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# NOTICE OF MEETING

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The regular meeting of the Incline Village General Improvement District Board of Trustees will be held starting at 6:00 p.m. on July 27, 2022 in the **Boardroom, 893 Southwood Boulevard**, Incline Village, Nevada.

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

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

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

**-OR-**

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

- E. REPORTS TO THE BOARD\* - Reports are intended to inform the Board and/or the public.
  - 1. District General Manager's Report – **pages 4 - 13**
  - 2. Treasurer's Report– Requesting Trustee: Treasurer Michaela Tonking – **pages 14 - 15**
    - A. 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*)
  - 3. Presentation on Bonds and Debt Financing by Director of Finance Paul Navazio and Financial Advisor Ken Dieker of Del Rio Advisors, LLC– **pages 16 - 40**
- F. REVIEW OF THE LONG RANGE CALENDAR (*for possible action*) – **pages 41 - 42**

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## Incline Village General Improvement District

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

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

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

# NOTICE OF MEETING

Agenda for the Board Meeting of July 27, 2022 - Page 2

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

1. **SUBJECT:** Award of Purchase Order for the purchase of One Toro Reelmaster 5010 Fairway Mower – CIP Project # 3142LE1750; 2022/2023 Capital Improvement Budget: Fund: Community Services Fund; Cost Center: Golf; Vendor: Turf Star Inc.; GSA Contract Pricing; Amount: \$97,467.45 (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 43 - 47**
2. **SUBJECT:** Award of Purchase Order for the purchase of One Bobcat Toolcat UW56 Utility Vehicle with Snowblower – CIP Project # 4378LE2220; 2022/2023 Capital Improvement Budget: Fund: Community Services Fund; Cost Center: Parks; Vendor: Clark Equipment Company; Sourcewell Contract #040319; Amount: \$67,034.54 (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 48 - 52**
3. **SUBJECT:** Review and accept Annual Report from the Audit Committee (Requested by Audit Committee Chairman Ray Tulloch) – **pages 53 - 61**

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

1. **SUBJECT:** Review, discuss and provide direction to Staff on next steps and the potential scope of an Incline Beach House Project (Requesting Staff Members: District General Manager Indra Winquest and Director of Public Works Brad Underwood) – **pages 62 - 109**

*Recommendation for Action:* Review, discuss and provide direction to Staff on next steps and the potential scope for the Incline Beach House Project

2. **SUBJECT:** Review, discuss and possibly approve a grant agreement between IVGID and the Dave & Cheryl Duffield Foundation for design and preconstruction services for the Recreation Center Expansion Project (Requesting Staff Member: District General Manager Indra Winquest) – **pages 110 - 120**

*Recommendation for Action:* Approve a grant agreement for design and preconstruction services for the Recreation Center Expansion Project between IVGID and the Dave & Cheryl Duffield Foundation and allow Staff to execute all documents.

3. **SUBJECT:** Review, discuss, and adopt Policy and Procedure No. 141/Resolution No. 1895 regarding complimentary and discounted use of District facilities and recreational programs (Requesting Staff Member: District General Counsel Joshua Nelson) – **pages 121 - 147**

*Recommendation for Action:* Adopt Policy and Procedure No. 141/Resolution No. 1895 regarding complimentary and discounted use of District facilities and recreational programs

4. **SUBJECTS:** Review, discuss and possibly approve: – **pages 148 - 192**

A. District's Form 4410LGF - Indebtedness Report, as of June 30, 2022, for filing with the Nevada Department of Taxation, the Washoe County Clerk, and Washoe County Debt Management Commission (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 148 - 173**

B. District's Form 4411LGF - Five-Year Capital Improvement Plan, to include the IVGID-prepared Five Year Capital Plan Summary for fiscal years 2022-23 through 2027-28, for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 174 - 192**

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# NOTICE OF MEETING

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*Recommendations for Action:* Approves the District’s Form 4410LGF Indebtedness Report, as of June 30, 2022, and direct Staff to file the documents with the State of Nevada Department of Taxation, Washoe County Clerk and Washoe County Debt Management Commission by August 1, 2022 and approves the District’s Form 4411LGF Five Year Capital Improvement Plan, as of July 1, 2022, the related IVGID-prepared Five Year Capital Plan Summary for the fiscal years starting July 1, 2022 for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau by August 1, 2022

5. **SUBJECT:** Review, discuss and possibly approve two (2) Purchasing Policies (Policy 20.1.0 – Purchasing Policy for Goods and Services and 21.1.0 – Purchasing Policy for Public Works Contracts) (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 193 - 227**

*Recommendation for Action:* Approve two new Board Policies, Policy 20.1.0 - Purchasing Policy for Goods and Services, and Policy 21.1.0 - Purchasing Policy for Public Works Contracts Review

I. MEETING MINUTES (for possible action)

1. Meeting of December 14, 2021– **pages 228 - 251**
2. Meeting of June 8, 2022– **pages 252 - 301**
3. Meeting of June 29, 2022– **pages 302 - 353**

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

III. ADJOURNMENT (*for possible action*)

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## CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Friday, July 22, 2022 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of July 27, 2022) was delivered to the post office addressed to the people who have requested to receive copies of IVGID’s agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

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

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

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

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

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

## **MINUTES**

### **SPECIAL MEETING OF DECEMBER 14, 2021**

Incline Village General Improvement District

The special meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Chairman Tim Callicrate on Tuesday, December 14, 2021 at 5:00 p.m. 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, Matthew Dent, Sara Schmitz, Michaela Tonking and Kendra Wong.

