**DATE:** March 10, 2021

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees makes a motion to approve the provided Facilities rate structure, for the Chateau and Aspen Grove for 2021 effectively immediately for all future bookings.

### **II. DISTRICT STRATEGIC PLAN**

Long Range Principle #2 – Finance: The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial policies for operating budgets, fund balances, capital improvements, and debt management.

- Objective #3 – Prepare a five-year projection of financial results for each fund for operations, capital improvement and debt service as part of budget deliberations.

### III. BACKGROUND

Each year, Staff uses historical venue reservation records, utilization statistics, budget initiatives, and area competitor venue pricing as the resources to define the rates IVGID Facilities should be charging.

After careful review of other area venues, in addition to current rising costs, the following recommendations are made:

#### FACILITY VENUE FEES

### The Chateau

June – October Venue Rates	Non-Picture Pass Holder	Proposed Rate	PPH Rate	Proposed Rate
Saturday	\$7,990	No Change	\$5,993	No Change
Friday & Sunday	\$4,970	\$6,390	\$3,528	\$4,793
Monday-Thursday	\$3,045	\$3,990	\$2,286	\$2,993
November – May Venue Rates				
Saturday	\$4,660	\$6,390	\$3,495	\$4,793
Friday & Sunday	\$3,230	\$3,990	\$2,423	\$2,993
Monday-Thursday	\$2,035	\$2,590	\$1,527	\$1,943

### Aspen Grove

June – September	Non-Picture Pass Holder	Proposed Rate	PPH Rate	Proposed Rate
Saturday	\$3,160	\$4,190	\$2,370	\$3,143
Friday & Sunday	\$2,085	\$3,390	\$1,565	\$2,543
Monday-Thursday	\$1,150	\$2,790	\$885	\$2,093

*\*The IVGID Board of Trustees allows management to adjust prices to accomplish yield management provided the rate offered to the public is above the IVGID Picture Pass Holder rate.*

#### **IV. FINANCIAL IMPACT AND BUDGET**

We expect the adjusted Facility rates to produce an additional \$120,000-\$170,000 in revenues compared to \*2018/2019 actuals. The growth over the 2018/2019 actual financial statistics is a difficult comparison due to the uncertainty of COVID-19 restrictions.

*\*Last full year without COVID-19 restrictions*

#### **V. ALTERNATIVES**

- Request Staff seek more information.
- Do not approve Facility Rates.

#### **VI. COMMENTS**

None at this time.

#### **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.

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Darren Howard  
Director of Golf and Community Services

**SUBJECT:** Review, discuss, and possibly (1) Authorize re-allocating \$12,000 from unallocated Golf capital funds to augment Driving Range Nets replacement project (CIP#3143GC1201); (2) Award a construction contract for Driving Range Nets - 2020/2021 Capital Improvement; Fund: Community Services; Division: Golf; Project #3143GC1201; Vendor: Judge Netting, Inc. in the amount of \$96,000; (3) Authorize Staff to approve change orders to the construction contract, up to \$3,000, for additional work not anticipated at this time and (4) Authorize staff to execute the contract documents

**STRATEGIC PLAN:** Long Range Principle 5 – Assets and Infrastructure

**DATE:** March 1, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees moves to:

1. Authorize re-allocating \$12,000 from unallocated Golf capital funds to augment Driving Range Nets replacement project (CIP#3143GC1201).
2. Award a construction contract to Judge Netting, Inc. in the amount of \$96,000 for construction of the Driving Range Nets.
3. Authorize Staff to approve change orders to the construction contract, up to \$3,000, for additional work not anticipated at this time.
4. Authorize staff to execute the contract documents.

## **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**

The Championship Golf Course Driving Range is a critical element of the Championship Golf course amenities. Both residents and visitors utilize the driving range prior to playing a round of golf or just to practice. This project includes replacement of the range nets and hardware holding the nets in place as needed.

The nets wear out over time and need to be replaced to ensure a top practice experience for our customers, as well as to ensure the safety of people on the golf course and the neighboring homeowners. The poles do not need to be replaced at this time.

## **IV. BID RESULTS**

The District sent out bids for this project and the returned bids are as follows:

<b>Company</b>	<b>Bid Amount</b>
West Coast Netting, Inc.	\$92,000
Judge Netting	\$96,000
Golf Range Netting	\$129,800

The lowest bidder was West Coast Netting, Inc. however after review of the bid it was determined they are not currently licensed in Nevada. The Nevada licensure requirement was discussed with District Counsel and it was determined this bid needed to be rejected.

The lowest responsible bidder is Judge Netting, Inc. District Staff reviewed the bid, available project budget, and checked references for the Contractor and recommends award of this contract to Judge Netting, Inc. If awarded, the tentative schedule is to begin construction by mid-April (weather permitting) completion date by May 1, 2021.

## V. FINANCIAL IMPACT AND BUDGET

Driving Range Nets (3141GC1202) is included in the 2020-21 CIP Budget. The project has a construction budget of \$90,000 (see attached CIP Data Sheet).

The table below presents the estimated costs for the Driving Range Nets, based on the bids received:

<b>Task</b>	<b>Cost</b>
Construction contract	\$96,000
Construction reserves (Unforeseen conditions)	\$3,000
District staff time during construction (Construction Management and Inspection)	\$3,000
<b>Total</b>	<b>\$102,000</b>

Staff is proposing that the Driving Range Nets CIP project be augmented by \$12,000 to complete this project. Funding for the augmentation is proposed from a re-allocation of funds available within the Golf Fund Capital funds, from appropriations previously reduced from the Championship Golf Course Maintenance Building Drainage, Washpad and Pavement project.

## VI. ALTERNATIVES

None proposed.

## 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.

Attachments:

- Driving Range Nets – Project Summary Data Sheet
- Short Form Agreement – Judge Netting, Inc.



## Project Summary

<b>Project Number:</b>	3143GC1201
<b>Title:</b>	Driving Range Nets
<b>Project Type:</b>	G - Equipment & Software
<b>Division:</b>	43 - Driving Range
<b>Budget Year:</b>	2021
<b>Finance Option:</b>	
<b>Asset Type:</b>	GC - Golf Course Improvements
<b>Active:</b>	Yes

<b>Project Description</b>				
The Championship Golf Course Driving range is a critical element of the Championship Golf course amenities. Both residents and visitors utilize the driving range prior to playing a round of golf or just to practice. This project includes replacement of the range nets as well as the poles and hardware holding the nets in place as needed.				
<b>Project Internal Staff</b>				
Engineering and Golf staff will design and solicit proposals for the project. A licensed contractor will install the nets.				
<b>Project Justification</b>				
The nets wear out over time and need to be replaced to ensure a top practice experience for our customers, as well as to ensure the safety of people on the golf course and the neighboring homeowners. The poles will also be evaluated for replacement or fortification the year prior to the nets being replaced.				
<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2021				
Replace Nets	90,000	0	90,000	
Year Total	90,000	0	90,000	
2028				
Replace Nets	85,000	0	85,000	
Replace Poles	200,000	0	200,000	
Year Total	285,000	0	285,000	
2030				
Replace Nets	85,000	0	85,000	
Year Total	85,000	0	85,000	
2035				
Replace Nets	85,000	0	85,000	
Year Total	85,000	0	85,000	
	<b>545,000</b>	<b>0</b>	<b>545,000</b>	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>
2012			Engineering Technician	



☞ **SHORT FORM AGREEMENT** ☞

**Between**  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
**and**  
**JUDGE NETTING, INC.**  
**for**  
**CONSTRUCTION SERVICES**

This Agreement is made as of (date) between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "Owner," and **JUDGE NETTING, INC.**, 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:

Services as described in the Contract Documents included with this Agreement, basically consisting of removal and replacement of existing driving range netting at the Incline Village Championship Golf Course, located at 955 Fairway Blvd., in Incline Village, Washoe County, Nevada.

**1.2** All documentation, drawings, reports, and invoices submitted for this project will include **IVGID PO Number TBD.**

**1.3** The Work shall be substantially complete by May 1, 2021.

**ARTICLE 2 – CONTRACT DOCUMENTS: INTENT, AMENDING, REFUSE**

**2.1** This Agreement consists of the following Contract Documents:

- A. This Short Form Agreement, pages 1 through 9, inclusive
- B. Contractor's Bid submitted on February 9, 2021
- C. Original Request for Proposals
- D. 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 Contract 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 Project.
- 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 Project.
- 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 Project 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 Project 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 Owner's representative written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Owner's representative 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 Working Hours

Contractor to make arrangements with IVGID Director of Golf & Community Services Darren Howard, 775-832-1295, for performing the work, including schedule, staging, and interruptions to operations. Any interruptions to operations require seven day notice to IVGID.

### 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. The #930 net shall be accompanied by a ten (10) year full value (not pro-rated) warranty.

- B. Contractor warrants and guarantees to Owner that all work will be in accordance with the Contract Documents and will not be defective. Owner's representative and its Related Entities shall be entitled to rely on representation of Contractor's warranty and guarantee.
- C. 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.
- D. Contractor's obligation to perform and complete the Project 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 Owner's representative;
  - 2. Recommendation by Owner's representative or payment by Owner of any progress or final payment;
  - 3. The issuance of a certificate of substantial completion by Owner's representative or any payment related thereto by Owner;
  - 4. Use or occupancy of the Project 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 Owner's representative;
  - 6. Any inspection, test, or approval by others; or
  - 7. Any correction of defective work by Owner.

#### **4.7 Correction Period**

- C. 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 Project, 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: To the extent permitted by law, 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.
- E. 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. Lump Sum. Owner shall pay Contractor for the Project as follows:
  - 1. A Lump Sum amount of Ninety-Six Thousand Dollars (\$96,000.00) ("Contract Price").
  - 2. In addition to the Lump Sum amount, reimbursement of the following expenses: None.
  - 3. The portion of the compensation amount billed monthly for Contractor's services will be based upon Contractor's estimate of the percentage of the total services actually completed during the billing period.

### 6.2 Payment Procedures

- A. Submittal and Processing of Payments –
  - 1. Invoices shall be sent to [invoices@ivgid.org](mailto:invoices@ivgid.org).
  - 2. Upon final completion and acceptance of the Project, Owner shall pay the Contract Price, as recommended by Owner's representative.

## 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 – MISCELLANEOUS**

### **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**

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**

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**

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**

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.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**The undersigned has read, reviewed and approves this document**

**CONTRACTOR:**  
**JUDGE NETTING, INC.**  
**Agreed to:**

By: \_\_\_\_\_  
Joshua Nelson  
District General Counsel

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Agreed to:**

\_\_\_\_\_  
Indra Winquest  
IVGID General Manager

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Div. Phone

Contractor's address for giving notice:  
**JUDGE NETTING, INC.**  
11851 Westminster Avenue  
Garden Grove, CA 92843  
775-265-2200

**BID FORM**

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

**Location:** Championship Golf Course, 955 Fairway Blvd, Incline Village, NV 89451. Contact Darren Howard at 775-832-1295 to schedule a site walk. 48 hours' notice required.

<b>Total Bid, In Numbers:</b>	\$ 96,000
<b>Total Bid, In Words:</b>	ninety six thousand dollars

Signature of Bidder:                     Daniel H. Judge                     Date:           2/9/21          

**PRINT OR TYPE:**

Name:           Daniel H. Judge            
Title:           President            
Firm Name:           Judge Netting Inc.            
Nevada Contractor's License #           0057261            
City, St, Zip:           Garden Grove, CA 92843            
Phone & Fax #:           714-265-2200 / 714-265-2400          

**DISCLOSURE OF PRINCIPALS - OFFICERS, OWNERS, PARTNERS:**

Name:           Daniel H. Judge           Official Title:           President/treasurer            
Address:           231 Flower St., Costa Mesa, CA 92627            
Name:           Janet H. Judge           Official Title:           Vice President/Secretary            
Address:           231 Flower St., Costa Mesa, CA 92627            
Name:           —<sup>o</sup> N/A           Official Title:           N/A            
Address:           N/A

**REQUEST FOR PROPOSALS**

**DRIVING RANGE NETS**  
**IVGID Project # 3143GC1201**

**INTRODUCTION**

The Incline Village General Improvement District (IVGID or District) is soliciting Lump Sum Price Bids to replace existing driving range netting of 600 l/f of 40-41 foot high netting, 700 l/f of 55-58 high netting and 250 l/f of 44-48 foot high netting.

**SCHEDULE**

Work shall be substantially complete by May 1, 2021.

**DESCRIPTION OF WORK**

Work is generally described as taking down and replacing existing netting at the Incline Village Championship Golf Course located at 955 Fairway Blvd., in Incline Village, Nevada.

Scope of work consists of:

- Netting consists of #930 polyester golf range netting with a 116 lb. or 173 lb. breaking strength. 1" single bar measure mesh, four needle raschel knotless construction, treated with black resin bonding. Mesh break strength determined per ISO 1806.
  - Test results by an independent certified testing laboratory, traceable to the National Institute of Standards and Technology, must accompany netting sample for approval prior to furnishing.
- Netting shall have 3/8" braided dark color perimeter rope, minimum 3,500 lbs. breaking strength and snapped to steel cable with 9/32" or 1/4" carabineer snaps on 30" centers. Rope shall be #48 braided polyester twine, minimum 375 lb. tensile strength, treated black. The attachment twine shall continually encompass the netting component and be tied to the rope component via a clove hitch knot +/-6 inches on center, never to exceed 8 inches on center. The #930 net shall be accompanied with a ten-year full value (not pro-rated) warranty.

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

CONTRACTOR to make arrangements with IVGID Director of Golf & Community Services Darren Howard for performing the work, including schedule, staging, and interruptions to operations. Any interruptions to operations require seven day notice to IVGID.

**ENGINEERING DEPARTMENT**  
**1220 SWEETWATER ROAD · INCLINE VILLAGE NV 89451**  
**PH: (775) 832-1267 · FAX: (775) 832-1331**

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## **DATE OF SUBMITTAL**

Lump Sum Price Bids are to be received by the District no later than 3:00 p.m. **February 15, 2021**. Bids may be e-mailed to **[jdh@ivgid.org](mailto:jdh@ivgid.org)**, mailed or hand-delivered to:

Incline Village Championship Course, Attention Darren Howard  
**Incline Village General Improvement District**  
955 Fairway Blvd.  
Incline Village, Nevada 89451

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 inquiries for additional information and clarification of this RFP should be directed to the IVGID Director of Golf and Community Services – Darren Howard, (775) 832-1295.

## **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.

**ENGINEERING DEPARTMENT**  
**1220 SWEETWATER ROAD · INCLINE VILLAGE NV 89451**  
**PH: (775) 832-1267 · FAX: (775) 832-1331**

- 2 -

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 District 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 District.

**BID FORM**

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

**Location:** Championship Golf Course, 955 Fairway Blvd, Incline Village, NV 89451. Contact Darren Howard at 775-832-1295 to schedule a site walk. 48 hours' notice required.

<b>Total Bid, In Numbers:</b>	\$ _____
<b>Total Bid, In Words:</b>	_____

Signature of Bidder: \_\_\_\_\_ Date: \_\_\_\_\_

**PRINT OR TYPE:**

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Firm Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, St, Zip: \_\_\_\_\_  
Phone & Fax #: \_\_\_\_\_

**DISCLOSURE OF PRINCIPALS - OFFICERS, OWNERS, PARTNERS:**

Name: \_\_\_\_\_ Official Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Official Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Name: \_\_\_\_\_ Official Title: \_\_\_\_\_  
Address: \_\_\_\_\_

## MEMORANDUM

**TO:** Board of Trustees

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

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Review, discuss and possibly authorize funds from the Fiscal Year 2020/2021 existing General Fund budget (up to \$50,000) and authorize the District General Manager to execute contract(s) for the purposes of executing one or more professional services contract(s) to review selected District policies

**DATE:** March 4, 2021

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### **I. RECOMMENDATION**

Staff recommends that the Board of Trustees authorize up to \$50,000 in existing FY2020/2021 General Fund appropriations to support one or more professional service consultant contracts to assist in updating selected District policies, practices and procedures.

### **II. BACKGROUND**

The Board and General Manager have identified the need to update Board policies, procedures and practices as a priority initiative. Specific policies have been identified by Board Trustees, third-party review of District policies and practices, management's review of internal controls and, most recently, during recent Board budget workshops.

Staff has initiated a review of Board policies and practices, as well as internal Accounting and Financial Procedures that have a direct impact in the development of the FY2021/2022 budget, including update to the District's Five-Year Capital Improvement Plan. This review includes areas identified as part of the January 21<sup>st</sup> Budget Workshop as well as recently-concluded third-party review of selected accounting and financial reporting practices.

As part of Staff's review it is acknowledged that assistance from outside consultants will be helpful in ensuring that any updates proposed to Board policies,

Review, discuss and possibly authorize funds from -2- the Fiscal Year 2020/2021 existing General Fund budget (up to \$50,000) and authorize the District General Manager to execute contract(s) for the purposes of executing one or more professional services contract(s) to review selected District policies

March 4, 2021

practices and/or internal procedures incorporated best practices within each topic area.

While it is anticipated that individual scope(s) of work to assist the District in updating policies, practices and procedures will likely result in contracts that could be executed within the District General Manager's spending authority (i.e. under \$50,000), Board Policy 3.1.0 requires that any un-budgeted expenditure must be approved by the Board of Trustees.

The purpose of this agenda item is to request Board authorization to re-allocate up to \$50,000 in existing General Fund budgeted appropriations for the purpose of engaging outside assistance in reviewing policies, practices and procedures. While each individual contract may ultimately not require formal Board approval, it is Staff's intent to inform the Board of the status of any engagement to be pursued within the requested budget authority.

### **III. DISCUSSION**

At this time, Staff recommends that any outside engagement be focused on selected policy areas where outside assistance is most helpful, as well as prioritize those areas where existing policies and practices have a direct impact on the development of the FY2021/2022 budget.

By pursuing outside assistance through engagements with a specific scope of services, the District is able to prioritize areas for review, by topic area, and expedite returning to the Board with any proposed or recommended changes to specific policies, practices and procedures. This approach also provides the District with the flexibility to identify areas that warrant more in-depth review and consultant assistance (i.e. identifying gaps in existing policy, review of best practices, and drafting of new policies and procedures) versus utilizing outside consultants to provide peer review recommended updates proposed by Board members or management.

Specific recommendations for immediate next steps:

- Policy 6.1.0 Adoption of Financial Practices  
Staff Lead with Board of Trustees input (6.1.2.1 -Revenues/ Pricing Policies)  
Cost estimate: N/A



Review, discuss and possibly authorize funds from -3- the Fiscal Year 2020/2021 existing General Fund budget (up to \$50,000) and authorize the District General Manager to execute contract(s) for the purposes of executing one or more professional services contract(s) to review selected District policies

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- Policy 7.1.0/Practice 7.2.0 – Fund Balances / Working Capital  
Solicit assistance from Government Finance Officers' Association (GFOA); Incorporate input from on-going Raffetis review regarding Utility operations  
Cost estimate: less than \$10,000
- Policies 8.1.0, 12.1.0, 13.1.0 and related practices – Capital Planning, Capital Budgeting and Capitalization Thresholds:  
Solicit Assistance from Moss Adams, LLP to provide “best practices”, identify areas for revision and propose updated policy language.  
Cost estimate: less than \$20,000
- Policies 18.1.0,. Practice 18.2.0 – Central Services Cost Allocation  
Staff Lead with assistance from District's new Independent Auditor  
Cost Estimate: N/A

#### **IV. FISCAL ANALYSIS**

The estimated cost to engage outside consultants with a review of District policies, procedures and practices to inform development of the FY2021/2022 budget is expected to in the range of \$20,000 - \$40,000. Funding to support this effort has been identified from savings anticipated in the current (FY2020/2021) approved General Fund budget.

To date, two contracts were executed related to third-party review of the District's Contract Management practices as well as selected Accounting and Financial Reporting Practices. These contracts have exhausted funding previously approved by the Board of Trustees and thus staff is recommending that the Board authorize additional budget authority of up to \$50,000 for follow-up work in specified areas.

Staff is developing a recommendation for Board consideration in conjunction with the FY2021/2022 budget for a funding allocation to support ongoing work in the new fiscal year.

#### **V. COMMENTS**

To support the overall effort to review and update Board Policies and Practices related to Budget and Fiscal Management, it is recommended that a Board liaison be assigned to work with Staff to ensure that the process to review and update selected policies and procedures is prioritized and appropriate Board agenda items are brought back to the Board for review and approval in order to inform the FY2021/2022 budget process.



## **Conduct Meetings of the Board of Trustees Policy 3.1.0**

**POLICY.** The Board of Trustees will establish the time and place of the regular meeting of the Board of Trustees of the Incline Village General Improvement District and provide the manner in which special meetings of said District may be called, designating the meeting location, and establishing the order of business and rules for its proceedings for the Incline Village General Improvement District, Washoe County, State of Nevada

Notice and conduct of all meetings shall conform with the provisions in Nevada Revised Statutes (NRS) 241.020 and NRS 281A (Ethics In Government). Meeting minutes and transcripts of meeting will be in compliance with NRS 241.035.

- 0.1 Regular Meetings.** The regular meeting times and location shall be set by the Board of Trustees.
- 0.2 Special Meetings.** Special meetings of the Board of Trustees shall be held upon call of the Chair of the Board or at least two of the Trustees.
- 0.3 Meeting Place.** All Board of Trustees meetings shall be held within the District.
- 0.4 Item(s) of Business/Agenda Preparation.** The Board Chair, in cooperation with the General Manager, is responsible for preparing the agenda and supporting materials for each meeting. The Chair, in cooperation with the General Manager, will place on the Agenda any item requested by a fellow Trustee. If a person or party, including the general public, wishes to have a matter considered by the Board, a written request should be submitted to the General Manager, in advance of the meeting, allowing enough time for staff research. The amount of advance time required will be determined by the General Manager, based upon Board Policy, administrative procedure, and the facts in each instance. Unless directed otherwise by the Board, the Chair and the General Manager may delay consideration of an item, based upon the length of an agenda, need for coordination with other agenda items, meeting efficiency, or other considerations.



## **Conduct Meetings of the Board of Trustees Policy 3.1.0**

No matter shall be heard or acted upon without all relevant materials. Public comment may be scheduled for individual agenda items in addition to the initial and closing public comment period at the discretion of the Chair. Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item.

The item(s) of business at the regular meetings of said Board may include, but are not limited to:

- Pledge of Allegiance
- Roll call of Trustees
- Initial Public Comment – not to include comments on General Business items with scheduled public comment
- Approval of Agenda
- Public Hearings (if any)
- District Staff Update (if any) – once a month the General Manager is to provide a formal written report outlining the contracts/expenditures s/he approved with proper spending authority (under \$50,000)
- Review of the long range calendar
- Legal Counsel Update (if any)
- Reports to the Board – Reports are intended to inform the Board and/or the public
  - Audit Committee (if appropriate)
  - Treasurers Report (if any)
    - Payment of Bills – For District payments exceeding \$10,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$10,000 provided they are budgeted and the expenditure is approved according to District signing authority policy.
- Consent Calendar (if any)



## Conduct Meetings of the Board of Trustees Policy 3.1.0

- In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section.
- Any member of the Board may request the removal of a particular item from the consent calendar and that the matter shall be removed and addressed in the General Business section of the meeting.
- A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.
- General Business
- Approval of minutes
- Reports
  - Reports are intended to inform the Board and/or the public.
- Final Public Comment
- Adjournment

### 0.5 Rules of Proceedings.

- a. Public Meetings. All meetings of the Board shall be in accordance with NRS 241, the Nevada Open Meeting Law.
- b. Quorum. A majority of the Board of Trustees present in person or by remote communication shall constitute a quorum for the transaction of business. In no event shall any matter be approved without the affirmative vote of three trustees.
- c. Method of Action. The Board of Trustees shall act only by motion which, to become effective, shall be adopted by the affirmative vote of at least a majority of its members, which is



## Conduct Meetings of the Board of Trustees Policy 3.1.0

three (3), unless otherwise provided by statutes, including but not limited to NRS 318.280 and NRS 318.350. In the event of only three members present, the method of action must be unanimous.

The District and its Board will operate according to NRS 281A, Ethics In Government. Should a conflict of interest be a concern, the Trustee will abide by NRS 281A and potentially abstain from voting. According to NRS 241.0355, an abstention is not a vote in favor.

- d. Recording Vote. All Trustees present and voting, shall have their yes/ayes and no/nays taken on all actions taken and entered into the minutes. All Trustees shall have the equal right to vote, make and second motions. If the vote for/against any item is not unanimous, the Chair may ask the Clerk to conduct a roll call vote.
- e. Ordinances. The enacting clause of all ordinances passed by the Board shall include the word "ordinance" and be consecutively numbered. All actions to pass or revise an ordinance shall be attested by the Secretary.
- f. Contracts. Contracts proposed and/or estimated to exceed \$50,000 must be approved by the Board of Trustees. The General Manager has the authority to execute contracts, not to exceed \$50,000, so long as the funds were budgeted for the specific purpose. All documents approved or awarded by the Board shall be signed in the name of the District by the Chair and countersigned by the Secretary, unless authorization to sign is given to another person(s) by the Board.
- g. Claims. The Board of Trustees may engage the General Manager and General Counsel to negotiate on behalf of IVGID, the settlement of all property damage, personal injury, or liability claims. Final settlement of such claims must be approved by the Board. The General Manager may accept a tentative



## **Conduct Meetings of the Board of Trustees** **Policy 3.1.0**

settlement, which shall not be final and binding upon IVGID, unless and until approved by the Board of Trustees.

- h. Litigation. The General Manager must obtain Board of Trustees authorization, at a public meeting, to initiate any lawsuit, appeal any decision or judgement, or retain legal counsel to defend a lawsuit.

**0.6 Robert's Rules.** Unless contrary to this rule, such meetings shall be substantially conducted in conformity with Robert's Rules of Order unless those provisions conflict with Chapter 241 of the NRS, in which case, the statutes will prevail.

**0.7 Reconsideration.** Reversal, or substantial modification, of any item by the Board of Trustees within six months of the meeting date at which the action was taken, shall only be considered as follows:

- The General Manager may request reconsideration of any action of the Board, and place reconsideration of the action before the Board, if the General Manager determines that the action compromises the efficiency of operations or otherwise impairs the effective management of the District.
- A Board action may also be scheduled for reconsideration if at least three Trustees make the request.
- Written requests for reconsideration by any other person or party, including members of the general public, will be distributed to the Trustees but shall not be placed on the Board agenda, without the concurrence of at least three Trustees, as provided above.

If the original action was taken after a Public Hearing, a second Public Hearing shall be held in conjunction with any reconsideration.

Once placed on the agenda under the procedure established herein, the Board may rescind, modify, reaffirm, or take no action on the item; in the same manner it would take action on any other General Business agenda item.



## Conduct Meetings of the Board of Trustees Policy 3.1.0

- 0.8 Officers of the Board.** As the first item of General Business at the first meeting of the calendar year, the Board of Trustees shall elect a Chair, Vice Chair, Treasurer, and Secretary. Each will begin their term immediately after the election and to assume their role for the duration of the first meeting continuing until the next election.

According to NRS 318.085(1), the role of Treasurer and the Secretary may be fulfilled by someone other than a Trustee.

Should a vacancy occur, the Board of Trustees shall follow NRS 318.090(5) to fill the vacancy. The most current roster for the current Board of Trustees is located on the District's website.

- 0.9 Advisory Committees.** The Board of Trustees may from time to time establish citizen committees to advise it on policy matters of the District. All such committees shall serve at the pleasure of the Board, and the Board shall have the authority to remove any member or all members from any and all committees at any time, or to change any of the terms of office thereof. Unless otherwise provided for in the document creating such committee and as permitted by applicable law (i.e. the Audit Committee). Committees shall be advisory in nature only, and shall have no authority to set policy; expend or obligate funds; hire, fire, supervise, or direct staff; or speak on behalf of the District, the Board, or its officers or employees. All committees shall conduct their business according to Roberts Rules of Order and shall conform to all provisions of the Nevada Open Meeting Law. If any Trustee is appointed to serve on a committee, the Trustee shall be the chair of that committee, unless other methods for selecting the chair have been approved by the Board of Trustees. If more than one Trustee is appointed to serve on the committee, then the Board shall determine by motion which Trustee shall serve as chair.

The General Manager may establish citizen advisory committees or bodies to advise the General Manager on areas of interest. These Citizen Advisory Committees are distinctively different from Board advisory committees as they are created by the General Manager to provide input. As such, they are not subject to the Nevada Open



## **Conduct Meetings of the Board of Trustees Policy 3.1.0**

Meeting Law, but a reasonable attempt is to be made to notify members of the public of their meetings.

- 0.10 Legislative Matters.** The General Manager may from time to time propose positions on legislative issues, which positions shall be reviewed and approved by the Board at its regular meeting.
- 0.11 Conflict Resolution.** In the event that the provisions of Policy 3.1.0 conflict with any other Policy Provisions, this policy shall prevail.





**Budgeting and Fiscal Management  
Adoption of Financial Practices  
Policy 6.1.0**

**POLICY.** The District will maintain the following processes:

- 1.0 Financial Planning
- 2.0 Revenue
- 3.0 Expenditure

The District's adopted financial policies should be used to frame major practice initiatives and be summarized in the budget document.

These processes, along with any others that may be adopted, will be reviewed during the development of the operating budget. The Finance and Accounting staff should review the processes to ensure continued relevance and to identify any gaps that should be addressed with new processes. The results of the review should be shared with the Board of Trustees during the review of the proposed budget.

**Process categories that should be considered for development, adoption and regular review are as follows:**

**1.0 Financial Planning**

Financial planning addresses the need for a long-term view and the fundamental principle of a balanced budget. At a minimum, the District processes support:

- 1.1 Balanced Budget. The District shall adopt a process that defines a balanced operating budget, encourages commitment to a balanced budget under normal circumstances, and provides for disclosure when a deviation from a balanced operating budget is planned or when it occurs.
- 1.2 Long-Range Planning. The District shall adopt a process(s) that supports the long-term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.



## **Budgeting and Fiscal Management Adoption of Financial Practices Policy 6.1.0**

- 1.3 Asset Inventory. The District shall adopt a process to inventory and assess the condition of all major capital assets. This information should be used to plan for the ongoing financial commitments required to make the best use of public funds.

### **2.0 Revenue**

Understanding the revenue stream is essential to prudent planning. Most of these policies seek stability to avoid potential service disruptions caused by revenue shortfalls.

- 2.1 Revenue Diversification. The District shall adopt a process that encourages a diversity of revenue sources in order to improve the ability to handle fluctuations in individual sources.
- 2.2 Fees and Charges for Services. The District shall adopt process that identifies the manner in which fees and charges for services are set and the extent to which they cover the cost of the service provided.
- 2.3 Use of One-time Revenues. The District discourages the use of one-time revenues for ongoing expenditures.
- 2.4 Use of Unpredictable Revenues. The District, as a matter of process, requires budget documents to identify the nature of collection and use of major revenue sources it considers unpredictable.

### **3.0 Expenditures**

The District's expenditures define the ongoing public service commitment. Prudent expenditure planning and accountability will ensure fiscal stability. The District shall maintain processes to address:

- 3.1 Debt Capacity, Issuance, and Management. The District, through the Board of Trustees, shall adopt a process that



**Budgeting and Fiscal Management  
Adoption of Financial Practices  
Policy 6.1.0**

specifies appropriate uses for debt and identifies the maximum amount of debt and debt service that should be outstanding at any time.

- 3.2 Reserve or Stabilization Accounts. The District shall adopt a process to maintain a prudent level of financial resources to protect against the need to reduce service levels, raise taxes, modify charges for services or reallocate facility fees due to temporary revenue shortfalls or unpredicted one-time expenditures.
- 3.3 Operating/Capital Expenditure Accountability. The District shall adopt a process to compare actual expenditures to budget periodically and indicate actions to bring the budget into balance or other actions, if necessary. Comparisons may be of a financial nature or relative to measures of performance and results.



## **Budgeting and Fiscal Management Appropriate Level of Fund Balance Policy 7.1.0**

**POLICY.** The District will maintain a formal practice on the level of Fund Balance that should be maintained in the General and Special Revenue Funds.

The adequacy of Unassigned Fund Balance in the General Fund should be assessed based upon the District's own specific circumstances. (Nevertheless, the Government Finance Officers Association (GFOA) recommends, at a minimum, that general-purpose governments, regardless of size, maintain Unassigned Fund Balance in their General Fund of no less than five to fifteen percent of regular General Fund operating revenues.) The Nevada Administrative Code (NAC 354.650) requires a budgeted fund balance of 4%, based on the actual expenditures of the General Fund's previous fiscal year.

Building "stabilization arrangements" in the General Fund is an acknowledged purpose in response to revenue shortfalls and unanticipated expenditures.

The District employs the term "fund balance" to describe the net position of governmental funds calculated in accordance with Generally Accepted Accounting Principles (GAAP) at the individual fund level. Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis. In both cases, fund balance is intended to serve as a measure of the financial resources available for use in a governmental fund type.

Financial reporting distinguishes restricted fund balance from unassigned and unrestricted fund balance. Typically, only the latter is available for spending. A "stabilization arrangement" indicates a designated portion of unassigned or unrestricted fund balance is subject to an action by the governing body concerning the use of that amount.



**Budgeting and Fiscal Management  
Appropriate Level of Fund Balance  
Practice 7.2.0**

**RELEVANT POLICIES: 1.1.0 Strategic Planning, 7.1.0 Appropriate Level of Fund Balance, 12.1.0 Multi-Year Capital Planning, and 13.1.0 Capital Project Budgeting, 14.1.0 Debt Management**

**PRACTICE.** It is the practice of the Incline Village General Improvement District, hereinafter referred to as the District, to maintain Fund Balance in the General Fund and each governmental or proprietary fund type in a manner which provides for contractual, bond and customer service obligations, while meeting its routine and non-routine cash flow requirements and complying with all federal, state and local statutes and regulations.

**1.0 SCOPE**

This Practice shall apply accounting principals as forth in Governmental Accounting Standards Board (GASB) Statement 54 considering the unique characteristics of the District. To that end the following measurements will apply to each fund or type:

**General Fund**

The General Fund must meet the minimum balance requirements under Nevada Administrative Code Section 354.650.

**Special Revenue Funds**

Community Services; 25% of a fiscal years' operating expenditures (based on the current adopted budget) other than capital expenditure and debt service.

Beach Enterprise; 25% of a fiscal year's operating expenditures (based on the current adopted budget) other than capital expenditure and debt service.

**Proprietary Fund Types:**

Measurements of target fund balances:



**Budgeting and Fiscal Management  
Appropriate Level of Fund Balance  
Practice 7.2.0**

Utilities.....Operations - 25% of operating expenses for the fiscal year based on the current adopted budget.  
\*\*

Internal Services.....Operations - 25% of operating expenses for the fiscal year based on the current adopted budget.  
\*\*

Workers Compensation.....An amount equal to the State of Nevada required deposit, plus sufficient resources to cover the last determined open exposure for prior claims, if not covered by purchased insurance or a termination insurance policy.

\*\* Operating expenses for these calculations do not include depreciation or interest expense since they are covered by separate definitions.

**2.0 Definition of Stabilization Arrangement**

In conformity with GASB Statement 54, the District may establish a stabilization arrangement only when it includes:

2.0.1 Recognition of the authority by which the arrangement is established including resolution, ordinance or other action.

2.0.2 When to make additions to the stabilization amount

2.0.3 When stabilization amounts can be spent

2.0.4 That a balance will be reported at each fiscal year end.

**3.0 Other Classifications**

The District will apply other classifications and accounting standards under GASB 54 including the use of Nonspendable, Restricted, Committed, Assigned, Unassigned and Unrestricted when presenting either a Statement of Net Position or other forms of fund balance in its financial reports.



**Accounting, Auditing and Financial Reporting**  
**Establishing the Estimated Useful Lives of Capital Assets**  
**Policy 8.1.0**

**POLICY.** The best source of relevant information on the estimated useful lives of the District's capital assets comes from its own past experience with similar assets. In situations where the documentation of the District's own past experience, for a given type of capital asset, is not adequate for this purpose, the District will consider the experience of other governments, professionally determined specifications, and private-sector enterprises. The District will make whatever adjustments are needed to estimated useful lives that were obtained from others to ensure that such estimates are appropriate to its own particular circumstances. It is especially important to consider the potential effect of each of the following factors when depending on the experience of others:

- 1.0 Quality.** Similar assets may differ substantially in quality, and hence in their useful lives, because of differences in materials, design and workmanship.
- 2.0 Application.** The useful life of a given type of capital asset may vary significantly depending upon its intended use.
- 3.0 Environment.** Environmental conditions in the Tahoe Basin include climate and regulatory sources. Conditions can be defined by the Tahoe Regional Planning Agency, the United States Forest Service Basin Management Unit and the North Lake Tahoe Fire Protection District. The service life of some capital assets used in connection with highly regulated activities could be affected by these agencies codes or best management practices.
- 4.0 Life Cycle Considerations.** The vast majority of the District's capital assets are used in conjunction with programming activities. Useful lives reflect the amount of utilization that will be consumed by an operating period and could affect the care and condition needed for services rendered by those venues. The District should also consider the possibility of varying useful lives for components of larger assets, both for capitalization and to reflect the appropriate life cycle maintenance interval for such components.



**Accounting, Auditing and Financial Reporting**  
**Establishing the Estimated Useful Lives of Capital Assets**  
**Policy 8.1.0**

- 5.0 Maintenance.** The potential effect of each of the factors just described may be mitigated or exacerbated as a consequence of the District's evaluation of capital asset care and condition, as well as the approach to maintenance and replacement policy. Once established, estimated useful lives for major categories of capital assets should be periodically compared with the District's actual experience and appropriate adjustments should be made to reflect this experience.





## Capital Planning Multi-Year Capital Planning Policy 12.1.0

**POLICY.** The District will prepare and adopt comprehensive multi-year capital plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs. The capital plan should cover a period of at least five years, preferably ten or more.

- 1.0 Identify needs.** The first step in the District's capital planning is identifying needs. The District has a commitment to the maintenance of its existing infrastructure. The District's Multi-Year Capital Plan will use information including development projections, strategic plans, comprehensive plans, facility master plans, regional plans, and citizen input processes to identify present and future service needs that require capital infrastructure or equipment. In this process, attention will be given to:
  - 1.1 Capital assets that require repair, maintenance, or replacement that, if not addressed, will result in higher costs in future years.
  - 1.2 Infrastructure improvements needed to support new development or redevelopment.
  - 1.3 Projects with revenue-generating potential.
  - 1.4 Improvements that support economic development.
  - 1.5 Changes in policy or community needs.
  
- 2.0 Determine costs.** The full extent of project costs should be determined when developing the multi-year capital plan. Cost issues to consider include the following:
  - 2.1 The scope and timing of a planned project should be well defined in the early stages of the planning process.
  - 2.2 The District should identify and use the most appropriate approaches, including outside assistance, when estimating project costs and potential revenues.



**Capital Planning**  
**Multi-Year Capital Planning**  
**Policy 12.1.0**

- 2.3 For projects programmed beyond the first year of the plan, the District should consider cost projections based on anticipated inflation.
- 2.4 The ongoing operating costs associated with each project should be quantified, and the sources of funding for those costs should be identified.
- 2.5 A clear estimate of all major components required to implement a project should be outlined, including land acquisition needs, pre-design, design, and construction or acquisition, contingency and post-construction costs.
- 2.6 Recognize the non-financial impacts of the project (e.g., environmental) on the community.

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

3.1 Categorize each submittal under Project Types:

3.1.1 Major Projects

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

3.1.1.1 New Initiatives

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

3.1.1.2 Existing Facilities

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



**Capital Planning**  
**Multi-Year Capital Planning**  
**Policy 12.1.0**

3.1.2 Capital Improvement

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

3.1.2.1 New Initiatives

3.1.2.2 Existing Facilities

3.1.3 Capital Maintenance

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

3.1.4 Rolling Stock

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

3.1.5 Equipment & Software

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

3.2 Prioritize Projects under these criteria:

3.2.1 Priority 1 are projects that address Existing Facilities or replace existing assets via Capital Maintenance, Rolling Stock, or Equipment & Software projects that have reached or are near the end of useful life and are necessary to meet existing programming, operations, or capacities that the community wants, needs and uses.

3.2.2 Priority 2 are New Initiative projects that address existing facilities and assets that have reached or are



## **Capital Planning Multi-Year Capital Planning Policy 12.1.0**

near the end of useful life in order to expand existing programming, operations, or capacities to meet the community's wants, needs and uses.

- 3.2.3 Priority 3 are New Initiative projects that create new amenities that are wanted by the community and will be funded by new sources.
- 3.2.4 Priority 4 are New Initiative projects that create new amenities that are wanted by the community and will be funded by existing sources.
- 3.3 Ongoing consideration of Project Types and Prioritization by District Staff will consider:
  - 3.3.1 Reflect the relationship of project submittals to financial and governing policies, plans, and studies.
  - 3.3.2 Allow venues to provide a prioritization recommendation.
  - 3.3.3 Incorporate input and participation from major stakeholders and the general public.
  - 3.3.4 The condition assessment of existing assets as it relates to asset life-cycle, industry best practices, manufacturer's guidelines, safety, and the aesthetic character of the facility.
  - 3.3.5 Adhere to legal and regulatory requirements and/or mandates.
  - 3.3.6 Anticipate the operations and operating budget impacts resulting from capital projects.
  - 3.3.7 Apply analytical techniques, as appropriate, for evaluating potential projects (e.g., return on service,



## Capital Planning Multi-Year Capital Planning Policy 12.1.0

payback period, cost-benefit analysis, cash flow modeling).

3.3.8 Re-evaluate capital projects approved in previous multi-year capital plans.

3.3.9 The availability of outside funding (e.g. grants, direct community contribution, in-kind contribution, public private partnership) to support completion of a capital project.

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

- 4.1 Anticipate expected revenue and expenditure trends, including their relationship to multi-year financial plans.
- 4.2 Prepare a flow of resources projection of the amount and timing of the capital financing and expenditure
- 4.3 Continue compliance with all established financial policies.
- 4.4 Recognize appropriate legal constraints.
- 4.5 Consider and estimate funding amounts from all appropriate funding alternatives.
- 4.6 Ensure reliability and stability of identified funding sources.
- 4.7 Evaluate the affordability of the financing strategy, including the impact on debt ratios, taxpayers, ratepayers, and others.



## Capital Planning Capital Project Budgeting Policy 13.1.0

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

- 1.0 Preparing and Adopting the Capital Budget. The capital budget will include the following information:
  - 1.1 A definition of capital expenditure for the District.
  - 1.2 Summary information of capital projects by fund, function, venue/service or activity.
  - 1.3 A schedule for completion of the project, including specific phases of a project, estimated funding requirements for the upcoming year(s), and planned timing for acquisition, pre-design, design, and construction or acquisition activities and transition to complete operation.
  - 1.4 Descriptions of the general scope of the project, including expected service and financial benefits to the District.
  - 1.5 A description of any impact the project will have on the current or future operating budget.
  - 1.6 Estimated costs of the project, based on recent and accurate sources of information.
  - 1.7 Identified funding sources for all aspects of the project, specifically referencing any financing requirements for the upcoming fiscal year.
  - 1.8 Funding authority based either on total estimated project cost, or estimated project costs for the upcoming fiscal year. Consideration should be given to carry-forward funding for projects previously authorized.



**Capital Planning  
Capital Project Budgeting  
Policy 13.1.0**

- 1.9 Any analytical information deemed helpful for setting capital priorities.

The District needs a greater level of detail and information for non-routine capital projects than for routine projects. For non-routine projects, the capital budget should thoroughly describe the impact on the operating budget, number of additional positions required, tax or fee implications, and other financial or service impacts.

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



**Budgeting and Fiscal Management**  
**Adoption of Central Service Cost Allocation Plan**  
**Policy 18.1.0**

**POLICY.** The District will maintain practices in conformity with the Nevada Revised Statute Section 354.107 (Regulations) and 354.613(c) (Enterprise Funds Cost Allocation), including:

- 0.1 Central Service Cost Allocation Plan for accumulating, allocating and developing billing rates on allowable costs of services provided by the District's General Fund to departments, divisions and Funds.
- 0.2 This Policy and related Practice can only be modified by a non-consent agenda item during a regular meeting of the Board of Trustees.

The District's adopted other Financial Policies (6.1.0) that should be used to frame major practice initiatives and be summarized in the budget document. This Policy is specific to the equitable distribution of general, overhead, administrative and similar costs incurred by the District's General Fund in the process of supporting the operation of the District funds.

The underlying practice, along with any others that may be adopted for other financial purposes, will be reviewed during the budget process. The Finance and Accounting staff should review the practices to ensure continued relevance and to identify any gaps that should be addressed with new practices. The results of the review should be shared with the Board of Trustees during the review of the proposed budget. Each budget year, the current Central Service Cost Allocation Plan will be filed with the Nevada Department of Taxation as required.

**Practice categories that should be considered for development, adoption and regular review are as follows:**

- 0.1.1 Costs Allowed
- 0.1.2 Allocation Method
- 0.1.3 Billing rates for services provided





**Budgeting and Fiscal Management  
Central Service Cost Allocation Plan  
Practice 18.2.0**

**RELEVANT POLICY: 18.1.0 Adoption of Central Service Cost Allocation Plan**

**1.0 COSTS ALLOWED**

- 1.0.1 Costs will be determined in accordance with generally accepted accounting principles and approved by the Board of Trustees as part of the annual budget process, including any budget augmentation.
- 1.0.2 Costs incurred by a department, division or Fund specifically associated with their activities and operation will be Direct Costs to those departments, divisions or Funds.
- 1.0.3 Costs incurred for a common or joint purpose, benefitting more than one objective, will be considered Indirect Costs. These Indirect Costs must be necessary and reasonable for proper and efficient performance and administration.
- 1.0.4 Costs incurred may include, without limitation:
  - 1.0.4.1 Legislative costs for the Board of Trustees
  - 1.0.4.2 Legal Costs
  - 1.0.4.3 General Administration
  - 1.0.4.4 Emergency Services
  - 1.0.4.5 Public Relations
  - 1.0.4.6 Property Management
  - 1.0.4.7 Grants Management
  - 1.0.4.8 Contract, Procurement and Accounts Payable
  - 1.0.4.9 Grounds and Building Maintenance
  - 1.0.4.10 Budgeting, Accounting, Payroll and Audit
  - 1.0.4.11 Human Resources and Risk Management
  - 1.0.4.12 Information Technology and Communications
  - 1.0.4.13 Warehouse and Storage

Effective for the year ended June 30, 2012 upon acceptance by the Board of Trustees  
Adopted February 29, 2012



**Budgeting and Fiscal Management  
Central Service Cost Allocation Plan  
Practice 18.2.0**

1.0.5 Applicable Credits

1.0.5.1 Applicable Credits will reduce the total costs allowed, when the credit relates directly to a transaction included in total costs.

1.0.6 Costs allowed should be deemed reasonable, ordinary and necessary for the operation of an Enterprise Fund.

**2.0 ALLOCATION METHOD**

2.0.1 The District's Proprietary Funds include both Enterprise and Internal Service Funds. The Internal Service Funds have and will continue to develop specific billing rates for services based on individual units of service to each department, division or Fund. Enterprise Funds will be billed an annual allocation of Indirect Costs Allowed, net of applicable credits, as evidenced by the adopted budget. The General Fund and Internal Service Funds be allocated a portion of these costs, but will not be billed, as it would only add a layer to recalculating their related rates and charges to the other funds.

2.0.2 The proportion of the allocation will be based on budget data in the form of statistics or amounts.

2.0.3 The basis of the allocation will be scheduled in support of current rates and be presented to the Board of Trustees in conjunction with establishing the Operating Budget for each fiscal year.

2.0.4 The Allocation Method for each Cost will be appropriate in relation to the cost's objective or measurement.

Effective for the year ended June 30, 2012 upon  
acceptance by the Board of Trustees  
Adopted February 29, 2012



**Budgeting and Fiscal Management  
Central Service Cost Allocation Plan  
Practice 18.2.0**

**3.0 BILLING RATES**

- 3.0.1 Monthly billings will be recorded and paid from the Enterprise Funds to the General Fund, based on a total as adopted with the District's Annual Operating Budget, including any Board approved amendments or budget augmentation.
- 3.0.2 The June billing each year, may be adjusted such that the total charges to the Enterprise Funds, for the fiscal year ending that respective June, does not exceed the actual allowed incurred costs net of actual applicable credits. The District may bill less than the budgeted total for a fiscal year, but in no case can the total billing exceed the total approved with the adoption of the District Annual Operating Budget for that fiscal year, including any Board approved amendments or budget augmentation.
- 3.0.3 Payment for billings will be considered completed by an entry in the general ledger for the District, through the Cash Clearing Fund, with appropriate amounts posted to the General Fund and the respective Enterprise Fund(s).

Effective for the year ended June 30, 2012 upon  
acceptance by the Board of Trustees  
Adopted February 29, 2012

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Nathan Chorey, P.E.  
Engineering Manager

**SUBJECT:** Review, discuss and possibly award construction contracts for interior reservoir coating repairs and reservoir ladder wire mesh installation utilizing excess funds from completed FY2021/2022 Capital Project: Water Reservoir Safety and Security Improvements; CIP # 2097DI1701.

**STRATEGIC PLAN:** Long Range Principle 5 – Assets and Infrastructure

**DATE:** March 1, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees moves to:

1. Award a construction contract to Marine Taxonomic Services, Ltd. in the amount of \$18,750 for interior reservoir coating repairs.
2. Authorize Staff to approve change orders to the project for additional work not anticipated at this time of up to 10% of the project bid – \$1,875.
3. Award a construction contract to Resource Development Company in the amount of \$8,900 for reservoir ladder wire mesh installation.
4. Authorize Staff to approve change orders to the project for additional work not anticipated at this time of up to 10% of the project bid – \$890.

### **III. BACKGROUND**

The District's FY2021/22 budget includes Capital Project: Water Reservoir Safety and Security Improvements; CIP # 2097DI1701. The Contractor has finished work on this project and a notice of completion was recorded on December 16, 2020, the recorded document is included in the Board packet for your reference. As of February 23, 2021; \$98,231.16 remains in the project budget. IVGID staff is requesting use of these excess funds to complete the identified projects.

Below is a brief history on each project.

### Interior Reservoir Coating Repairs

During construction of the Water Reservoir Safety and Security Improvements – Phase 1 & 2 Projects; access ladders, landings, and safety railings were welded to exteriors of the District’s water reservoirs. The exterior welding damaged the interior reservoir coating at the weld sites and should be repaired to maintain the integrity of the tank. Since this work requires a specialized contractor and the District completes annual tank coatings as part our Capital Improvement Plan, it was staff’s intent to complete this work at a future date. Given the excess project funds and the competitive pricing, staff recommends proceeding with the work.

IVGID Engineering Staff prepared bid documents and solicited proposals from five (5) contractors for the project. Two (2) bids were received on Thursday, February 18, 2021.

The bids received were:

- LiquiVision - \$40,495
- Marine Taxonomic Services, Ltd. - \$18,750

Declining to bid were Advanced Diving, Pittsburg Tank & Tower, and SeaTrepid / Remote Inspection Technologies.

### Reservoir Ladder Wire Mesh Installation

The Reservoir Safety and Security Project was divided into two phases. The Phase 1 Contractor (RDC) included the wire mesh on the cages around the access ladder at no charge to the District, see photo below.



The Phase 2 Contractor (Paso Robles Tank) constructed tank ladders per the construction drawings without the wire mesh, see photo below.



After seeing both installations in the field, IVGID crews believe the wire mesh provides an extra level of security/safety and would like to add this improvement to the three (3) reservoirs completed in Phase 2.

IVGID Engineering Staff solicited proposals from Phase 1 Contractor (Resource Development Company) and Phase 2 Contractor (Paso Robles Tank).

The bids received were:

- Resource Development Company - \$8,900

Paso Robles Tank did not respond to the request for proposal.

#### IV. **ALTERNATIVES**

1. Not authorize construction contracts. Complete proposed improvements at a future date.

Review, discuss and possibly award Construction Contracts for interior reservoir coating repairs and reservoir ladder wire mesh installation utilizing excess funds from completed FY2021-22 Capital Project: Water Reservoir Safety and Security Improvements; CIP # 2097DI1701.

-4-

March 1, 2021

## **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.

### Attachments:

- Water Reservoir Safety and Security Improvements – Project Summary Data Sheet
- Water Reservoir Safety and Security Improvements – Notice of Completion
- Short Form Agreement between IVGID and Marine Taxonomic Services, Ltd.



## Project Summary

<b>Project Number:</b>	2097DI1701
<b>Title:</b>	Water Reservoir Safety and Security Improvements
<b>Project Type:</b>	D - Capital Improvement - Existing Facilities
<b>Division:</b>	97 - Public Works Shared
<b>Budget Year:</b>	2021
<b>Finance Option:</b>	
<b>Asset Type:</b>	DI - Distribution Infrastructure
<b>Active:</b>	Yes

<b>Project Description</b>				
<p>The District owns and maintains 13 potable water reservoirs in Incline Village and Crystal Bay to store clean potable water that supply the homes and businesses in the District. The District owns one effluent storage reservoir constructed in the same manner as the water reservoirs located at the WRRF. The majority of these reservoirs were constructed in the 1960's and 1970's, with the exception of reservoir 3A-1 construction in 1996. The reservoirs range in size from 173,000 gallons up to 1,000,000 gallons. The reservoirs are welded steel with various types of ladders and safety climbing apparatus. The ladders are provided to meet the Occupational Safety and Health Administration (OSHA) for exterior access to the roof area and the needs of District operations. The reservoirs need to be modified to meet the current safety standards. A total of twelve potable water and the one effluent reservoir need improvements. The fourteenth reservoir, R3A-1 is in acceptable condition</p>				
<b>Project Internal Staff</b>				
Staff will manage the project with a design, bid, and build process.				
<b>Project Justification</b>				
<p>When the reservoirs were constructed the ladders and climbing apparatus were built to current industry standards. The reservoir ladders and climbing apparatus have been modified over the years to meet the Homeland Security and OSHA standards. This project will upgrade the ladders, rails, fencing, and climbing apparatus to meet current Federal OSHA safety standards to protect IVGID employees required to climb the reservoirs. The reservoirs will also be assessed for proper security protections. This is a multi-year project. A contract has already been awarded for the completion of 10 potable water reservoirs in a previous budget cycle. These funds are for the construction contract for the three remaining reservoirs, 2 potable water and 1 effluent water reservoir. This project is in PW Shared since it will be funded by water and sewer funds.</p>				
<b>Forecast</b>				
<b>Budget Year</b>	<b>Total Expense</b>	<b>Total Revenue</b>	<b>Difference</b>	
2021				
Construction	200,000	0	200,000	
Year Total	200,000	0	200,000	
	200,000	0	200,000	
<b>Year Identified</b>	<b>Start Date</b>	<b>Est. Completion Date</b>	<b>Manager</b>	<b>Project Partner</b>
2016	Jul 1, 2020	Jun 30, 2021	Engineering Manager	



DOC # 5117584

12/16/2020 02:39:15 PM  
Requested By  
INCLINE VILLAGE GID  
Washoe County Recorder  
Kalie M. Work - Recorder  
Fee: \$43.00 RPTT:  
Page 1 of 1

APN: 125-472-08, 126-210-02, 130-010-08

When Recorded Return to:  
IVGID Public Works  
Attn: Ronnie Rector  
1220 Sweetwater Road  
Incline Village, Nevada 89451

**NOTICE OF COMPLETION**

**NOTICE IS HEREBY GIVEN:**

That the construction work hereinafter described was completed on December 9, 2020. The name of the project was "Water Tank Access and Safety Improvements, Phase 2." Work consisted of water tank access and safety improvements to existing municipal drinking water storage tanks, comprising furnishing and installing access platforms, ladders, and railings. Work was located in Incline Village, Washoe County, Nevada. Owner of said work is the Incline Village General Improvement District, and the Contractor for said work was Paso Robles Tank, Inc., of Hemet, California.

**INCLINE VILLAGE G. I. D.**

By: *Nathan Chorey*  
Nathan Chorey, P. E.  
Engineering Manager

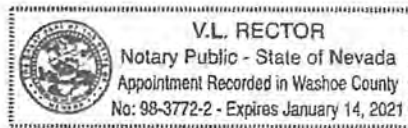
Dated: December 9, 2020

STATE OF NEVADA    )  
                                  )        ss  
COUNTY OF WASHOE )

Nathan Chorey, P. E., being first duly sworn, says that he is the duly appointed Engineering Manager for the Incline Village General Improvement District, and that he is authorized to execute the aforesaid Notice of Completion, and that the Board of Trustees of said Incline Village General Improvement District owns the improvements described in the foregoing notice, and that he has read the same, knows the contents thereof, and that the facts stated herein are true.

*Subscribed and sworn to before me this 9th day of December, 2020.*

*V. L. Rector*  
V. L. Rector, Notary Public



**SHORT FORM AGREEMENT**  
Between  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
and  
**MARINE TAXONOMIC SERVICES, LTD.**  
for  
**CONSTRUCTION SERVICES**

This Agreement is made as of (date) between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "Owner," and **MARINE TAXONOMIC SERVICES, LTD.**, 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:

Services as described in the Contract Documents included with this Agreement, basically consisting of spot repairs to the interior coating of the District's twelve (12) potable water storage reservoirs.

1.2 All documentation, drawings, reports, and invoices submitted for this project will include **IVGID PO Number TBD.**

1.3 The Project will begin on or about date and be completed by June 24, 2021, weather and access permitting.

**ARTICLE 2 – CONTRACT DOCUMENTS: INTENT, AMENDING, REFUSE**

2.1 This Agreement consists of the following Contract Documents:

- A. This Short Form Agreement, pages 1 through 10, inclusive
- B. Contractor's Bid submitted on February 18, 2021.
- C. Original Request for Proposals for Project 2299DI1701.
- D. 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 Contract 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 Project.
- 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 Project.
- 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 Project 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 Project 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 Owner's representative written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Owner's representative 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 Working Hours

Working hours, including equipment “warm up,” shall occur between 8 a.m. and 7 p.m. Monday through Friday. Only emergency work may occur on Saturdays, with prior approval of Owner.

##### 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. Owner’s representative 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 Project 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 Owner's representative;
  - 2. Recommendation by Owner's representative or payment by Owner of any progress or final payment;
  - 3. The issuance of a certificate of substantial completion by Owner's representative or any payment related thereto by Owner;
  - 4. Use or occupancy of the Project 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 Owner's representative;
  - 6. Any inspection, test, or approval by others; or
  - 7. Any correction of defective work by Owner.

#### **4.7 Correction Period**

- A. If within one year 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 Project, 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: To the extent permitted by law, 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.
- E. 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. Lump Sum. Owner shall pay Contractor for the Project as follows:
  - 1. A Lump Sum amount of **Eighteen Thousand Seven Hundred Fifty Dollars (\$18,750.00)** ("Contract Price").
  - 2. In addition to the Lump Sum amount, reimbursement of the following expenses: None.
  - 3. The portion of the compensation amount billed monthly for Contractor's services will be based upon Contractor's estimate of the percentage of the total services actually completed during the billing period.

### 6.2 Payment Procedures

- A. Submittal and Processing of Payments –
  - 1. Invoices shall be sent to [invoices@ivqid.org](mailto:invoices@ivqid.org) with a copy to [rlr@ivqid.org](mailto:rlr@ivqid.org).
  - 2. Upon final completion and acceptance of the Project, Owner shall pay the Contract Price, as recommended by Owner's representative.

## 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 – MISCELLANEOUS**

### **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**

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**

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**

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**

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.

**OWNER:**  
**INCLINE VILLAGE G. I. D.**  
**The undersigned has read, reviewed**  
**and approves this document**

**CONTRACTOR:**  
**MARINE TAXONOMIC SERVICES, LTD.**  
**Agreed to:**

By: \_\_\_\_\_  
Joshua Nelson  
District General Counsel

By: \_\_\_\_\_  
*Signature of Authorized Agent*

\_\_\_\_\_  
*Print or Type Name and Title*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Date*

**Agreed to:**

\_\_\_\_\_  
Indra Winquest  
IVGID General Manager

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
*Date*

Owner's address for giving notice:  
**INCLINE VILLAGE G I D**  
893 Southwood Boulevard  
Incline Village, Nevada 89451  
775-832-1267- Engineering Div.

Contractor's address for giving notice:  
**Marine Taxonomic Services, Ltd.**  
1155 Golden Bear Trail  
South Lake Tahoe, CA 96150  
858-232-1958 or 760-738-1802

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## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Review, discuss, and possibly approve augmenting the budget by \$4,883 to a total of \$61,883 for the replacement of the 2004 GMC Flatbed Truck #542 (Utility Fund CIP#2097LV1746) so as to reflect the actual cost of the replacement vehicle

### **STRATEGIC**

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

**DATE:** March 4, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion approve augmenting the budget by \$4,883 for the replacement of the 2004 GMC Flatbed Truck #542 (Utility Fund CIP#2097LV1746) so as to reflect the actual cost of the replacement vehicle.

### **II. BACKGROUND**

The District's FY2020/2021 budget was approved on May 27, 2020, and included appropriations totaling \$14,377,677 supporting the FY2020/2021 Capital Improvement Program Budget. These appropriations included \$5,354,487 in net carry-over appropriations from the prior fiscal year supporting ongoing capital projects.

At the meeting of February 24, 2021, the Board approved Resolution 1883, amending the FY2020/2021 budget to adjust the carry-over amounts included in support of selected capital improvement projects in order to address variances between estimated and actual carry-over amounts impacting selected FY2020/2021 CIP project budgets.

Review, discuss, and possibly approve  
augmenting the budget by \$4,883 to a total  
of \$61,883 for the replacement of the 2004 GMC  
Flatbed Truck #542 (Utility Fund CIP#2097LV1746)  
so as to reflect the actual cost of the replacement vehicle

-2-

March 4, 2021

One of the carry-over adjustments authorized via Resolution 1883 was to affect the carry-over of \$48,000 in available Utility Fund appropriations from FY2019/20 for the purchase of replacement GMC 1-Ton Flatbed Truck (CIP#209LV1746). This appropriation supports the purchase of the replacement vehicle that was delivered and paid for in the current fiscal year.

This agenda item seeks Board approval to augment the budget for the replacement of the 2004 GMC 1-Ton Truck by \$4,883 to cover the actual cost of the vehicle, as invoiced, at \$52,883.

### **III. FINANCIAL IMPACT AND BUDGET**

There is no direct fiscal impact of the recommendation included in this agenda item as the replacement vehicle has been purchased and paid for. However, this agenda item seeks approval to augment the capital project budget for CIP# 2097LV1746 from \$48,000 to \$52,883 in order to provide appropriations to cover the actual cost of the vehicle.

### **IV. CONCLUSION**

It is recommended that the Board of Trustees makes a motion approve augmenting the budget by \$4,883 for the replacement of the 2004 GMC Flatbed Truck #542 (Utility Fund CIP#2097LV1746) so as to reflect the actual cost of the replacement vehicle.

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Paul Navazio  
Director of Finance

**SUBJECT:** Review, discuss, and possibly approve the re-allocation of \$3,000 in budgeted appropriations from the Parks Maintenance budget (Fund 380) to the Rosewood Creek Foot Bridge Project (CIP#4378BD1705), to cover capital project costs charged to the Parks Operations and Maintenance Budget

### **STRATEGIC**

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

**DATE:** March 4, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion approving the re-allocation of \$3,000 in budgeted appropriations from the Parks Maintenance budget (Fund 380) to the Rosewood Creek Foot Bridge Project (CIP#4378BD1705), to cover capital project costs charged to the Parks operations and maintenance Budget.

### **II. BACKGROUND**

The District's FY2020/2021 capital budget included appropriations of \$8,000 for the Rosewood Creek Foot Bridge project (CIP# 378BD1705). After the contract awarded to implement the project was completed, staff identified the need for additional work, related to ADA and other improvements associated with the project. These costs were charged to the Parks maintenance budget instead of to the capital project budget.

This agenda item seeks Board approval to re-allocate funding from the parks maintenance budget to the capital project budget to accurately reflect costs associated with the capital project. This will increase the capital project budget from \$8,000 to \$11,000.

Review, discuss, and possibly approve the re-allocation of \$3,000 in budgeted appropriations from the Parks Maintenance budget (Fund 380) to the Rosewood Creek Foot Bridge Project (CIP#4378BD1705), to cover capital project costs charged to the Parks Operations and Maintenance Budget

-2-

March 4, 2021

### **III. FINANCIAL IMPACT AND BUDGET**

There is no direct fiscal impact of the recommendation included in this agenda item as the work has been completed and paid for in the current fiscal year. However, this agenda item seeks approval to re-allocate appropriations and charged, totaling \$3,000, from the parks maintenance budget to the parks capital project budget to reflect the actual cost of work associated with the Rosewood Creek Foot Bridge project.

### **IV. CONCLUSION**

It is recommended that the Board of Trustees makes a motion approving the re-allocation of \$3,000 in budgeted appropriations from the Parks Maintenance budget (Fund 380) to the Rosewood Creek Foot Bridge Project (CIP#4378BD1705), to cover capital project costs charged to the Parks operations and maintenance Budget.

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Tim Callicrate  
Board Chairman

**SUBJECT:** Case No. CV18-01564 Mark E. Smith v. IVGID  
Review, discuss and possibly approve a payment in the amount of \$20,485.96 to Erickson, Thorpe & Swainston, Ltd.

**DATE:** February 26, 2021

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### I. RECOMMENDATION

That the Board of Trustees makes a motion to approve a payment in the amount of \$20,485.96 to Erickson, Thorpe & Swainston, Ltd.

### II. BACKGROUND

Last discussed at the December 9, 2020 Board of Trustees meeting.

Presently, the District has an outstanding balance owed to Erickson, Thorpe & Swainston, Ltd. of \$31,485.96. This outstanding balance represents charges through December 4, 2020. The District received this lawsuit on August 23, 2018.

At the December 9, 2020 Board of Trustees meeting, the Board of Trustees requested that the Board Chairman and District General Manager negotiate with Erickson, Thorpe & Swainston, Ltd. regarding some questionable charges. These negotiations resulted in an agreement that there are \$11,000.00 in charges that need to be reevaluated and potentially either adjusted or removed.



Date	Action	Billing Period	Invoice Amount	Invoice Amount Paid	Amount Authorized by the BOT	Amount remaining in authorization
08/23/2018	Lawsuit served to the District					
09/26/2018	Board advised of pending litigation; see GM's report for 09/26/2018 meeting Trustee Dent, during GM update, asks about authorized funding; GM says he authorized \$50K under his authority					\$50,000.00
10/16/2018	Engagement Contract signed with ETS					
06/10/2019	Invoice 965524	08/07/2018 – 06/07/2019	\$45,608.82	\$45,608.82 Check# 771694 08-08-2019		\$4,391.18
06/19/2019	Additional funds approved by the BOT				\$10,000	\$14,391.18
10/03/2019	Invoice 967317	06/04/2019 – 10/01/2019	\$25,661.89			
01/22/2020	Invoice 967573	09/11/2019 – 01/21/2020	\$10,603.50			
01/22/2020	Additional funds approved by the BOT				\$7,500	\$21,891.18
04/02/2020	Invoice 967858	12/16/2019 – 04/01/2020	\$6,017.40			
05/14/2020	Invoice 967965	01/23/2020 – 05/12/2020	\$7,739.90			
08/11/2020	Invoice 970825	05/13/2020 – 08/10/2020	\$2,639.45			
09/10/2020	Invoice 970877	08/11/2020 – 09/09/2020	\$82.50			
10/08/2020	Invoice 970906	9/10/2020 – 09/11/2020	\$165.00			
12/08/2020	Invoice 970994	9/12/2020 – 12/04/2020	\$467.50			
	Balance due to ETS as of August 11, 2020		\$52,909.64			
	Payment made to ETS as approved on Dec. 9, 2020			\$21,891.18		
	Balance remaining due to ETS		\$31,485.96			

## MINUTES

### **REGULAR MEETING OF JANUARY 28, 2021 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 Thursday, January 28, 2021 at 6:00 p.m. This meeting was conducted virtually via Zoom.

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

The pledge of allegiance was recited.

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

On roll call, present were Trustees Tim Callicrate, Sara Schmitz, Matthew Dent, Kendra Wong (absent), and Michaela Tonking.

Also present were District Staff Members Director of Finance Paul Navazio, General Manager Diamond Peak Ski Resort Mike Bandelin, and Engineering Manager Nathan Chorey.

No members of the public were present in accordance with State of Nevada, Executive Directive 006, 016, 018, 021, 026 and 029.

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

Dick Warren said 5 years ago Linda Newman & Cliff Dobler (now referred to as L&C) got very involved in the CAFRs that IVGID submits to outside auditors, primarily Eide Bailly (referred to as EB). After about 5 years of harping away at the likes of various Boards, EB, and other governmental departments, L&C started to get traction. A year ago the Board finally consisted of 3 good Trustees – Callicrate, Dent & Schmitz. They formed an Audit Committee and put smart and knowledgeable folks on that Committee as At-Large Members - Derrek Aaron (CPA/IT/Project Management), Cliff Dobler (CPA/Real Estate Expertise), and Ray Tulloch (Construction/Utility Management Audits). The Audit Committee brought in Moss Adams to review all the findings, mistakes, and inconsistencies in the CAFRs that L&C had uncovered over the past 5 years. L&C came up with 24 points that had been raised in the 2019 CAFR. Moss Adams concluded that all 24 points had merit but a restatement of 2019 was not required. And then EB, in their final audit report on IVGID, made reference to these findings, although for some unknown reasons EB never had any problems with their previous years' audits. If it had not been for the diligence of L&C, would anything have been different today? No Trustee forced any issues; in fact, Trustee Wong tried to circumvent these probes over the years. No one on Staff pushed L&C to pursue these items; for the most

part IVGID Management over the years abhorred their endeavors (think Pinkerton). And it certainly was not EB that did anything with the information L&C came up with. No, it was just these 2 Incline Village residents that decided to take on IVGID's financials. You might want to compare CPA Wong's contributions over 6 years to L&C's efforts over 5 years; who added more to the plate? Trustees Callicrate & Dent tried to push constructive reform over the past few years but they were in the minority, I wonder where Wong was? But finally a year ago things started to realign with the Board getting 3 decent Trustees, Moss Adams came along compliments of the Audit Committee, and we now know, and confirmed by Moss Adams, that IVGID's financials are a complete mess. And now the clean-up will begin, but remember, had it not been for L&C, we never would have known how bad IVGID's financials were. Perhaps we could have Trustee Wong present them with an "Incline Village Good Citizenship Award"??? Sometimes those "malcontent residents" are the ones really contributing positively to the Community. Thank you Linda & Cliff! That's it for me.

Linda Newman said as she stated at last night's Audit Committee Meeting, it is critically important to get this CAFR right and not wait to address violations of Generally Accepted Accounting Principles and Best Practices in the future. There are a number of errors in the audited and unaudited sections that should be corrected –along with misstatements in the Management Representation letter. Many of these errors and omissions have been raised at the Committee meeting. You can begin now by correcting the unaudited sections first and adopting Moss Adams recommendations for the audited statements. As you are aware, Board Policy has been violated by Management. Management has chosen to circumvent their responsibility to comply with Policy 15.1 and in doing so, is trying to force the Audit Committee to default on their compliance and this Board to disregard their fiduciary and statutory duties. The Audit Committee and the Board should not be forced to accept an inadequate and incorrect 2020 CAFR. An extension is required for more than time to allow the Audit Committee to submit their report to the Board. With the Auditor's citation of material weaknesses in internal controls and capitalization and Moss Adams two independent reports citing the high risk for fraud in the District's contract management and controls and their recommendations to change four accounting practices and policies –you must fulfill your responsibility to take all appropriate corrective action now so that all users of our financial statements have more complete and accurate information on the District's operations and financial condition. Eide Bailly and Moss Adams have identified the need for the Committee and the Board to exercise MORE OVERSIGHT – not less. As fiduciaries you are reporting the government's use of our public money. We deserve factual accountability and financial transparency. The 2020 CAFR fails both. Please also support the CMAR contract with Granite to replace or rehabilitate six miles of failing pipeline and line the decommissioned

effluent storage pond. After more than a decade of the District's delays in taking action, they have collected millions of dollars from ratepayers and repurposed millions for other projects and while spending millions of dollars to decide what to do, and how to do it, hundreds of thousands have been wasted on making emergency repairs— it is time to engage a qualified and responsible independent contractor. And, don't support spending \$15,000 to \$20,000 on another lobbyist – this money can be better spent serving the needs of our community.

Aaron Katz said he has some written statements to submit. When Staff brought up the whole idea of CMAR, we investigated and discovered the only real benefit versus a construction manager as an agent was the “R” for risk. But here there is no risk. All the CMAR proposes doing is putting on a dog and pony workshop or two, selecting a design engineer for both projects, setting perimeters for design documents, reviewing schematic designs created by others, creating an RFP to possibly select one or more contracts with one or more subcontractors in the future, marginal other work and giving themselves an unfair advantage over other contractors by paying it over \$100,000 to develop a guaranteed maximum price contracts for both of these projects. No design work, no construction, no at-risk and \$375,000. If we had competent Staff, we wouldn't need any of this. So, it's the same problem he spoke to the Audit Committee about – our Staff. Please wake up – we already have design professionals in CH2M Hill and HCR Engineering. They submitted proposals a year ago. We don't need RFQs, we don't need RFPs, we don't need to negotiate terms and we don't need a CMAR to enter into these contracts. If the CMAR thinks he can add value to the design, let it charge a reasonable hourly fee so we don't overpay. Now when design is completed, we can't get our own permits, don't we have a Staff to do that? And we don't need to pay a CMAR to put together maximum price contract as this cost should be at the CMARs expense not ours and what about the conflict of interest for a CMAR dictating design work, coming up with probable costs and then preparing his own guaranteed price contract. This is an absolute waste. Another waste is Tri-Strategies. We are a limited purpose GID. We don't have the power to advocate for or against proposed legislation and make us pay for it with the Rec Fee. Please do not give power to the District General Manager or the Chair to communicate Board policy with Tri-Strategies as these are Board decisions and we will have plenty of time for the Board to weigh in if it deems proper. Another \$20,000 waste. Thank you.

Mike Abel said last winter the 2019 CAFR was presented to the Board of Trustees. The Audit Committee during that time, comprised of Wong, Morris and Horan who were an audit committee in name only. Acceptance of the CAFR was postponed until Sara Schmitz was elevated to the board in January 2020. The Board accepted the proposed CAFR but Callicrate, Dent and Schmitz questioned several items in

the CAFR based on research by Cliff Dobler and Linda Newman over the past four years. Last May, with Schmitz's initiative, a new Audit Committee Policy was approved with, predictably, Wong and Morris objecting. For them tolerance of wasteful spending and bad management is a given. Again, Wong objected to the appointment of two eminently qualified at large members. Immediately, the committee engaged Moss Adams to review and make recommendations on the accounting deficiencies alluded to by Dobler and Newman. Management only addressed 14 of the 27 items. Of the four items reviewed by Moss Adams, they counseled to immediately cease the bad accounting indicated by the four. Moss Adams was also engaged to review contract management on 7 contracts. Here they indicated a high risk of fraud. The CAFR for 2020 is a clear example of what a good audit committee can achieve. While Eddie Baily had the audit for 4 prior years, they and Wong stated everything was ok ignoring giant red flags. With a functioning audit committee, auditors found 24 accounting errors of almost \$4.0 Million. The auditors Internal Control Report indicated a material weakness in Internal Controls over Financial Reporting and, in plain English, hiding expenses in capital assets. Wong's recent attack on her fellow Trustees and Dobler was a disgusting violation of board policy and decorum. I implore our Trustees to keep the audit team together so that IVGID can come out of the "do nothing – see nothing" Wong era. My final comment this evening relates to the revised "whistleblower Procedure" subsection – "Acting in good faith" that was on the agenda of the audit committee. I encourage the Board to trash this proposal. Ill-conceived by Mr. Nelson is the part of this proposal that relates to public criticism. This is a sideways effort to quash public dissent and a clear violation of the First Amendment. If I for instance, even maliciously, want to call Trustee Wong, dishonest, stupid, and corrupt – something that for the record, I would never do, I should still have the right to do that without having my recreational privileges removed. Who shall be the IVGID's judge that a citizen's allegations are made maliciously or knowingly false Who, I ask, will be IVGID's judge, jury and executioner? Mr. Winquest, to his credit, has accepted my critique and has promised to review it with Mr. Nelson and Mrs. Schmitz.

Yolanda Knaak said thank you to all the IVGID trustees who voted for the Moss Adams study. She looks forward to seeing improvement in our Staff and she hopes the Board of Trustees and the District General Manager will follow up on these issues.

Cliff Dobler said as a member of the IVGID Audit Committee, he will comply with his fiduciary responsibility and will abide by Board Policy 15.1. The policy requires committee members to review and approve several items required to be provided by management. Bits and pieces were filtered over the past seven months but many never arrived. Management could care less about complying with the Board

policy. Promises to deliver were hollow. Last night we attained the “final CAFR”. The various sections were riddled with errors, false statements, poor disclosure, and missing information which were almost impossible to digest in one evening. The management representations were appalling. Last week we were given a partial CAFR which excluded the auditor’s reports and the committee was immediately told that the CAFR would be revised. He did review the draft and he sent the Director of Finance a marked up version indicating errors, misstatements and omissions but little was changed in the final CAFR. Within the final CAFR the auditor found almost \$4 million and 24 errors, correcting only 19 and ignoring the other 5. They found material weakness in internal controls over financial reporting and capitalization of assets. The previously released Moss Adams report found similar weaknesses validating that IVGID is a ship without a rudder. We heard the Director of Finance and the auditor claim that poorly written Board resolutions and policies override GAAP, GASB and Nevada law. We heard statements not backed up by facts. Mr. Tulloch and himself understand the practices for capitalization and assets which were confirmed by Moss Adams based on GAAP concepts and statements. We found that IVGID had recorded millions in operating expenses as capital assets. Of course the Director of Finance and the auditor disagreed with Moss Adams and us. The largest capitalization was \$3.2 million spent fooling around with the Effluent Pipeline with almost \$1 million of staff time buried in the capital accounts rather than expensed. Management of the pipeline project was stripped away from Staff because the GM realized the Staff did not have the bandwidth and tonight the Board will vote to outsource the project hopefully to Granite Construction. Mr. Tulloch and himself have no doubt that the intent of IVGID management was to capitalize expenses to hide the inefficiencies in operating the District’s recreational venues and utilities. To comply with the Audit Committee Board policy, Trustee Schmitz and he will compile a list of committee members concerns from last night’s meeting regarding the 2020 CAFR. This list will be reviewed by committee members on February 10 before submittal to the Board. His opinion is that no one should endorse or accept the 2020 CAFR and the opinion expressed by the auditors. Thank you very much.

Frank Wright said last night after listening to the audit report and pushing through the CAFR, it reminds him of building a tunnel in the sand, wrong diagram, wrong ground, etc. whatever direction coming from always going to collapse. Every year we come from the wrong direction and it will collapse. The District is losing a ton of money at the Hyatt Sport Shop – change the policies and practices to stop losing \$200,000 to \$300,000 with no benefit to the parcel owners. He is on the Ordinance 7 Committee and the attorney said it is ok to get gold and silver cards and pay nothing. How can IVGID just arbitrarily give away those venues? It is not true, read the deed. These people don’t pay a thing to use these facilities – unbelievable. When do things get fixed? Why doing it the wrong way? Why are we having all

these problems – Audit Committee is spectacular and they are finding all these items. Time for change and fix all the things here so we can move forward and have a nice community.

Margaret Martini said for more than 5 years, Trustees and knowledgeable citizens have raised red flags about the District's opaque budgeting, lack of access to complete financial information and improper accounting and reporting practices. In 2020, new Board Chair Callicrate, Vice Chair Dent and Treasurer Schmitz understood the importance of financial transparency, effective internal controls, compliance with State laws and District policies and practices and the presentation of complete and accurate financial reports. To assist the Board in fulfilling their oversight responsibilities and statutory and fiduciary duties, Treasurer Schmitz took the time to develop a strong Audit Committee Charter and Vice Chair Dent took on the responsibility and leadership of the Committee. Along with the expertise of our three volunteer community members, Mr. Aaron, Mr. Dobler and Mr. Tulloch -and the independent Moss Adams reports on our contract management and four key accounting and reporting issues --our external auditor finally started to do their job. Fortunately, now, after too many years, our independent auditor expressed what all of our active, informed and knowledgeable community members have repeatedly asserted: The District has a material weakness in internal controls across the complete spectrum of District activities and does not adhere to appropriate accounting and reporting policies and practices. Unfortunately, our new GM and Director of Finance have followed in the footsteps of their predecessors and signed a Management Representation letter that is well, filled with misrepresentations. There are pages of auditor adjustments to management's submissions that equal close to \$4 million. And that is only the beginning. In addition to disregarding their responsibility to comply with Policy 15.1 and failing to provide the Audit Committee with all reports and letters before submittal to the external auditor along with other failures too numerous to mention, they have presented a CAFR in the eleventh hour without adequate time for the Audit Committee and our Board to review before the end of January deadline for submittal to the State. So, as citizens requested at the Audit Committee meetings, She asks Board Chair Callicrate and Audit Committee Chair Dent to seek an extension for submitting the 2020 CAFR. Please take the time to get this right. The inaccurate and incomplete information in the audited and unaudited sections cannot be left unchanged, nor a quarter corrected or a half. What is wrong remains wrong irrespective of promises to make them right in the future. Take a hard look and go all the way. Your citizens, your State, your County and your creditors are counting on it.

Gail Krolick said she was hoping that she would be the first caller but she guesses she is the last which is fine. She wanted to start the meeting on a positive note but

she guesses she is going to end the public comments on a positive note. Quite frankly, she is sick and tired of hearing how horrible things are at IVGID, how incompetent IVGID staff is, how incompetent the District is as a whole by a few, select members of this community. Her husband and her have lived here for 30 years and think this is the best community we ever had the privilege and honor of living in. IVGID is not what it was two years ago, a year ago, six months ago or heck, even a month ago. We have a brand new Trustee on the Board who she has the utmost confidence in. Trustee Tonking will dig deep and learn and understand what is happening within our District. We have a new Controller, we are soon to have a new Parks and Recreation Superintendent and a new Public Works Director; things are changing. There are new people coming in, there is new blood, new sets of eyes coming in and let's not forget that we have a General Manager who has been with the District for years, worked his way up, and he is now officially our District General Manager. And let's not forget we have been dealing with a little issue called COVID the last year and we are all learning how to navigate this new normal. Can we please stop thinking about how wrong things are or aren't going fast enough or how things were and think about how blessed we are to call Incline Village and Crystal Bay our home? Things are not perfect, they never are. She swears that her daughter Tiffany, who is a Senior at Incline High School has a better attitude and a better outlook on life and people than some select members of this community. My God, she is a Senior in high school and has not had a Senior year but is still very optimistic that the choices that she is making and the world she is living in is all going to be okay and she has learned patience. Lastly, she is asking that we work together, not divide this community like the rest of this country is. Don't we have enough of that already in our country? Stop being nasty to one another, start talking to one another over a cup of coffee or a beer. Do a Zoom call with a glass of wine. She is sick and tired of hearing how horrible this place is, how incompetent Staff is. Things aren't perfect but we are trying and she believes that Staff, especially our General Manager, is doing the right thing or at least attempting. She wishes the General Manager and his new Staff well and she wishes the new Board of Trustees well in this coming year; thank you.

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

Chairman Callicrate asked for changes, none were made so the agenda was approved as submitted.

**E. PUBLIC HEARINGS**

**There were no Public Hearings for this agenda.**



**F. DISTRICT STAFF UPDATES (for possible action)**

**F.1. District General Manager Indra Winquest**

- ✓ Signed offer letter for new Director of Public Works – starting on March 15, 2021;
- ✓ Have a verbal commitment for our Parks and Recreation Superintendent and will make formal announcement when he has a signed offer letter;
- ✓ Interviewing for a Senior Engineer next week;
- ✓ Finalizing Contracts job description; and
- ✓ Ordinance 7 had a meeting on Tuesday which was a follow up with District General Counsel Nelson, next meeting is on February 9 and there will be two members present on February 10 to give an update on Ordinance 7 Committee activities.

Trustee Tonking asked if we have start dates for both of those new employees? District General Manager Winquest said that the Director of Public Works is March 15, Superintendent of Parks and Recreation is February 7. Trustee Tonking asked if the Ordinance 7 Committee, and specifically regarding punch card utilization, will they have recommendations before the budget process? District General Manager Winquest said there will be a signal in early March, Staff is prepared to massage that as we work through that process. Trustee Schmitz asked what was the status of the Best Best and Krieger contract and does it need to come back to the Board? District General Manager Winquest said that there have been some new developments on that contract and those changes are substantial enough to be bringing back on February 10 for approval.

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

District General Manager Winquest went over the long range calendar with the following highlights:

- ❖ Moving union contract ratification for the Non-Supervisory group to February 24;
- ❖ February 24 is a budget workshop so the carryovers, etc. will be moved to that meeting;
- ❖ Capital report/popular report will also be included in the February 24 packet
- ❖ District General Counsel Nelson has a conflict on the third Wednesdays of the month so will look into rearranging that date/time [Post Meeting Notation: Meeting date remained unchanged – February 24 stays as scheduled];

- ❖ Trustee Dent said that the Audit Committee would be meeting on February 24 at 4:30 p.m. [Post Meeting Notation – Time has been changed to 4 p.m.]; and
- ❖ Trustee Schmitz asked that the Enterprise Fund accounting item be removed from the parking lot and District General Manager Winquest gave a brief verbal overview of the meeting held with the Department of Taxation and the Local Government Finance Committee and confirmed that the District is making the transition back to Enterprise Fund accounting.

**H. DISTRICT GENERAL COUNSEL UPDATE (for possible action)**

**There was no District General Counsel update for this agenda.**

**I. REPORTS TO THE BOARD\***

**I.1. Treasurers Report (for possible action)**

Treasurer Tonking gave the following verbal report:

1. Met with Trustee Schmitz, Director of Finance Navazio and District General Manager Winquest to gain insight on her role of treasurer. She really appreciated all the information and time they have been willing to spend with me.
2. Discussed some ideas around the chart of accounts and the way we could possibly better align it to match our current activities – she knows this is something the Audit Committee is looking at too.
3. Discussed the internal controls examination process that will be presented to the Audit Committee.
4. We are discussing re-establishing “regular” reports on the District’s investments.

**I.2. Audit Committee Chairman Matthew Dent: Verbal Report on January 20, 2021 and January 27, 2021 Audit Committee Meetings**

Trustee Dent said that on January 20, 2021 the Audit Committee spent about an hour reviewing portions of the CAFR. At the January 27, 2021 Audit Committee meeting, the committee discussed the role of a future auditor and soliciting feedback from Staff and members of the Audit Committee and then sending that recommendation to the Board of Trustees, and we reviewed the CAFR with a 5 hour and 10-minute lively discussion. While a lot of

progress has been made there are still a lot of improvements to be made. We have outspoken, passionate committee members so the best is yet to come. The Audit Committee does want to make the CAFR better and hopefully we can make more progress. Trustee Dent then went over Policy 15.1.0 and a couple of sections of the policy and noted that the Audit Committee has agendaized, for their February 10, 2021 meeting, bringing forward a letter with a list of exceptions to the CAFR that committee members Schmitz and Dobler will draft and then submit. In order to comply with the policy, the Audit Committee believes they need to submit a written report to the Board of Trustees and that their recommendation is to file for an extension and will do so with more formality as the Audit Committee doesn't want to not follow the new policy. Trustee Schmitz said she is a little confused as she was expecting that the CAFR item would be removed from this agenda and then reviewed at the February 10 so she is seeking some clarification. Trustee Dent said he was giving an update from the Audit Committee and that he and Trustee Schmitz are on the same page and that he is saving that for the item when it is discussed.

**I.3. Final report regarding the evaluation of certain accounting and reporting matters submitted by Moss Adams Representative Jim Lanzarotta (Requesting Staff Member: District General Manager Indra Winquest)**

Moss Adams' Jim Lanzarotta gave a verbal overview of the final report that was included in the Board packet. Highlights are as follows:

- Mr. Lanzarotta began by giving an overview of his experience for the past 20 years;
- Noted that the Moss Adams team looked at 4 specific topics:

1. Enterprise funding accounting question

Gave the District's background. Questions were would the circumstances of the District dictate enterprise fund accounting and then if so, is it/was it appropriate. In the review, the District does not meet criteria that would require Enterprise fund accounting, however, it is important to use that form of accounting. Believe the switch was done because Enterprise fund accounting is difficult to follow, Governmental fund accounting follows the cash so it is almost a cash basis and easier to trace money in and out. Became aware that this was probably the reason for the switch. Don't get the complete

picture with this type of accounting such as long term obligations, etc.

*Moss Adams' recommendation is to switch back to Enterprise fund accounting.*

2. Appropriately following accounting principles with allocation of costs that get allocated out to other areas – question - is it appropriate under GAAP? Answer is yes and they found other entities in Nevada that do so. Common way is through internal service funds - capture costs and then they are charged out. If they are isolated in that fund it is easy to understand if charging too much and/or too little. Also it is common to reimburse.

*Moss Adams' recommendation is it is an appropriate way but Moss Adams has improvements to provide transparency in budgeting and more important is the methodology. Dive in to the costs and look for the drivers to see why one fund would pay for a particular type of cost – why and how.*

3. Punch card accounting and contra revenue

Moss Adams was very interested in that those that pay facility fees are afforded benefits and some of which can be achieved through punch cards which are important to account for however are they paying an appropriate price such that there has to be controls over that? The District receives cash but the benefit is a reduced charge, a value that is associated with those like a gift card. The District has been trying to determine where they are going to be used. Question was whether folks from Crystal Bay or along the beach front had their facility fees misused – Moss Adams didn't find that and they found that the approximately 7,800 are the ones being used. Found nothing; complicated methodology on how this is working and really accomplishing the goals of the District. *Moss Adams' recommendation is to cease the use of it.*

4. Capital expenditure or capitalization practices of the District –

Moss Adams found three main areas where some questions or issues are coming up. When we purchase an automobile or a building such that its useful life is over 1 year, recognize that and expense them off. The District wants to make the appropriate choices and the challenge is there is not a lot of guidance. Three areas that Moss Adams' identified – does incur a lot for costs for master plans/feasibility plans and the practice has evolved. The GFOA issues a pretty comprehensive book and that these are generally expensed because it is difficult to tie the cost to the project in the future. Second issue was

maintenance and repairs – Moss Adams' did not find a lot of guidance in the accounting standards and noted that the policies of the Board can have an impact. An example would be a street sealant for routine repair or asphalt to repair, coach clients about routine maintenance and set perimeters – sealant could be routine maintenance and policy would be helpful; more effective policy would help in this area. Third area was construction – cut multiple checks for multiple projects. CIP is capturing costs and when the project is done, the asset gets transferred to the capital asset. Identified that the District was posting payroll, etc. *Moss Adams made recommendations in these three areas to help with improvements.*

Trustee Schmitz said it was great to work with you and the Moss Adams team and that she was pleased with the due diligence. Last night we had a couple of questions relative to the CAFR and on page 16, bottom of the page, there are a substantial portion of resources in the Special Revenue Fund, that shows up as one fee. It is not broken out rather it is a combined fee. So using that in combination with the resolution, would you interpret that a little differently? Mr. Lanzarotta said that is a technical question. There is a paragraph in GASB 54 which says dollars need to make up a substantial portion. There is also language about constraints. It is broken out in the resolution and the Board sets that allocation which is transmitted to the community and it drives it to different funds. There is very clear direction in GASB 54. After that is stripped out, do you have enough to meet that standard? There is not a bright line rather an evolution in practice which is 20%. Beaches might be the only one that meets that criteria. Even if you are not meeting this criteria, Community Services and Beaches would be separate, the one change, before the footnote, is those two funds would get combined with the General Fund. Talking about the placement of the columns that has Beaches, Community Services, and General Fund so it is not a huge change in the CAFR. Trustee Schmitz said so to not do it that way would be a violation of GASB? Mr. Lanzarotta responded that if your bright line is 20%, yes, then it is not correct as presented for 2020. Trustee Schmitz then asked about capital corrections – how many years do we have to go back regarding capitalization versus expensing. Mr. Lanzarotta said it is net undepreciated balance. Look at what has been capitalized and if that didn't meet it then what is the net book value and consider what is material. If above, may have a material error and if below, no error. Understands some were removed and they may need some more review. Difficult judgment calls are probably what is left and it would be helpful to have a robust policy to aid in this review. Trustee Schmitz asked how do you determine

materiality? Mr. Lanzarotta said it is an auditor judgment call. You have to opinion at the unit level, determine that percentage and then a judgmental call on effect and what amount of error can someone accept. Starts with a mathematical formula. Trustee Dent said thank you and the purpose was for buy-in; he appreciates the efforts and it was a pleasure working with you. Trustee Tonking said thank you for all the work and in going back to capital, you gave a lot of specificity, how should we do that? Mr. Lanzarotta said you are definitely unique and best practices is probably the best place to start, look at others in the same service area and using in the same way and work with your auditing firm and then GFOA. Trustee Tonking said what is your overall view of our financials? Are they in shambles? She is curious about your opinion. Mr. Lanzarotta said talking about very technical matters and it is amazing the interest by your community. There is room for improvement and he is not saying how effectively or efficiently the District is working. You have cash. He does like Enterprise fund accounting because the statement will come together and tell you if you are propelling forward or declining. Statements can tell you something and he is glad the District is on the path of improvements. Trustee Schmitz asked what are the recommendations for next steps? Mr. Lanzarotta said he appreciates the steps already taken with Enterprise fund accounting. Punch cards are a whole issue that still needs to be accounted for. Appreciate an engagement of the community on how to fund the activities and to better understand the value of punch cards – which is now back in the hands of the District General Manager and the Director of Finance. For capitalization, a little bit more work there which the Director of Finance has on his plate. There is a little bit more work there along with policies to help management make better decisions. Chairman Callicrate said thank you for excellent presentation and written report. We are very fortunate to have so many in the community who understand governmental accounting.

**I.4. Presentation of the final Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2020, Eide Bailly's Tiffany Williamson and Director of Finance Paul Navazio (Reference Nevada Revised Statutes 354.624)**

Trustee Dent said that the Audit Committee is asking for an extension to comply with Policy 15.1.0, specifically the section on submittal of the written report. He is asking that we postpone this as we haven't complied with Board policy and it is in the Board's best interest to comply with Board policy. Chairman Callicrate said he would like to hear from Ms. Williamson and while he understands what you are saying, if the majority of Board says file, then it gets filed. Chairman Callicrate then asked Legal Counsel for his

thoughts. District General Counsel Nelson said that the item is just presenting and Staff intends to file the CAFR with the State and that is dependent on the outcome of the Board. Chairman Callicrate said this is not discounting what you are asking but he would like to hear what Ms. Williamson would say, and then we as a Board give direction on the next step as this is not an automatic receipt and filing with the State. Trustee Schmitz said she understands and that she is not disagreeing rather she is presenting the thought that if Ms. Williamson gets to see what the Audit Committee writes up, then she can present to us and address the issue and the concerns as she just thinks that would it be wise, rather than have her go through this, to have her wait and go through it with the Board with the Audit Committee letter so she has the opportunity to review those and then has the opportunity to present additional information to the Board. Chairman Callicrate asked Ms. Williamson will what the Audit Committee presents substantially change the audit or presentation? Ms. Williamson said it will not change the audit as that has been issued and that she can address the letter items at that time and whatever you choose. Director of Finance Navazio said tonight we are presenting the auditor's report which is completed and Ms. Williamson heard what was said last night. The Audit Committee clearly wants to present to the Board their report but they are not changing the CAFR or their opinion and it is true that the Audit Committee report is still pending. Chairman Callicrate said he wants to handle this appropriately – the Audit Committee is mandated by Board policy to review and issue its report for the final CAFR. Unfortunately, timing has not been working in our benefit in regard to this seeing that they just got their final final report on Monday and they had their meeting last night. That being said, to Ms. Williamson's point, the final report from the Audit Committee is not going to change the numbers but it could change some narrative that would go into the audit or could it or would it. Ms. Williamson responded no and that if she had their memo and then presented to the Board. Trustee Tonking said she watched the Audit Committee meeting last night and asked if the Audit Committee report is filed with our audit as well or just something that goes to the Board only? Director of Finance Navazio said that the financial statements are financial statements and auditors report is just that and the Audit Committee report is an internal communication. Trustee Tonking followed up by asking what if we ask for an extension and the State doesn't grant it and is that a possibility? Director of Finance Navazio said it is up to the State to allow for an extension and that he is unclear on whether it was granted and unclear about late filing. Once the CAFR is issued, it is done and the additional work that might be pointed out is an internal discussion. Trustee Tonking said she wants to see the letter as it sounds like there is a lot we need to be working on going forward and that she would like to hear

Ms. Williamson's presentation on the audit that we know will be filed, and then if she is willing to come back, on February 10, to talk about the Audit Committee recommendations and what her thoughts are on that as well. Trustee Schmitz said one of the concerns that came up last night was GASB 54 and being compliant with our Facility Fee and the Special Revenue fund. She is concerned as we do need to have reports in compliance with GASB. There is a differing of opinion on that issue between what Moss Adams is sharing and presenting and what we have in the existing CAFR and, for her, one of the bigger concerns is we should be in compliance with GASB 54 and that is why she was asking this question. Mr. Lanzarotta sits on these boards so she really respects Mr. Lanzarotta's opinions so we are sitting here in a quandary as we have one thing in our CAFR and being told another something else about how it should be to comply with GASB. Director of Finance Navazio said that there is a lot of work to be done and that the issue is not going to change because of how it was budgeted, accounted for, and treated those funds. If the District was to continue to use Special Revenue Fund accounting, the report says we need to change the resolution that the Board adopts for setting of the fees needs to add a word or two to specify that those funds are committed to those activities. He doesn't have the same impression and he thinks we are off topic. He asked if the Board is ready to hear from Eide Bailly regarding the independent audit and that it will be filed as soon as we complete the process as it is what it is. District General Manager Winquest said the agenda was approved as stated and now there is discussion about hearing this presentation so does it have it be heard? District General Counsel Nelson said that the Board has started the discussion as agendized, the Board can continue the item and that is usually done by consensus and if not, then a motion is needed along with a vote. Chairman Callicrate asked what was the pleasure of the Board.

Trustee Dent made a motion to table this item until the Audit Committee has the opportunity to deliver their report to the Board of Trustees in conjunction with the annual audit. Trustee Schmitz seconded the motion. Chairman Callicrate called the question and Trustees Schmitz and Dent voted in favor and Trustee Callicrate and Tonking voted in opposition.

Chairman Callicrate asked for guidance; District General Counsel Nelson said because the agenda was approved with this item on it, he would recommend that the Board move forward with the presentation. Chairman Callicrate asked Ms. Williamson to give the presentation which she did; it was an overview of the materials included in the packet. Trustee Tonking said in terms of material weaknesses in internal controls, was this the first



## Minutes

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year and what was the reason? Ms. Williamson said there wasn't one last year however there has been a lot of turnover in management and last year we didn't note this level of adjustments. Trustee Tonking asked what lead to the additional testing in capital? Ms. Williamson said it was informed and that in the initial testing they were noting errors that should have been expensed so it was both. Director of Finance Navazio said yes, a number of adjustments at year end, just improper accounting and there was some turnover in key roles and those that stepped in had to wrestle. A good number of them were to address a number of issues that came up, looked at them, combination of things, goal going forward is that these will not be reoccurring in the future. Chairman Callicrate asked what is possible if we wait until February 10 and filed it February 11, if we are not granted an extension? Ms. Williamson said she doesn't have an answer but you will be out of compliance with the statute. Director of Finance Navazio said maybe some feathers will be ruffled and it is important to comply with Board policy and we also get harassed about being out of compliance with NRS. Chairman Callicrate invited Ms. Williamson back on February 10 and said that this will not happen next year. The Director of Finance and his team have done an excellent job, we are in a better place, and it is important to comply with Board policy. The NRS situation we will deal with, as it is critically important, however the Board policy needs to come into play until we change it. Out of respect to Audit Committee, he would like to have Staff ask for an extension, if not granted, we will be out compliance and he would like to give respect to Audit Committee and Board policy. Director of Finance Navazio said Mr. Lanzarotta said something – the clear cut black and white issues, we have made those corrections. Others we are asking for Board's, community, and Audit Committee's patience as they are more nuanced issues. Chairman Callicrate said he thinks all of us have an optimistic mindset going forward, use all the expertise and work as a team and taking into account all that information to move forward so we get to the end result. Trustee Schmitz asked if we need to vote for an extension? Ask and be told no rather than not ask. District General Manager Winquest said he and the Director of Finance will ask for that extension and hopefully submit the report after that meeting. It was nothing intentional and it is not going to happen this way next year. Chairman Callicrate said direction has been given to Staff.

Chairman Callicrate called for a break at 8:12 p.m., the Board reconvened at 8:33 p.m.

**J. CONSENT CALENDAR (for possible action)**

**There are no Consent Calendar items on this agenda.**

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

**K.1. Review, discuss and possibly approve a Construction Manager-At-Risk Pre-Construction Services Contract for Effluent Export Pipeline - Project 2524SS1010 and Pond Lining Project 2599SS2010; Fund: Utilities; Division: Sewer; Vendor: Granite Construction; Amount: \$369,218; (Requesting Staff Member: Engineering Manager Nathan Chorey)**

Engineering Manager Nathan Chorey gave an overview of the submitted materials. Trustee Schmitz asked, on page 167, Attachment A, at the very beginning, do see evaluation and says specifically here only replace. Chairman Callicrate said on the next line, it says based on need, does that suffice for your concern? Engineering Manager Chorey said yes, we will consider trenchless pipe rehabilitation. Trustee Schmitz said that was the only place, everywhere else says repair or replace. What was/does fast track mean/imply and what is that timetable? Engineering Manager Chorey said it is a project manager technique that is happening simultaneously and very sequentially. The timetable is move through findings as quickly as possible and that we can't commit to any schedule thus it was omitted. District General Manager Winquest said that part of what Granite will be doing is evaluating the past history and can't give a timeline until we get to a certain point. We went through a very robust interview process, followed up with both entities, and are very comfortable with the recommendation. Trustee Schmitz said on page 157 it only uses the word replace and that she wanted to point out that language. Does the pond lining have to be done before the pipeline or does that depend on the method used to repair segment 3? Engineering Manager Chorey said that there is tremendous benefit to proceeding with the pond lining before the pipeline but it is not an absolute so it could be done. Trustee Schmitz asked if the pond lining is the priority? She is a little worried about Segment 3 and how long it has been pushed off. Engineering Manager Chorey said we will talk through those challenges.

Trustee Schmitz made a motion to authorize Construction Manager-At-Risk Pre-Construction Services Contract for Effluent Export Pipeline - Project 2524SS1010 and Pond Lining Project 2599SS2010; Fund: Utilities; Division: Sewer; Vendor: Granite Construction; Amount: \$369,218 and authorize Staff to execute the contract

documents. Trustee Dent seconded the motion. Chairman Callicrate asked for further comments, none were received so he called the question – the motion was passed unanimously.

Chairman Callicrate said Trustee Wong wanted everyone to know that she supports this action even if she couldn't be here tonight.

**K.2. Board of Trustees Handbook – Discussion only on the next steps  
(Requesting Trustee: Chairman Tim Callicrate)**

Chairman Callicrate gave an overview of the submitted materials; thanked Trustee Schmitz for her work and noted that it is important to review because we have a new member on the Board. Trustee Tonking said she likes the idea of recommendation C., add the code of conduct, and then get a peer review as a beneficial look. Chairman Callicrate thanked Trustee Schmitz for all her efforts and that he appreciates it. Trustee Schmitz said she enjoyed working on it and the collaborative effort. She and Trustee Dent were discussing something about the Washoe County Debt Management Commission and she doesn't think we should expend money on this and would rather expend money on policies; expend money with the most value to the organization. She likes collaboration, noticed that POOL/PACT has a resource and so we should try and take from there, review is good, the handbook is out of date and has redundancy, and that she would like to do it collaboratively. Trustee Dent said we are all on the same page with no consultant as we have other higher priorities. Trustee Schmitz has done a great job and he agrees that she should work with Legal Counsel and Human Resources. Chairman Callicrate said so recommendation C. is the one and Trustee Wong supports that choice. District General Manager Winquest said he agrees with C. being the best option. Trustee Schmitz will be the Board representative and Trustee Tonking seemed a little bit interested. Yes, he can dedicate the Interim Director of Human Resources, himself and District Legal Counsel to this project. Staff is willing to work to get as much information and will reach out to POOL/PACT for a peer review as that is included in our services already. District General Counsel Nelson said one consideration on C. – if you form a committee, it will be subject to the Open Meeting Law (OML) which will make it a little more difficult. One option is, which is short of an actual committee, to have one Trustee work with Staff as that isn't a committee and could accomplish what the Trustees are looking for. District General Manager Winquest said if we went with Trustee Schmitz representing the Board, what is the best way to solicit input? District General Counsel Nelson said to periodically bring it forward for a workshop type feedback at a special meeting to solicit that feedback.

Trustee Schmitz said she is confused, she and Chairman Callicrate collaborated on this so why not have two Trustees on this effort? District General Counsel Nelson said that any subcommittee of this Board is subject to OML and that the Attorney General has interpreted it very broadly and that having two Trustees working together was recognized as an informal subcommittee and thus he made that determination. Based on how broadly they term it, he would avoid that situation. Trustee Schmitz said is this because it is a formal committee? District General Counsel Nelson said yes. Trustee Schmitz said that is disappointing as she would like to work with Trustee Tonking and if it is someone other than her, she is totally fine with that. Chairman Callicrate said he will decline and noted that we can send our input to our Board Clerk. District General Counsel Nelson said as working group, you can do that but we will need to be careful. District General Manager Winquest said so Trustee Schmitz is representing the Board and she will be working with a member of the staff and working with District General Counsel and then once there are drafts, they will be put on to the agenda to discuss and then it will be handed off for peer review and then back to the Board for adoption. Trustee Tonking said she is confident with Trustee Schmitz and asked if we want to add the code of conduct? Chairman Callicrate said he would like to include that as well. Trustee Schmitz said that there are some conduct items in there so we can expand that. District General Manager Winquest confirmed that he had direction.

**K.3. Policy 15.1.0: Accounting, Auditing and Financial Reporting: Audit Committee; Organization: Confirm existing appointments or make two new appointments (Requesting Trustee: Chairman Tim Callicrate)**

Chairman Callicrate gave an overview. Trustee Dent said it was July 22 when Chairman Callicrate resigned and then we did the appointments. The current Audit Committee has been in place for the last six months. We have a member with a one-year term and working on this in June would be appropriate. Trustee Schmitz said we have learned a lot and she feels that as we approach the end of the first year, we should identify the dates of transition, timing of appointments, etc. as they are with the fiscal year. As a committee, we should review this and bring it back to the Board. Chairman Callicrate said that is the appropriate action.

**K.4. Nevada League of Cities: Confirm existing appointment of Trustee Matthew Dent or make a new appointment (Requesting Trustee: Chairman Tim Callicrate)**

Chairman Callicrate said he received the resignation letter from Trustee Dent to this appointment; Trustee Schmitz said in the Trustee handbook, we also have the Washoe County Debt Management Commission and what is the value? Trustee Dent said as the largest general improvement district there is a lot that is discussed relating to cities and towns. He has learned a lot of and that during the Legislative Session, there are bill draft requests that the Nevada League of Cities puts up. It is done by committee and the Nevada League of Cities does lobby. Chairman Callicrate said on the Washoe County Debt Management Commission the timing was bad for a nomination so we couldn't get that in – it was his fault. District Clerk Susan Herron went over the background on the Washoe County Debt Management Commission. Chairman Callicrate asked for volunteers with a discussion following and ending in Trustee Tonking stating she would be happy to do it.

Trustee Tonking nominated herself to be IVGID's representation to the Nevada League of Cities. Trustee Schmitz seconded the motion. Chairman Callicrate asked for any further nominations; none were received so he called the question – the motion was passed unanimously.

**K.5. Approval of a contract with Tri-Strategies, Ltd. to provide legislative advocacy services in the not to exceed amount of \$20,000.00 (Requesting Staff Member: District General Manager Indra Winqest)**

District General Manager Winqest gave an overview of the submitted materials. Trustee Schmitz said at the last meeting she was the only Trustee opposed to this. She spent time thinking about this and her reasons and one of the reasons is that we could allocate our resources in a more productive way by hiring external resources to help work on the refinement of our policies, practices and internal controls but if the Board wants to move forward with this, she understands what the rest of the Board is trying to accomplish. She would like to propose a suggestion that maybe would be a bit of a compromise and that would be if we had as the first deliverable, and this idea actually came from Trustee Tonking so she is giving her credit for this idea. On agenda packet page 208, if we could include an initial deliverable to provide this Board something in writing and a discussion identifying if there is any pending legislation that would even impact our GID and then at that time the Board would make another decision of whether they want to continue expending resources so it would be a cost containment and a decision point but it would be early in the process so she

will read you the language that she is proposing and noted that she did review this language with District General Counsel. The language is as follows:

*To provide, in writing and participate in a discussion with the Board, to identify if any pending legislation has potential impacts on the District at this time the Board would then determine if any additional services were warranted.*

That would give us a point to check in and that truly was your idea Trustee Tonking and so her thought was if we can do that, she could be supportive of it as it is a check in and then a yes or no before we commit before we go and approve this for a year and it is this dollar amount. Trustee Tonking asked if the contract was for a year or just the Legislative Session? District General Manager Winquest said it is for five months so it is the Legislative Session which he believes begins on Monday. Trustee Tonking said is fine with this option however we won't know the final BDR list as we will know the first set on Monday but we won't have language on most until March, mid-March, so that would be two meetings of having them and she is fine with that as well. Language does take a while to come out and there is a drop dead deadline for that as well so maybe we have them until then. District General Manager Winquest said if you look on agenda packet page 206, there is a termination clause, there is a 30-day notice and we could give notice. What is the process for new bills and could that happen half way through the session? Trustee Tonking said there is a list of bills with a brief amount of language and there is always the possibility that the bill could be amended as the session extends and we have to be very cognizant that this situation could occur and what could change within a bill that we are interested in. Chairman Callicrate pointed out, on agenda packet page 207, paragraph 17, forgot to put 2 in front of comply, second language and then on the fee schedule the numbers are not in sequence or a paragraph is missing. He is fine with what Trustee Schmitz proposed and understands what Trustee Tonking mentioned. Trustee Schmitz asked how does the 30-day clause figure in because this is basically on billable hours so what is that 30-day notice binding us to? She is just not sure and asked if District General Counsel could weigh in on that question. District General Counsel Nelson said, he may be misinterpreting this but that basic services are provided at a cost of \$3,000 per month which is a flat rate. So to your question on the 30-day notice, we would be responsible for one additional month depending on when that termination was provided. As an alternative, and this would be subject to discussion and agreement by the Contractor, we could have a carve out on your deliverable number 1 to that provision which would allow

us to terminate without advance notice at that point which would allow us to not incur additional expenses. Trustee Schmitz said she was just trying to put forth an opportunity to allow us to evaluate if we wanted to continue to expend funds on it so she was trying to find a compromise. District General Manager Winquest said one thing he wants to avoid is to have to bring this contract back to the Board as the session starts on Monday. He does hear the comments and happy to work with District Legal Counsel. He is happy to work with the Board Chair to move this contract forward as we want to have representation early in the session. District General Counsel Nelson offered approve as to form as he is comfortable to make edits to legal terms and then would recommend that the motion make clear what Trustee Schmitz has brought forward or not.

Trustee Schmitz made a motion that the Board of Trustees approves the attached contract with the legal corrections as identified by Legal Counsel for the legislative representation services for the 81<sup>st</sup> Legislative of the State of Nevada with Tri-Strategies in the not-to-exceed amount of \$20,000 with an additional deliverable to provide documentation and have a discussion with the Board of Trustees to identify if any pending legislation has potential impacts on the District at this time the Board would determine if any additional services were warranted. Trustee Dent seconded the motion. Chairman Callicrate asked for further comments, none were received so he called the question – the motion was passed unanimously.

Trustee Tonking asked to have in their presentation how they are interacting with the Legislators with COVID. District General Manager Winquest said he will be sure that is included.

- L. REPORTS\* (*Reports are intended to inform the Board and/or public*)

**There are no Reports for this agenda.**

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

There were no public comments at this time.

- N. **ADJOURNMENT** (*for possible action*)

The meeting was adjourned at 9:28 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 Aaron Katz – Written statement to be included in the written minutes of this January 28, 2021 regular IVGID Board meeting – Agenda Item I(3) – Reports to the Board – Moss Adams’ evaluation of certain IVGID accounting and reporting matters; more evidence the District is not being properly managed

Submitted by Aaron Katz – Written statement to be included in the written minutes of this January 28, 2021 regular IVGID Board meeting – Agenda Item K(1) – Engaging Granite Construction as a construction manager at risk (“CMAR”) to select a professional design engineer and draft one or more requests for proposals (“RFPs”) for one or more contractors to construct Phase 2 of the effluent export pipeline and pond lining projects at a cost of nearly \$370,000



**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JANUARY 28, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM I(3) – REPORTS TO THE BOARD – MOSS ADAMS’ EVALUATION OF CERTAIN IVGID ACCOUNTING AND REPORTING MATTERS; MORE EVIDENCE THE DISTRICT IS NOT BEING PROPERLY MANAGED**

**Introduction:** Moss Adams, LLP “is a fully integrated...accounting (and)...professional services firm dedicated to assisting clients with growing, managing, and protecting prosperity. With more than 3,400 professionals across more than 25 locations in the West and beyond, (it provides consulting and other services to)...many of the world’s most innovative companies and leaders<sup>1</sup>. Moss Adams was retained by the District to:

“Analyze and provide guidance on whether certain of the District’s activities should be reported in enterprise...vs. governmental funds;”<sup>2</sup>

Determine the propriety of the District’s “allocation of central services costs;”<sup>2</sup>

Determine the propriety of the District’s “punch card accounting, and

Whether the District’s current capitalization policies and actual practices are in agreement with applicable accounting standards.”<sup>2</sup>

Moss Adams has prepared a Final Report which summarizes its Findings and Recommendations<sup>3</sup>. Because that Report in essence concludes that the District has not been properly managed, I ask that the Washoe County Board of Commissioners be notified pursuant to NRS 318.515(1)<sup>4</sup>. And that’s the purpose of this written statement.

**The Moss Adams Report’s Findings – The District’s Business-Type Activities are Better Suited for Enterprise Fund Accounting<sup>5</sup>:** The “Greater transparency” claimed as the reason for converting from enterprise funds to special revenue funds was not honest to the public and the property owners who are involuntarily assessed the Recreation (“RFF”) and Beach (“BFF”) Facility Rees. By reporting

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<sup>1</sup> Go to <https://www.mossadams.com/about>.

<sup>2</sup> See ¶I(A) at page 11 of the packet of materials prepared by staff in anticipation of this January 28, 2021 meeting of the IVGID Board [[https://www.yourtahoeplace.com/uploads/pdf-ivgid/0128\\_-\\_Regular\\_-\\_Searchable.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/0128_-_Regular_-_Searchable.pdf) (“the 1/28/2021 Board packet”)].

<sup>3</sup> See pages 9-37 of the 1/28/2021 Board packet.

<sup>4</sup> NRS 318.515(1) instructs in part that “upon notification by the Department of Taxation...that...a district of which the board of county commissioners is not the board of trustees is not being properly managed...the board of county commissioners (“County Board”) of the county in which the district is located shall hold a hearing to consider the” same.

<sup>5</sup> See page 11 of the 1/28/2021 Board packet.

capital expenses and debt service separate from operating expenses, special revenue funds only made it more difficult to see how much our recreational venues really lose.

**The Moss Adams Report’s Findings – The District’s Current Presentation of Central Services Costs is *Not* in Compliance With Generally Accepted Accounting Principles<sup>6</sup>:** The District’s central services cost allocation is simplistic and based upon budgeted rather than actual expenses. Even though citizens have pointed to these specific inadequacies in the past, staff continue to use the same, flawed allocation.

**The Moss Adams Report’s Findings – The District’s Practice of Punch Card “Contra-Revenue” Accounting Should be Discontinued<sup>6</sup>:** Punch card accounting needs to end. Even the District’s Finance Director, Paul Navazio, has called this practice confusing and “weird.” It was really just another way to make IVGID’s venues look as if they were performing better than they actually were. Revenues that had already been assigned to specific funds/venues were “diverted” to others where punch cards were used, rather than remaining in the funds where initially allocated. When no actual revenue was received, no revenue should have been reported. Yet it was. Crystal Bay residents are rightfully incensed that fees intended to support Community Services have ended up supporting the beaches they cannot use.

**The Moss Adams Report’s Findings – The District’s Capitalization Practices Are *Not* in Compliance With Established Government Accounting Principles<sup>6</sup>:** The Report highlights numerous instances where what should have been reported as operating expenses were reported as capital expenses (such as the nearly \$1 million that was spent on the Diamond Peak Master Plan). This practice has resulted in financials that make it look as if the District’s operating revenues cover operating expenses, when they do not. Although citizens have brought this concern to the attention of past boards, it has been ignored. Moreover, Board policies and practices are improper in this regard.

**Conclusion:** It is becoming increasingly evident that the District has not been able to responsibly manage its assets. Our “community amenities” have over time been molded into global tourist attractions. Yet our small community lacks the resources to maintain or operate them efficiently. We may have to look at alternatives as costs of replacing our aging facilities place too much of a burden on local property owners who now have to compete with tourists just to access the recreational venues they have subsidized for so long. Stated differently, the district has not been properly managed. This is another reason why it’s time for the Department of Taxation to notify the County Board pursuant to NRS 318.515(1).

Board members can stick their collective heads in the sand and deny there are problems (because one can “bring a horse to water, but one cannot make him drink”). They can defer to the biased arguments from a less than forthright staff and attorney *who are part of the problem*. They can look for ways to attack and marginalize critics like me who are nothing more than messengers, making

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<sup>6</sup> See page 12 of the 1/28/2021 Board packet.

us the focus of attention rather than the issues we have identified. Or they can just do the right thing and recognize IVGID for the limited purpose local government it really is, and start acting like one! And to those asking why our RFF/BFF are as high as they are and never seem to go down, now you have another example of the reasons why.

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

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JANUARY 28, 2021 REGULAR IVGID BOARD MEETING – AGENDA ITEM K(1) – ENGAGING GRANITE CONSTRUCTION AS A CONSTRUCTION MANAGER AT RISK (“CMAR”) TO SELECT A PROFESSIONAL DESIGN ENGINEER AND DRAFT ONE OR MORE REQUESTS FOR PROPOSALS (“RFPs”) FOR ONE OR MORE CONTRACTORS TO CONSTRUCT PHASE 2 OF THE EFFLUENT EXPORT PIPELINE AND POND LINING PROJECTS AT A COST OF NEARLY \$370,000**

**Introduction:** Here staff seek the IVGID Board’s approval to enter into a nearly \$370,000 contract with Granite Construction<sup>1</sup> (“Granite”) to perform identified pre-construction services associated with Phase II of the effluent export pipeline and pond lining projects<sup>2</sup>. But what this agenda item really reveals is that yet again, we have less than competent staff to perform even the most rudimentary tasks prior to actual construction, who require a “bail out” at the public’s expense. And because we have less than competent staff, we have a less than competent general manager (“GM”) because it’s his responsibility to staff competently. And to the extent current and past board members, as well as the less than knowledgeable members of our community they incite blindly support our staff rather than calling out the District’s lack of competence for what it really is, they are as bad as staff. And these are the purposes of this written statement.

**The Projects Which Are the Subject of This Proposed Contract:** According to staff, the two public works projects which are the subject of this proposed contract are:

1. Lining of our sewer effluent storage pond as recommended in the September 2018 Jacobs Engineering Analysis Memorandum re WRRF Effluent Storage<sup>3</sup>; and,
2. Replacement of 12,385 linear feet of segment 3 and repair of 17,314 linear feet of segment 2 of our effluent export pipeline<sup>4</sup>.

**The Scope of Works Which Are the Subject of This Proposed Contract:** regardless of the fancy language and the number of tasks identified, the proposed scope of work can be synthesized simply as follows:

1. Selecting a design engineer for both projects [task 2(E)] at a cost of \$12,800;

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<sup>1</sup> See pages 161-172 of the packet of materials prepared by staff in anticipation of this January 28, 2021 meeting of the IVGID Board [[https://www.yourtahoepace.com/uploads/pdf-ivgid/0128\\_-\\_Regular\\_-\\_Searchable.pdf](https://www.yourtahoepace.com/uploads/pdf-ivgid/0128_-_Regular_-_Searchable.pdf) (“the 1/28/2021 Board packet”).]

<sup>2</sup> See pages 167-170 of the 1/28/2021 Board packet.

<sup>3</sup> See page 159 of the 1/28/2021 Board packet.

<sup>4</sup> See pages 156-158 of the 1/28/2021 Board packet.

2. Setting the parameters for design documents [task 5(B)] at a cost of \$102,760;

3. Reviewing the schematic design(s) created by others [tasks 4(C) and 4(D)] at a cost of \$18,512 and possibly [task 5(A)] an additional cost of \$52,816;

4. Creating a RFP to possibly select and enter into one or more contracts with one or more subcontractors to actually perform project work [task 4(B)] at a cost of \$5,734;

5. Marginal other works such as budget verifications, proposing cost reductions, innovations and risk mitigation [task 3(B)] at a cost of \$35,780 as well as preparing preliminary cost estimates [task 3(C)] at a cost of \$30,616; and,

6. Giving Granite an unfair advantage over other contractors by paying it \$52,280 to create a guaranteed maximum price for the effluent export pipeline project [Task 6(A)], and an additional \$57,400 to create a guaranteed maximum price for the pond lining project [Task 7(A)] – i.e., paying Granite to prepare and submit a “guaranteed maximum price” bid.

**The Board’s February 26, 2020 Meeting:** At page 154 of the 1/28/2021 Board packet staff represent that at this meeting, nearly a year ago, they sought Board approval to engage design services contract(s) for the two subject projects. However, the Board refused pending the hiring of a project manager/CMAR to conduct a complete project review of the Effluent Export Project.

I have reviewed the packet of materials prepared by staff in anticipation of the Board’s February 26, 2020 meeting, together with the minutes of that meeting and I have confirmed that staff presented two proposed contracts for adoption by the Board relating to design of the two projects the subject herein proposed CMAR contract:

1. An Effluent Storage Pond Lining Surveying and Design contract with CH2M Hill, Inc. at a cost of \$256,300<sup>5</sup>; and,

2. An Effluent Export Pipeline Design services contract with HDR Engineering, Inc. at a cost of \$161,634<sup>6</sup>.

The reason the Board did not move forward with both of these contracts, is because it wanted Trustees Wong and Dent to help staff draft a “scope of work” so that staff could seek a construction

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<sup>5</sup> See pages 13-17 of the packet of materials prepared by staff in anticipation of the Board’s February 26, 2020 meeting [[https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT\\_Packet\\_Regular\\_2-26-2020.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_2-26-2020.pdf) (“the 2/26/2020 Board packet”)].

<sup>6</sup> See pages 22-34 of the 2/26/2020 Board packet.

manager (not necessarily a CMAR), via RFP or RFQ, to oversee both projects<sup>7</sup>. But insofar as design consultants, estimates of cost, and actual design contracts are concerned, *they already existed!*

**The RFP Giving Rise to Selection of the Current CMAR – a Classic Example of Garbage In, Garbage Out (“GIGO”):** The Board and the public haven’t been provided with one or more RFPs prepared by staff which have given rise to the subject proposal. After all, what is before the Board may be as a result of one or more sloppy or faulty RFPs. It is for this reason that on January 23, 2021 I made a records request asking to examine that/those RFP(s). And I asked Ms. Herron to provide the same *prior* to tonight’s hearing so I could present intelligent public comments<sup>8</sup>. After all, that/those RFP(s) should have been readily available for examination well before tonight’s hearing.

But staff didn’t want me to see the RFPs it prepared until after tonight’s meeting. So it wasn’t produced until after the meeting. As can be seen from Exhibit “A,” Ms. Herron didn’t provide me with that/those RFP(s) until February 1, 2021. And now I see why.

**The Way Staff’s RFP Has Been Crafted, the *Only* Professionals Qualified to Respond Are CMARs Who Are “Qualified to Bid on a Public Work of the State Pursuant to NRS 338.1379”** [see NRS 338.1691(4)]: According to Exhibits “B” and “C,” our staff have requested proposals expressly from “construction managers at risk.” They have asked that services be performed “in accordance with NRS 338.1696.” They have titled the scope of work “CMAR PRE-CONSTRUCTION & CONSTRUCTION.” At Article 5(A)-(C), (L) and (O), Article 8 of the proposed contract, staff have contemplated and thus mandated that each contractor submitting a proposal be a CMAR. And at Article 2(B) of the RFP, they have defined a CMAR to be a “Construction Manager at Risk as defined by NRS 338.” In other words, ***forget about a NRS 338.1718 Construction Manager as an Agent (“CMA”)***. We’re going to get an higher priced CMAR *which is exactly what is being proposed!*

**The Way the RFP Has Been Crafted, the Scope of Work Requested is Worthless and a Complete Waste of Money:** For example, at “ARTICLE 3 - CMAR PRE-CONSTRUCTION & CONSTRUCTION”<sup>9</sup> staff describe the scope of work as follows:

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<sup>7</sup> See page 330 of the packet of materials prepared by staff in anticipation of the Board’s March 11, 2020 meeting [“the 3/11/2020 Board packet” ([https://www.yourtahoeplace.com/uploads/pdf-ivgid/3-11-2020-BOT\\_Packet\\_Regular.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/3-11-2020-BOT_Packet_Regular.pdf))].

<sup>8</sup> A copy of this records request and Ms. Herron’s response are attached as Exhibit “A” to this written statement.

<sup>9</sup> I have attached this page from staff’s RFP as Exhibit “B” to this written statement, so the Board and the public can see exactly the type of CMAR contract it was soliciting.

“The preconstruction services generally required will include: Review of existing background material, aid in selection of design professional, design support, multiple budget verifications, and construction systems or methods alternatives for “cost reduction” or “value added” purposes, construction scheduling, phasing and logistics. It also includes providing Owner with bidding services and a GMP (guaranteed maximum price) in accordance with NRS 338.1696. Owner expects the CMAR during the construction phase to perform the construction work if the GMP can be agreed upon and the construction contract executed (in other words, a future subsequent agreement to agree which is no agreement whatsoever). The construction work shall be in accordance with the contract terms and general conditions.”

In other words, for roughly \$370,000, we have asked a proposed CMAR to:

1. Familiarize itself (at our expense) with both projects;

2. Aid in the selection of a project design professional even though we already had such a professional (HDR Engineering, Inc. insofar as design of the effluent export pipeline project is concerned, and CH2M Hill, Inc. insofar as design of the effluent pond lining project is concerned) a year ago<sup>1</sup>;

3. Provide support to our design professional even though we already have in-house personnel available to provide whatever support our design professional requires;

4. Verify our construction systems or methods with the aim of “reducing construction costs” and/or “adding value” even though this RFP is supposed to be pre-design and pre-construction. Construction services by definition will be the subject of subsequent negotiation and there will be no such services unless and until a “GMP can be agreed upon and (a) construction contract executed;”

5. Provide construction scheduling, phasing and logistics during the construction. But again, the subject contract is supposed to be for pre-design and pre-construction services. There will be no construction services unless and until a “GMP can be agreed upon and (a) construction contract executed;”

6. Provide bidding services even though we already have in-house personnel available to provide such services if that’s the route the Board chooses to travel. There will be no bidding if as staff contemplates our CMAR contractor will be providing a GMP. So if that’s the case, why are we paying Granite to provide bidding services?

7. And finally, to provide a proposed GMP in accordance with NRS 338.1696, again, at our expense. In other words we’re agreeing to pay Granite over \$100,000 to craft a GMP contract.

***In other words, a sloppy and completely worthless RFP!***

**Unsurprisingly Then, the Subject Proposed Scope of Work and Cost Are Far in Excess of What Was Contemplated by the Board on February 26, 2020 When it Decided to Search Out a Construction Manager:** The District need not search out design engineers for either of the subject projects; *it already has them*. Nor need it publish a RFP to solicit project design costs because it *already knows what those costs will be*. Besides, staff rarely if ever go out to bid when professional services (which is what design services are) are involved<sup>10</sup>. Nor need the District pay a third party vendor over \$100,000 to bid these construction projects once they have been designed. Whatever cost savings there may be by hiring a construction manager will be far exceeded by entering into a contract like the one before the Board just to say we've secured such a manager.

**Given There is No "Risk" at Issue Insofar as the Subject Design Contracts Are Concerned, There's No Reason to Overpay For a Construction Manager "at Risk:"** At both the Board's August 26, 2020<sup>11</sup> and September 30, 2020<sup>12</sup> meetings I submitted comprehensive written statements for inclusion in the minutes of those meetings addressing CMARs and their differences from CMAs. I basically concluded that,

"The real difference between the two is that the CMA assumes no 'responsibility for the cost, quality or timely completion of the construction of the public work' [see NRS 338.1718(1)(b)] whereas the CMAR, *when...(the) pre-construction phase is complete, (will) propose...a Guaranteed Maximum Price ('GMP')...and executes the construction as (the) Contractor'* [remember, NRS 338.1718(1)(b)13 prohibits a CMA from 'tak(ing) part in the...construction of the public work'"]."<sup>13</sup>

*Given here we are still at pre-construction, there's no reason to pay the premium involved with a CMAR.*

**Although There is a Portion of This CMAR's Scope of Work That May Prove Useful Once Project Design is Complete, That Cost Should be Negotiated at a Reasonable Hourly Rate Rather Than as Proposed Herein:** Tasks 3-5 of the proposed scope of work address project design<sup>14</sup>. In my opinion we don't require any of Granite's efforts targeted to design until after project design is

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<sup>10</sup> Because there's an exemption for "professional services" [see NRS 332.115(1)(b)].

<sup>11</sup> See pages 331-342 of the packet of materials prepared by staff in anticipation of the Board's September 30, 2020 meeting [[https://www.yourtahoepalace.com/uploads/pdf-ivgid/0930\\_-\\_Regular\\_-\\_Searchable.pdf](https://www.yourtahoepalace.com/uploads/pdf-ivgid/0930_-_Regular_-_Searchable.pdf) ("the 9/30/2020 Board packet")].

<sup>12</sup> See pages 201-205 of the packet of materials prepared by staff in anticipation of the Board's October 27, 2020 meeting [[https://www.yourtahoepalace.com/uploads/pdf-ivgid/1027\\_-\\_Regular\\_-\\_Searchable\\_1.pdf](https://www.yourtahoepalace.com/uploads/pdf-ivgid/1027_-_Regular_-_Searchable_1.pdf) ("the 10/27/2020 Board packet")].

<sup>13</sup> See page 334 of the 9/30/2020 Board packet.

<sup>14</sup> See pages 168-170 of the 1/28/2021 Board packet.



complete. Only at that point in time do we get into scheduling, phasing, sub-contractors, pricing, etc. And the District should have an ala carte menu priced on a reasonably priced hourly basis rather than the hundreds of thousands of dollars included in Granite's proposal.

**Am I the Only One Who Sees a Conflict of Interest Between Granite Being the One to Seek Sub-Contractor Pricing While it is Charging the District to Prepare its Own GMP?**

**Conclusion:** The proposed contract is a waste because it provides no real services we require prior to entering into one or more contracts for actual construction. Yet staff propose the waste of nearly \$370,000. Please say no!

**And You Wonder Why Our Sewer Rates Which Finance This Waste Are Out of Control?** I've now provided more answers.

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

**EXHIBIT "A"**

## RE: Records Request - the CMAR RFP Staff Published That Gave Rise to Agenda Item K(1) on the Jan 28 IVGID Board Agenda

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**From:** "Herron, Susan" <Susan\_Herron@ivgid.org>  
**To:** "s4s@ix.netcom.com"  
**Subject:** RE: Records Request - the CMAR RFP Staff Published That Gave Rise to Agenda Item K(1) on the Jan 28 IVGID Board Agenda  
**Date:** Feb 1, 2021 9:26 AM  
**Attachments:** [Complete RFP Effluent Export Pond Lining.pdf](#) [Addendum 1 Effluent Line CMAR.pdf](#)

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2/2/2021

RE: Records Request - the CMAR RFP Staff Published That Gave Rise to Agenda Item K(1) on the Jan 28 IVGID Board Agenda

Mr. Katz,

Attached are two documents which complete your records request.

Susan

**From:** s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]

**Sent:** Saturday, January 23, 2021 10:22 AM

**To:** Herron, Susan <Susan\_Herron@ivgid.org>

**Cc:** Tim Callicrate <callicrate\_trustee@ivgid.org>; Matthew Dent <dent\_trustee@ivgid.org>; Wong, Kendra <Wong\_trustee@ivgid.org>; Sara Schmitz <trustee\_schmitz@ivgid.org>; Michaela Tonking <tonking\_trustee@ivgid.org>; Winquest, Indra S. <ISW@ivgid.org>

**Subject:** Records Request - the CMAR RFP Staff Published That Gave Rise to Agenda Item K(1) on the Jan 28 IVGID Board Agenda

Hello Ms. Herron and Indra -

Although the Board packet for agenda item K(1) for the upcoming Jan 28, 2021 meeting includes Granite Construction's proposal for alleged CMAR services associated with our pond liner and Phase 2 of our effluent pipeline replacement projects, conspicuously absent is the RFP staff created and published which resulted in Granite Construction's proposal. Therefore I would like to examine it.

And hopefully before Jan 28's meeting given it should easily and readily exist right now. So I can frame my public comments with respect to this agenda item.

Please consider this a public records request.

And I am sending a copy of this request to the Board because I would expect Board members have the same concerns.

Thank you for your cooperation. Aaron Katz

**EXHIBIT "B"**

**REQUEST FOR PROPOSALS (RFP)  
FOR CONSTRUCTION MANAGER AT RISK (CMAR)**

**RFP Date:** October 23, 2020  
**Project Name:** 2021 EFFLUENT EXPORT PIPELINE & POND LINING PROJECT  
**Project Number:** 2524SS1010  
**PWP Number:** WA-2021-036  
**Owner:** Incline Village General Improvement District  
**Owner's Contact:** Nathan Chorey, Engineering Manager  
775-832-1372; npc@ivgid.org

## **INTRODUCTION**

Owner invites the submission of Proposals on the services specified within this RFP. Please read carefully all instructions, general terms and conditions, scope of work and/or specifications, CMAR Fee Proposal Form, RFP Response Form, and sample contracts. Failure to comply with the instructions, scope of work and/or specifications of this RFP may result in your Proposal being declared nonresponsive.

All questions or comments pertaining to this RFP shall be directed to the Owner's contact listed above.

This is a Prevailing Wage project that is to be paid for by both local and federal funds; therefore minimum prevailing wage rates published by both the State and Federal Departments of Labor are applicable. Bidder shall comply with the State of Nevada Labor Commissioner and the Federal Davis-Bacon and Related Acts, as applicable. The PWP number for this project is shown above.

### **Engineer/Design Team**

The Work has been designed by Jacobs Engineering Group, HDR, and IVGID Engineering.

## **RFP DELIVERY DEADLINE**

RFP packages from all interested parties will be submitted in pdf electronic format through Owner's Planet Bids website, <https://www.planetbids.com/portal/portal.cfm?CompanyID=30437>, and will be subject to the terms, conditions and scope of services herein stipulated and/or attached hereto.

Deadline for receipt of proposals is **4:00 p.m. November 19, 2020**. Planet Bids will automatically refuse any proposals submitted after this time.

Confidentiality: All documents and other information submitted in response to this RFP, including, without limitation, a Proposal, are confidential and will not be disclosed until notice of intent to award the contract is issued.

For assistance with Planet Bids or downloading documents from that website, contact Ronnie Rector, the IVGID Public Works Contracts Administrator at (775) 832-1267.

- J. RFP / Proposal / Request for Proposal: This proposal, all attachments and exhibits, and any addenda issues prior to the date designated for receipt of proposals
- K. RFP Response Form: CMAR form submitted by an authorized representative for the Contractor named on said form, acknowledging that s/he has examined the Contractor's RFP, including any related documents, and hereby offers to furnish all labor, materials, tools, supplies, equipment and services necessary to comply with the specifications, terms and conditions set forth herein
- L. Subcontractor / Independent Contractor: Any individual, agent, firm, sole proprietor, or corporation to whom the CMAR subcontracts any part of the Project; there is a contractual relationship between the Owner and subcontractor or independent contractor who may perform work or services for the CMAR

### **ARTICLE 3 - CMAR PRE-CONSTRUCTION & CONSTRUCTION**

All services required are in conjunction with the Project as described in Article 1. The preconstruction services generally required will include: Review of existing background material, aid in selection of design professional, design support, multiple budget verifications, and construction systems or methods alternatives for "cost reduction" or "value added" purposes, construction scheduling, phasing and logistics. It also includes providing Owner with bidding services and a GMP in accordance with NRS 338.1696.

Owner expects the CMAR during the construction phase to perform the construction work if the GMP can be agreed upon and the construction contract executed. The construction work shall be in accordance with the contract terms and general conditions.

### **ARTICLE 4 - PROJECT AND RFP TIME SCHEDULE**

See Exhibit A – Project Timeline and RFP Time Schedule. The Baseline Project Schedule includes a tentative schedule of events and dates. The Baseline Project Schedule is subject to change as deemed appropriate by the Owner.

### **ARTICLE 5 - PROPOSAL SUBMITTAL REQUIREMENTS**

- A. Each CMAR by submitting a Proposal represents that (i) the CMAR has read and understands the entire RFP, including any attachments, and asserts that its Response is made in accordance therewith; (ii) prior to submission of the Proposal, the CMAR shall ascertain that it has received all Addenda issued and shall acknowledge receipt of each Addendum by completing the acknowledgment space provided on the RFP Response Form and (iii) the CMAR and its Subcontractors/Independent Contractors shall comply with all applicable provisions of the Nevada Revised Statutes Chapter 338 and Nevada Administrative Code Chapter 338.
- B. CMARs shall take no advantage of any apparent error or omission in the RFP Documents. In the event a CMAR discovers such an error or omission or other irregularity, CMAR shall immediately notify the Owner. The Owner will then make such corrections and interpretations as may be deemed necessary for fulfilling the intent of the RFP Documents through the issuance of an Addendum.
- C. If it becomes necessary to revise any part of this RFP, a written addendum will be provided to all CMARs. The Owner is not bound by any oral representations, clarifications, or changes made to the written specifications by Owner's employees or agents, unless such clarification or change is provided to CMARs in written addendum form from the Owner. Written Addenda will be posted on the owner's

## MINUTES

### **REGULAR MEETING OF FEBRUARY 10, 2021 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 Thursday, February 10, 2021 at 6:00 p.m. This meeting was conducted virtually via Zoom.

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

The pledge of allegiance was recited.

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

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

Also present were District Staff Members Director of Finance Paul Navazio, General Manager Diamond Peak Ski Resort Mike Bandelin, and Engineering Manager Nathan Chorey.

No members of the public were present in accordance with State of Nevada, Executive Directive 006, 016, 018, 021, 026 and 029.

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

Cliff Dobler said in the 2020 CAFR, Eide Bailly stated "in our opinion the financial statements present fairly in all material respects and are in accordance with Generally Accepted Accounting Principles for the United States of America." The key words are fairly and material. The term fairly is determined by a set of rules by GAAP and GASB; if the rules are followed then the reporting is fair. If the rules are broken, then the reporting is unfair. The word material is even more of a mystery. When Tiffany Williams of Eide Bailly told the Audit Committee that Eide Bailly does not disclose their perimeters to determine what is material and what is immaterial then we must use our best judgement. So let's take three simple reporting fiascos in the 2020 CAFR. Is it fair to report \$6.7 million of Community Service and Beach facility fees in the Statement of Activities as general revenues of the District when each of you know or should know that the facility fees are specifically committed for Community Services and Beach expenditures and cannot be used for any other purpose. Is it unfair to citizens to lead them to believe that the various funds and programs require general revenue support of \$6.8 million when the general revenues support will only be a mere \$100,000 if the facility fees were properly classified as program revenues? As defined in GASB 34 in the Moss Adams report, the facility fees are program revenues. So is this reporting unfair but can be



Minutes

Meeting of February 10, 2021

Page 2

overcome by not being material? Looking at the statement of revenues, expenditures and change in fund balances in fiscal 2020 for the Community Services and Beach Special Revenue fund, found on page 109 and 110, which are established in 2015 to report operations only, is it fair to break GASB 54 rules and report \$3.7 million of the facility fee specifically committed for capital projects and debt service as operating revenues? Is it fair to citizens to give them the impression that Community Services operating revenues exceeded expenditures by \$5.1 million when in fact the amount was only \$1.4 million or 74% less? The Beach operating revenues we are reporting is exceeding the expenditures by \$856,000 when in fact that amount was only \$546,000 or 36% less. So is it fair that in fiscal 2019 Management decided to report, as a capital asset, rather than expense, \$3.2 million in preliminary stage project activities for the Effluent Pipeline, Phase II, project? By not expensing such costs, Management improperly and unfairly reported in the Utility Fund \$2.4 million as operating revenue when a loss of \$820,000 actually occurred. GASB, common sense would suggest that an adjustment was required in the 2020 CAFR. Management and the Auditor apparently decided that such faulty reporting should not be addressed, trick citizens into believing that the Utility Fund is in good shape.

Linda Newman said this Board has the opportunity tonight to set the District on the right path forward and provide a solid foundation for the District's proper and appropriate accounting and reporting. Please take action tonight to revise the 2020 CAFR to comply with GAAP and Best Practices as stated in the Audit Committee's Annual Report and implement the recommendations in the Moss Adams Report, observations and supplementary review. This will ensure that our CAFR actually provides complete and accurate information that is transparent about the use of our tax, fee and ratepayer money with a detailed accounting of all our expenditures to ensure that the State, the County, our Board, our citizens and our creditors have meaningful information on our District's financial condition and performance. Ensuring the integrity of our financial statements is your responsibility—not management's, the auditor or anyone else. Please exercise your statutory and fiduciary duties to comply with Nevada law and make the required revisions. Please vote against a three year contract with BBK. As Mr. Nelson is the only attorney at BBK licensed to practice in Nevada, you are not engaging a law firm, you are engaging an individual who would have to supervise other lawyers at his firm and subcontract other legal tasks to other law firms. A three year contract with an individual who does not possess the legal experience and expertise our District may require does not serve you and it does not serve the public. In addition, this contract must be reviewed by independent legal counsel. Not legal counsel your General Manager selected on your behalf, but your own independent counsel who would fully disclose Mr. Nelson's conflicts in representing the Board and individual officers and senior Management. As Mr. Nelson is also the attorney for a local

government that currently employs many former members of our Senior staff, this too, could pose a conflict of interest. Of additional concern is vesting an individual with fulfilling all the District's legal needs. Under that scenario, the Board will be unable to engage other attorneys with greater expertise on specific legal matters. Please exercise proper due diligence and interview other law firms to ensure that we have the best law firm to fit our District's needs. She must also emphasize the need for this Board to fully understand your fiduciary and statutory duties to the citizens you took an oath to serve. As our elected officials we expect you to comply with Nevada law, to exercise leadership and to exercise responsible oversight of Senior Staff. If you do not take charge and provide the direction and professional resources our inexperienced General Manager requires to fulfill his duties – the District will falter and you will be held accountable.

Mike Abel said he has lived here for 22 years part time and 13 years full time. In that time, he has seen a steady stream of weak Trustees that have tolerated all of IVGID's mismanagement and corruption. Now, with a functioning Audit Committee, auditors found 19 accounting errors of \$3.5 Million which had to be corrected and an additional 5 miscellaneous errors of \$358,000 they did not correct. He implores our Trustees to keep the Audit Committee team moving together, and staff changing their practices, so that IVGID can come out of the "do nothing – see nothing" Wong era. He has compiled a list of 10 bad things and 5 really good things that he has seen with IVGID. You can see his list in your personal emails – he also wishes that it be included in the meeting minutes. Below is my list:

In my 13 years as a full timer here, he has seen IVGID mismanagement as shown below:

1. Multiple no-bid contracts awarded which cannot be justified by good business practices and where the probability of kickbacks is very high as indicated in the Moss Adams reports.
2. \$1.5 million bonuses paid to our beloved staff without board approval (2013-15)
3. The district overpaid more than \$300,000 to Pica (Canadian pipeline inspection Co.) without board approval for apparently no work and certainly no authorized work on the pipeline
4. \$838K plus spent on god knows what when our effluent pond was supposed to have been lined with that money.
5. Over \$1,000,000 on an overpriced repair of a 50-year old tennis building that should have been torn down. Where the costs were 3x the original estimate.
6. Another \$1.6 mil spent on a 50-year old Mountain Golf course building that is less functional than the old structure
7. Another \$1 million to be frittered away on stupid payroll software when every sane business in America uses a payroll service for pennies per week per employee

8. Now we are going to spend the soft side of \$5 million to replace a swimming pool that should not cost more than \$1.5 million.

9. Just this past year a cost over-run of \$250,000 on a wastewater aeration project.

10. Don't forgot endless lawsuits! Over \$500K on the waste-of-time Katz lawsuit where IVGID never attended a settlement conference. Can't forget the FlashVote suit and now the Smith case.

On the positive side the Board did some good things in the past year.

1. They fired the corrupt Guinasso and his worthless firm
2. Stopped the wasteful advertising program.
3. Stopped wasteful spending on Golf carts and ski rental equipment
4. Got moving on the effluent pipeline project with an outside firm
5. Formed a real Audit Committee that is doing some quality work.

Notwithstanding Mrs. Wong's tenure as a "do-nothing-see-nothing" Trustee and her recent attack on fellow Trustees and Mr. Dobler, we naysayers and troublemakers see mismanagement on a grand scale at IVGID. We see a former bevy of weak trustees that just turn their heads and look the other way. The big question, is Mr. Callicrate going to lead the Board into a new era of financial responsibility and or will it be a repeat of the Wong era? Finally – the Board should know what we naysayers really want:

1. A staff that puts the citizens and taxpayers first not themselves.
2. A staff that actually does their job with honesty and integrity and delivers straightforward accounting to the public in conformance with GAAP and GASB
3. A qualified group of managers (not like non-CPA Navazio) who can answer the public's questions in a straightforward no-nonsense manner.
4. Honest bidding and contracting that will maintain and improve our facilities. No more overpriced CMAR contracts except in an emergency.

Margaret Martini said judging by the decisions this Board and our General Manager undertakes, it appears that our citizens' public comments seem to wind up in your spam folders. So, in the hope that repetition will finally get the message through, I am requesting that you, as our elected officials, exercise your statutory and fiduciary duties and follow the recommendations of our Audit Committee, Moss Adams and our citizens and revise the 2020 CAFR to comply with Generally Accepted Accounting Principles and Best Practices. There is no excuse to accept a CAFR that is littered with errors, improper accounting and factually incorrect statements. No excuse, whatsoever. As I also stated at the December 9th meeting, there is no shortcut to doing your due diligence when it comes to engaging legal counsel. Considering a three year contract with a law firm that only has a single licensed attorney to practice in the State of Nevada, is beyond any one's reasonable understanding. Has the Board taken a look at Mr. Nelson's track record on legal advice and opinions, his inadequate review of contracts or his lack of experience and knowledge in dealing with legal issues confronting the District?

She has, along with others, and, his performance has not received a high grade. Please do your due diligence and reach out to other law firms to secure the best legal representation. With IVGID's track record on litigation this Board owes it to those you were elected by to give them the best decisions for THEIR representation. Right thing to do is to not accept this contract.

William Hill said he has had a house in Incline Village resident since 2006, president of the Tahoe Incline Golf Club for 2021. Over the years, since he has been here, he has availed himself of Diamond Peak which he loves, Rec Center where he has learned so much about his body, Championship Golf Course is his favorite, beaches are spectacular, the Chateau is the best place to have lunch he can imagine, special stuff, and he could go on and on. For this place to be so special, some people have been doing something right so to hear the complaining, which might be legitimate, well just want to say thank you to the Board and past Boards for creating such a fabulous place. He would like to make a pitch on behalf of the golf club as we are a bunch of reasonable folks and we let pretty much anybody in that's a reasonable person and we definitely need the tee times where we play and we used 93% of the tee times. It is very important to us however he also understands, as a former business owner for 30 years, that the Chateau and places like this need to survive. And one of his goals is to work with Staff to make that a reality and you can complain all you want about it but it is a special place and coming from TIGC, you can count on us and thank you.

Judith Miller said she would like to request that item J.1. be removed from the Consent Calendar over to General Business. The reason she would like to do that is because we are going into a new financial system, Tyler Technologies, and she can't believe that they don't have some similar platform to allow inquires, internal and external, and it would be a much simpler process assuming it is the same vendor. She doesn't know if any comparisons have been made but the Board would need to hear about that and there is no mention of that in this Board packet tonight so please ask for it to be removed, ask some questions, and it would seem that it would be much easier to do the integration between Tyler's own product. She has noticed that it takes weeks and sometimes even months to massage the data so it is ready for importing to the Opengov system. Thank you for considering this request and have a great evening.

Yolanda Knaack said thank you to the Audit Committee as they are doing a lot of good work which she appreciates.

Gail Krolick said she is calling to discuss and make aware that her husband and she has sent a rather lengthy e-mail to General Counsel, General Manager, and Trustees in regards to a rather hateful individual within our community. Neither she

nor her husband heard anything back from anyone nor at the District staff however she would like the District staff or the members of the Board to exactly explain to this community how a scholarship is earned through the Veteran's Club or anywhere else through the District. What this individual stated is something that is quite sinister and she certainly will not tolerate it. When anyone in this community brings her children into a political debate they now have a problem with her. So she asks that the District and the Board of Trustees please make sure that this evening you make a public statement in regards to how scholarships are paid, how the proceeds are given out to students, etc. because this is just absolute nonsense.

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

Chairman Callicrate asked for changes to the agenda. Trustee Schmitz asked that Consent Calendar Item J.1. be moved to General Business K.3. With no further changes, the agenda was approved as modified.

**E. PUBLIC HEARINGS**

**There were no Public Hearings for this agenda.**

**F. DISTRICT STAFF UPDATES (for possible action)**

**F.1. District General Manager Indra Winquest**

Highlights:

- ✓ Mark Smith v IVGID – The judge asked for an update from the Special Master and we are just waiting for him to respond.
- ✓ Hired Brad Underwood as the new Director of Public Works and he will be starting on March 15.
- ✓ Hired Shelia Leijon as our new Parks and Rec Superintendent and he is excited for her in this new role.

Trustee Schmitz said that there are number of action items in Moss Adams in 1.0 and 2.0 such that she is wondering what the status is. District General Manager Winquest said we have had discussions on these items and we will be bringing an update in one of the March meetings and with Moss Adams 2.0, we are not using contra revenue accounting, talked about how we are approaching capitalization, and we are moving forward with the transition back to Enterprise accounting. Accounting Staff has prepared a draft memorandum regarding updating documents and also laying out a timeline for guiding us through our policies and then hiring a firm to guide us

through our capitalization policies; will be providing a formal written report regarding this matter to the Board in the near future.

#### **F.1.A. General Manager's Ordinance 7 Committee verbal update**

Hal Paris and Diane Becker gave a brief verbal update to the Board of Trustees with the following being the highlights:

Diane Becker submitted the following as her report:

It is my expectation that the Ordinance 7 Committee will come to a recommendation for the Board in time for a revised Ordinance 7 to be in place for the summer. There are disagreements between some of the Committee members on some of the topics and there is consensus on some of the topics.

After careful review of Ordinance 7, the Committee members made lists of big picture items to review and we have been discussing those in detail among ourselves and asking Staff for documents and information and asking questions of the District's outside counsel. One of the biggest issues that we are keeping in mind is confirming that the District's Ordinance 7 is in compliance with the Beach Deed.

I think that it would be useful for the Board and the public to understand what the **Beach Deed** says. There are four important parts:

1. The District agreed to **hold the beaches only for the purposes of recreation** by, and for **the benefit of property owners and their tenants** ...., and as the **Board of Trustee** of said District may **determine, their guests.**
2. Twice the deed repeats that the easement to property owners to use the beaches is for **property owners within the Incline Village General Improvement District as constituted on June, 1968.**
3. The deed states that District has the "**authority to control, regulate, maintain and improve** said property as in its **sole discretion** it shall deem reasonable and necessary to effectuate the purposes herein mentioned..."
4. The use of the real property is "**for the recreational uses** and purposes specified in the deed. The District shall have the

**authority to impose reasonable rules, regulations and controls upon the use of the easement.”**

As I just noted, a key issue in the minds of the Committee is that we should make recommendations to the Board that will keep the District in compliance with the Beach Deed. Another key issue in our minds is that the recommendations need to address and remedy the over-crowding of the beaches. Also, we are keeping in mind that different property owners and effected people have different interests, and we are looking at how to balance these interests. These points are kept in mind as we address the big picture issues.

Big Picture Issue 1: How to appropriately control crowding but still allow Guest Access. What to do with punch cards, daily use passes and exchange passes. To get control of the overcrowding and for easier accounting by the District, and based on our most recent meeting, I expect that these will not be continued, other then maybe daily use passes just for ease of District regulating and controlling holiday attendance, but all Committee member believe that there need to be some form of Guest access procedures that will still allow access for Guests of owners. We need to tackle the definition of Guest and we need to be sure that owners can bring their extended family and friends to the beaches as Guests. We need to have separate procedures for owners to still have group parties. We are discussing limiting the number of Guests per day per Parcel and the total number of Guests per year. I do not know what the final recommendation will be as other than punch cards, daily use passes and exchange passes we have not had even a straw vote.

Big Picture Issue 2: The beach deed makes it clear that the beaches are for recreational uses and purposes. What is commercial use that should not be allowed versus what is use by and for the benefit of the Owners who use the beaches themselves and want to launch or have their own boats launched by a boat storage facility for their own use. The beaches are for our recreational use and boating, using the boat launch at ski beach, is one of the intended purposes. I believe that Hal will talk more about this issue. To what extent do owners use the beaches for commercial purposes and what can be addressed.

Big Picture Issue 3: How to avoid concerns/threats that a District activity are making the Incline beaches public. The Committee

understands that the District must protect the beaches remaining private, so that the beaches do not become public. This would dramatically affect our property values, it would dramatically affect the District, and we have heard threats on this specific issue. Some of you have heard that the Committee has discussed employee access to the beaches where the employees do not qualify as owners or tenants within the 1968 district boundaries. Hiring and retaining excellent employees is very important to the Committee members, and many of us understand that employee access to venues helps in this regard. Employee benefits of access to the venues other than beach access and its effect on the beach deed, is NOT viewed by the majority of the Committee as a part of Ordinance 7 or of the Committee's work. Based on past practices, some people on the Committee feel that this is not an issue, but I continue to feel that more research is needed on the point because we need to be sure that the beaches do not become public. That is why this single employee related issue is being looked at carefully by the Committee.

Big Picture Issues: Will there still be Additional Passes, probably, but more limited in maximum number. Will there be changes to the family tree, probably for nannies, for registered domestic partners, and maybe for others. Will there still be group parties if reserved by a resident. Yes, but with a separate procedure to control this. Will properties that were outside of the District boundaries be allowed in 1968 be allowed Beach access. I think not based on the beach deed and legal advice.

There are also many issues we are looking at like liability issues, having Owners indemnify and defend the District for actions of their Guests and Tenants, what is the definition of a resident, the requirement that Owners sign certain Assignment documents.

Committee members represent diverse interests. Committee members are each concerned that the specific interests which they represent will be met, but I would add that I have seen on the Committee a great deal of concern for fairness as well. Each of us is being required to define our key issues, and I have identified not violating the beach deed, as number 1 for me, and when the final recommendations are made and the Board makes its decisions, I hope that the public and everyone else will conclude that protecting the private beaches is critical.



Hal Paris submitted the following as her report:

Chairman Callicrate and Trustees,

Thank you for the opportunity to update you and for the honor of serving on this committee.

Diane has done a great job with her summary of where this committee is at. I'll provide an update on four (4) items and give a few overall views.

This committee has met seven times since last September times and based on 11 people that adds up to over 230 hours, in a very conservative estimate of meeting time and homework. Susan and GM Winquest have done a great job in getting us background info, over 30 reports so far; my binder is approaching 3' thick. To date most of our conversations have been background, explaining 'what is', understanding the current challenges, essentially bringing everyone up to speed and forming some ability to work together as a united team. Last night was the committee's first real in-depth discussions around potential changes and we heard from everyone, including some of those that may have been a bit less talkative up to this point while others more dominated conversations.

Four areas I can give an update on -

**Family Tree** - has some challenges for some folks; for some the "family" has changed over the years and it may not be consistent with their belief that a government can define what is "family"; the committee is not yet ready with an exact recommendation but it could be from no changes, a few tweaks, to all the way to removing it all together and allowing the property owner to assign a picture pass to whomever much like he/she can designate whoever as a tenant or guest.

**Commercial Use** - this is an area that needs more discussion as well, but if I were a betting man which I am not, but I would bet money that GM Winquest will be bringing something back to the board which could change procedures for this summer, even if there is not a full overhaul of the Ordinance, and this is based on legal input from Josh as well. If you go back some years, even back to my time, there were

two boat storage businesses in town and 1 or 2 rental companies. That has exploded in recent years to significantly more boats and many more water based commercial enterprises that are using the boat ramp, and bringing folks in, some of course would have PP's but some do not - the ability for commercial enterprises to invite folks in as their guest has some distinct challenges and needs to be analyzed and probably changed.

**Misconduct and Discipline** - multiple stories abound about real or perceived abuse of PP's and overall access and behavior while on IVGID properties; the committee has initiated conversation on cleaning up procedures with more effective preventative measures including fines and board level support.

**Application Process/Assignment of Privileges** - with significant help from a couple committee members with direct expertise in this area the language, and format of these forms along with the actual processing are being cleaned up; the goal being to better coordinate with and be consistent with the Ordinance, to bring to current technological advances (DocuSign for one), and to consistently reinforce that the property owner retains all responsibility even when assigning to a tenant/guest etc.

As a wrap up, I want to reinforce that contrary to town chatter when this committee was first appointed it is not heavily in favor of real estate i.e. short term rentals - in fact it is 11 people representing a broad cross section of the committee including recent owners to some much longer than my wife and I of 15 years, from all areas of the district, very talented folks representing experiences in finance, engineering, nonprofits and legal to name some, and yes, some in real estate which is necessary to represent property owners interests.

This has developed into a good working group with people beginning to speak up and get engaged, not just a select few dominating. I believe the Board will be well served by this group - I can say this, even after all my time living the challenges of beach access I am still learning as I listen to this group. These people are taking their charge seriously and putting in the time. Having been involved in 3 or 4 of these efforts over the years I have great hope that this group will ultimately bring something forward that the Board can act on.

GM Winqest is certainly doing everything he can to push us forward to finalize for this summer, however I'd like to Board to think about a direction that he offered last night - a potential for a phase 1 and phase 2 approach if everything is not dialed in for summer 2021. My thought is in opening up this topic, which may certainly involve the potential for legal challenge, we have one chance to do it right, get the right changes made, and we shouldn't mess that up by rushing to a conclusion too soon, maybe some things might be better served being fully ready to implement for summer 2022.

The final note I want to offer the board is that if these changes result in less beach guest visits, which is entirely probable, that could result in less overall beach revenue - the Board may want to be prepared to ask for staff involvement in estimating what those potential loss of revenues might be and prepare for some alternate offsetting revenue sources.

Again, my thanks for allowing us to be involved in this project and I am open for any questions.

Trustee Wong said thank you for your time and service on this committee and that she appreciates the time you are committing to this community to help us make a better decision. Chairman Callicrate said he seconds that and thinks that we are going to get there under the District General Manager's leadership; thank you for your help and for making your presentation tonight. Trustee Schmitz said thank you for all of your efforts and for giving us this update. As she does visit the beaches often, she asked if the committee was trying to address the challenge at the gates and talking about the need or process for auditing the picture passes and being legitimate? Mr. Paris said yes to the first and a little to the second. These are sensitive issues and there are a lot of people involved with looking at the language. Whatever recommendation this committee comes back with it may not make everyone happy. We need to keep repeating that we are trying to do it right. Ms. Becker said we have been talking about public access, especially on weekends, just barely talking about, it is crucial to protect the staff at the gates. There will be a bus from Reno to Incline going to the old elementary school and so how quickly can they walk to the beaches is part of what we need to do is talk about passes and possible new ones. Staff is going to look at that and some of the proposals we have looked at may cause more trouble than solve them. Mr. Paris added that the passes came about because we

wanted to do it at a place where it was away from the desk and then it became abused and that the challenge is in being customer friendly. Trustee Tonking said thank you for the update as it was helpful, and that it sounds as though, from last update, the committee has made a lot of progress.

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

District General Winqest went over the long range calendar and there were no questions asked or changes made.

**H. DISTRICT GENERAL COUNSEL UPDATE (for possible action)**

**There was no District General Counsel update for this agenda.**

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

**I.1. Treasurers Report (for possible action)**

**I.1.A. Payment of Bills (for possible action)**

Treasurer Tonking said on agenda packet page 12 are the payments. As an update on the chart of accounts, Staff is working with program managers and service managers to see what is needed and then recommendations will be made and internal controls are moving forward.

**I.1.2. Audit Committee Chairman Matthew Dent – Verbal report on Audit Committee Meeting of February 10, 2021**

Trustee Dent gave a verbal report with the following highlights:

Three items on the agenda

- Next year's auditor – two members were part of the review committee and DavisFarr will be recommended at a future meeting.
- Accept Moss Adams – the Audit Committee did accept the report.
- Review the Audit Committee annual report – the Audit Committee did prepare a report and it will be discussed during that General Business item.

**J. CONSENT CALENDAR (for possible action)**

- J.1. Review, discuss and possibly approve an authorization to Execute a Renewal of the District’s Software Service Agreement with OpenGov, Inc. for a new Three-Year term through November 30, 2023, at a cost of \$25,754 per year or \$77,262 for the full three-year term (Requesting Staff Member: Director of Finance Paul Navazio) (*this item was moved to General Business Item K.3.*)**
- J.2. Review, discuss, and possibly award a Construction Contract for the Water Reservoirs Coatings and Site Improvements – 2020/2021 Capital Improvement Project: Fund: Utilities; Division: Water; Project #2299DI1204; Vendor: Olympus and Associates, Inc. in the amount of \$59,440. (Requesting Staff Member: Engineering Manager Nathan Chorey)**

Trustee Wong made a motion to approve the Consent Calendar as amended. Trustee Dent seconded the motion. Chairman Callicrate called the question and the motion was passed unanimously.

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

- K.1. Review, discuss and possibly approve a contract with Best, Best & Krieger for legal services (Requesting Staff Member: District General Manager Indra Winqest)**

District General Manager Winqest gave an overview of the submitted materials. Trustee Schmitz said first of all that she wanted to point out to the general public that the document that is in here as original and then the document that is identified as redline, there are other changes that are in the redline document that the changes aren’t notated. She did provide her fellow Trustees with her best review just so they could be aware of what the additional language changes were but for some reason our redline version doesn’t contain all of that. She had provided to her fellow Trustees recommendations in the area of scopes of services that would clarify that the client here, that the Board of Trustees is who hires and gives direction to the attorney so she had proposed and made suggestions that under the scope of services from 3.2.1. all the way through 3.2.8. that basically the words wherever it says “the Client” in most of the cases, she suggested that where it said “as directed by the Client” that she had suggested that should be “as directed by the Board of Trustees”. And she believes also in the designated general counsel area she had made a suggestion to make the

language a bit more firm that instead of saying that BBK, as of this date of the agreement, may agree to attempt to recruit that she suggested that the language should be more direct and it should say that they intend to recruit and not attempt to recruit but that they intend to recruit. There were a couple of areas that, and she is on agenda packet page 70, in 3.3., at that point the acronym IVGID crept into the document and everywhere in this document the Incline Village General Improvement District was referred to as the Client so she suggested that to make the contract more consistent in language and then she had questions about getting clarity as it relates to attorney/client privilege and lastly because of and in compliance with Resolution 1480 she thought that the signature page should also be our Board Chair as opposed to the General Manager because the legal counsel is to be the Board's legal counsel so she was trying to make the language be more clear and in alignment with 1480 so she thinks that covers what she had made as suggestions to her fellow Trustees. Chairman Callicrate said he appreciates the time put in and in making the changes that were suggested. We did seek the outside general counsel review and we were in contact with both Mr. Nelson and Mr. Krenek and talked about concerns. We have brought back to the Board what we thought the Board wanted. He asked Mr. Krenek to be present to discuss why he selected District versus Board of Trustees for client. Mr. Krenek said thank you for all the work you do for the community and noted that the definition of client can be hard to understand for any entity. The attorney has the duty to act in best interest of the entity and the client is the entity itself. There may be a time when the Board goes adverse to the District so client must be defined and the rules in Nevada is specific and something that attorneys must be put in engagement letter. We have to spell that out and it is really difficult to understand with so many layers in an entity. Attorney/client privilege would extend to many in that entity, Board of Trustees is top tier as they are the only ones that can waive that privilege and they have special powers for lack of a better term. Chairman Callicrate said using client is the appropriate term and that the language used is compliant with Nevada standards. Mr. Krenek said yes, and said Client is Incline Village General Improvement District and it can be used interchangeable and the entity is the client. If we want to clean that up, we can do that. As far as legality, it is the same. Chairman Callicrate said because of the Board policies and prior practice, the Board of Trustees is the body that makes the decisions and where it wasn't followed was litigation and we can't delegate that to the District General Manager unless discussed and agreed to in an open, noticed public meeting. He wants to make certain that we, the Board of Trustees, are the arbiters for the attorney and how they act within the District. If the Board of Trustees was at odds with the District General Manager or District, how would that be noticed within the context of

this? Mr. Krenek said the reason he has the District General Manager signing is because the Board of Trustees approves the contract and then the District General Manager carries out those directives from the Board of Trustees. Generally, how it is done, the Board of Trustees doesn't sign, the Chief Executive Officer does. If the situation becomes adverse, if your interest becomes adverse to the District, legal has concerns, have the requirement to go to the rest of the Board of Trustees. If you have this issue and deal with it and you wouldn't be privy to that conversation because it is in the best interest of the entity. Chairman Callicrate said to recap that the contract is appropriate and protecting the Board of Trustees and the District and that this language helps us to be better and protected. Mr. Krenek said yes and under the rules of Nevada law, it is customary. He recognizes there is a bit of a sore taste from the past and that he did, to the best of his ability, to make it clear and concise. Trustee Schmitz said that you have explained about client and she is now aware and comfortable. In the area of 3.2 – specific scope of work – is it helpful to have it be more specific by using the Board of Trustees? Mr. Krenek said he read it with the overlap of the District General Manager as there are certain things that the District General Manager is able to do as part of his job and then certain things that require approval by the Board of Trustees. Trustee Schmitz said yes, in 3.2, it needs to be directed by the Board of Trustees as it is their responsibility, in regard to Resolution 1480, and that she thought this brought more clarity and reduced concerns from the community. If the District General Manager needs assistance from legal, he needs that access, and that she is just asking for clarity regarding the Board of Trustees. Mr. Krenek said the way you are looking at is from community and constituents, he is looking at it from legal perspective, the client is the entity, the Board of Trustees is acting on behalf of the entity and at the highest level. If you use just Client, it will wrap in all the rules and regulations that IVGID has to deal with and that they are able to give authority going down the line. Chairman Callicrate said the utilization of the term of client gives the Board of Trustees a broader overview and not getting hamstrung by terms. Trustee Schmitz said when we embarked with working with Mr. Nelson and Best Best & Krieger, in a fashion that was different, we didn't do an RFQ. In Moss Adams 1.0, it said we should change how we go out and actively go out for bids on professional services. We should do an RFQ, interview, etc. If us, as a Board, are asking our Staff members to make that change, she thinks, we, as a Board, should live by our recommendations. If Moss Adams is asking for a change, and if that is more due diligence, us, as a Board, need to walk the talk. We can continue to make use Mr. Nelson and BBK and she thinks we should demonstrate leadership and put together an RFQ as we need to, as a Board, act as we are asking Staff to do. We need to put together an RFQ and if BBK

is the right firm, so be it; that is her recommendation - to do that process. Trustee Wong said we had this discussion six months ago and that would have been the time to make that recommendation. We had an interim District General Manager and then we could have decided to do an interview process or we decided that he was doing a good job in serving the District so he was hired. Talking about an RFP is something we talked about during the summer and that recommendation is a little late to the ball game, and while she does agree on doing it more, we have had a good time with Best, Best & Krieger and Mr. Nelson. Trustee Schmitz said it is never too late to do things right, we didn't have the Moss Adams recommendations, and that she feels this is our opportunity to be leaders and demonstrate and take the advice of Moss Adams as well and be willing to do so. Never too late to do the right thing. Trustee Wong said we have incurred costs with Best, Best & Krieger and Incline Law Group and we also talk about waste of resources; this would be a waste of resources to be here and not take action. Chairman Callicrate said we have before us an item and asked if there is a motion.

Trustee Wong made a motion to approve the attached three-year contract for legal services with Best, Best & Krieger. There was no second so this motion failed.

Trustee Tonking asked on what version is the Board of Trustees voting on? District General Counsel Nelson said the version we are discussing was not provided to the full Board and that there were some redline changes to the contract so he would ask that the Board of Trustees consider approving the redline that they discussed. Chairman Callicrate asked when we approved the contract last time, what was the vote? District Clerk Susan Herron said that the vote was 4 Trustees in favor and 1 Trustee opposed. Chairman Callicrate said that he was he thought the vote was and he asked how the proposed changes were sent out. District Clerk Herron said that Trustee Schmitz sent them out last night and that she received it this morning. District General Manager Winqest said we had a draft contract that was included in the Board packet and that Trustee Schmitz communicated some changes which were provided to Mr. Nelson and Mr. Krenek and some of those were acceptable and perhaps Mr. Krenek can speak to those items. Mr. Krenek shared his screen and went over that document. Chairman Callicrate said he does appreciate this review and that we are complying with the most legal and strongest language we can have and that he doesn't have an issue with who signs the contract. Mr. Nelson said he appreciates the comments and noted that this is the version that would be approved and not the one circulated by Trustee Schmitz.



Trustee Wong made a motion to approve the three-year contract shared by Mr. Krenek for legal services with Best, Best & Krieger. Trustee Tonking seconded the motion.

Trustee Dent said that he understands that we are far down the road on this process and while he will be supporting this, we should follow the recommendations of our consultant. Chairman Callicrate said he agrees and understands the points made by Trustee Schmitz which are valid.

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

Chairman Callicrate, at 7:46 p.m., called for a break. The Board reconvened at 8 p.m.

**K.2. Review and accept the written annual Audit Committee Report in conjunction with the presentation of the annual audit in accordance with Policy 15.1.0 (2.4.6). and additionally, to review, discuss and potentially take action on the recommendation(s) presented by the Audit Committee as it relates to the 2020 CAFR (Requesting Staff Member: Trustee Sara Schmitz)**

Trustee Schmitz passed this item off to Audit Committee Chairman Matthew Dent. Audit Committee Chairman Dent said that there was a motion made to accept the Audit Committee report and recommending that the Board follow the four bullet points; that motion failed with 3 to 2 vote. Another motion was made to pass along the report and have the four bullet points followed in next year's CAFR and that the transmittal letter be revised – that motion passed with a 4 to 1 vote; Trustee Schmitz will be working with Staff to revise the transmittal letter. Chairman Callicrate said he watched the meeting and there was good discussion; thanks At-Large Audit Committee Member Dobler for putting together a thorough report. Trustee Wong said that the Audit Committee report is not going to accompany the CAFR that is going to the State; Audit Committee Chairman Dent said that is correct. Trustee Tonking said going forward management is going to address each of these points so would that \$3 million write off occur next year as we don't want to get roped into doing something that might violate our next capital policy? Director of Finance Navazio said it was pretty clear, from the Audit Committee, that we implement the recommendations from Moss Adams report as well as the issues raised. In total, the idea is to move forward and implement the recommendations from Moss Adams and be sure we have a

good process to engage the Audit Committee. There was clear direction from the Audit Committee to aggressively implement those recommendations. Staff will work with the Audit Committee on the capitalization issue. Trustee Tonking said ok if we are not saying a set amount. Trustee Schmitz said that Mr. Lanzarotta went above and beyond and did some value added services and reviewed all the memorandums presented by Mr. Dobler and Ms. Newman and there were 24 points. He did an excellent job of reviewing and identified the items that should be changed going forward and he gave us an additional document and she thinks that the Director of Finance is comfortable with incorporating those items into the next CAFR next year. Chairman Callicrate thanked Ms. Williamson for her work and being here tonight.

Trustee Schmitz made a motion that the Board of Trustees accept the final written annual report from Audit Committee, their review of 2020 CAFR, and their recommendations for improvements going forward in addition to the changes to transmittal letter and years past CAFR so our public is fully informed and aware of the situation with our CAFRs. Trustee Dent seconded the motion. Chairman Callicrate asked for further comments; hearing none, he called the question. The motion passed unanimously.

**K.3. Review, discuss and possibly approve an authorization to Execute a Renewal of the District's Software Service Agreement with OpenGov, Inc. for a new Three-Year term through November 30, 2023, at a cost of \$25,754 per year or \$77,262 for the full three-year term (Requesting Staff Member: Director of Finance Paul Navazio) *(this item was Consent Calendar Item J.1.)***

Director of Finance Navazio gave an overview of the submitted materials. Regarding Tyler Munis public comment made, at least 18 months away from converting to a new system and having it up and running, Tyler is still working on how they can implement similar tools, they are not there yet, and there is a whole host of clients who are using Tyler Munis and OpenGov at the same time. Probably won't see Tyler Munis coming up to speed to what OpenGov has in the next three years. Trustee Schmitz said regarding customization – we have requested customization from OpenGov – time and material over and above and will there be any additional customization in order to transition over to the new Tyler Munis system? Director of Finance Navazio said we have the basic support, have some ability to customize and they have been relative responsive as they try to bundle their customization, and we have re-engaged with them and that is definitely covered within this

contract. Tyler system will improve the integration between Tyler and OpenGov and we hope it works better than it does with Innoprise and they did offer us some additional support and something we can look at if the need arises.

Trustee Wong made a motion to authorize the General Manager to execute a renewal of the District's Software Serve Agreement with OpenGov, Inc. for an additional three-year term, through November 30, 2023, at a fixed annual fee of \$25,754, or \$77,262 over the term of the three-year agreement. Trustee Schmitz seconded the motion. Chairman Callicrate asked for further comments; hearing none, he called the question – the motion was passed unanimously.

**L. APPROVAL OF MINUTES (for possible action)**

**L.1. Meeting Minutes of January 13, 2021**

Chairman Callicrate asked if there were any changes to the submitted minutes. Trustee Schmitz said that she wants to submit an item to attach to these minutes and that because we don't have any written report, she would like to request that our clerk add the comments made by the gentlemen from Moss Adams. Chairman Callicrate hearing no further changes, approved the minutes with the changes requested.

**L.2. Meeting Minutes of January 20, 2021**

Chairman Callicrate asked if there were any changes to the submitted minutes, hearing none, he said the minutes are approved as submitted.

**M. REPORTS\* (*Reports are intended to inform the Board and/or public*)**

**There are no Reports for this agenda.**

**N. FINAL PUBLIC COMMENTS\***

No public comments at this time.

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

The meeting was adjourned at 8:22 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.