Members of Staff present were Director of Finance Paul Navazio, Director of Human Resources Erin Feore, Director of Golf/Community Services Darren Howard, Controller Marty Williams and District General Counsel Melissa Crosthwaite.

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

Ray Tulloch said he is a long time Incline Village resident and Chair of the Audit Committee. He is rather surprised and concerned to notice that the Board agenda includes Item E.1. The Audit Committee is tasked with providing a written report to the Board and the Annual Comprehensive Financial Report which we all received and reviewed at the Audit Committee Meeting of December 8. It would be difficult to discuss and prepare the required report within the Open Meeting Laws on this time scale. The Audit Committee appreciates the discussion over the incorrect capitalization of the Effluent Pipeline costs capitalization as they have finally been addressed and they thank Staff for that. The Audit Committee did identify a lot of concerns from the audit which will be addressed in the report however a major concern that he must address, both as a resident and as a member of the Audit Committee, is the revisions by Staff to the capitalization issues identified by the auditors which reduced the levels of the write offs. With regards to capitalization, Board Policy 9.1.0, paragraph 3.0, states "...in no case will the District establish the capitalization threshold less than \$5,000 for any individual item." Also Board Practices for capitalization, Practice 2.9.0., Paragraph 1.2.5, states "...the capitalization threshold is applied to individual items or into group of similar items." From the review of the listing of capital provisions and items returned back to capital by Staff, just an initial review of that, he has identified \$329,000 of items that are under \$5,000 – individual item value which have been added back in by

Staff. The question that should be addressed by the Board, if they do continue this agenda item, is what is the point of having Board policies and practices if they can be violated by Staff in clear contradiction. He would ask therefore that the Board remove Item E.1. from the agenda from tonight until it receives a report from the Audit Committee as per Policy 15.1.0. Thank you.

Chris Nolet said thanks for the opportunity to comment. He will certainly sponsor and endorse Mr. Tulloch's comments. With regard to the audit of 2021 ACFR, he is sure that we are all quite disappointed with the resulting two material weaknesses and two significant deficiencies. He believes that this is the second consecutive year with which we have had two material weaknesses. Just so the resulting conclusion and ramifications of having two MW's are not lost on anyone, this means that District management has not, and he repeats, District management has not maintained an effective system of internal control over financial reporting for two consecutive years. This also puts the Board in a difficult position under Policy 15.1.0, Section 2.6. There are just no circumstances under which this is acceptable. He looks to Chair Callicrate to share the District's remediation plans with the community during a future public meeting. Lastly, the Auditor's report on the ACFR must be corrected as it has a material typographical error. In the emphasis of matters section, the report, first to note, for an explanation of the prior period adjustments, it should be plural in the note and this reference should be to Note 22. Thank you.

Cliff Dobler said his written comments to be included in the minutes of this meeting. A. Please remove agenda item E.1. Try to abide by Board Policy 15.1.0 at least one time. We have not had a chance to prepare a report to the Board. B. Budget preparation. Since all funds, except the General Fund are Proprietary Enterprise Funds, he requests that the budgets for these funds (only 4) be prepared in accordance with GAAP and include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. For the Community Service Fund have columns for each of the 8 venues within the fund. Budgeting in this fashion will allow the Board and citizens to have a clear understanding of what is actually the losses or gains by each venue. All on one page. Budgeting in this fashion will also provide clarity as to the use of facility fees and the unrestricted net position. He suggests that "stabilization reserves" be established. Please read about them or have the management attempt to explain. The District's sheer size of the real estate and weather conditions require emergency funds. The Board and Citizens should be clear on the mythologies used to establish the percentages to determine the amount of reserves required. The budget should not have operating expenses buried in the capital budgets. Before any budget is submitted to the Board, the policy and practice for Central Service Cost allocations should be completed. When the policy was changed two

years ago, the practice was never changed. Discussion and a resolution should be adopted when Facility Fees assessed on properties is not required and has been accumulated with no defined purpose. As a result, the Community Services Fund has almost \$14 million collected for Facility Fees which were not needed over the past seven years. Some amazing facts –

- For fiscal years 2016 to 2021 according the audited financials, \$42 million was budgeted for the Community Service capital projects but only \$24 million was spent. Only 57%
- For fiscal years 2016 to 2021, almost \$12 million of the facility fees allocated to Community Services operations (special revenues Fund) was never needed. During that time Diamond Peak operating income exceeded expenses by almost \$19 million but nothing was ever done to budget revenues properly.
- For the Utility Fund, the opposite was true. All reserves were depleted, effluent pipeline funds were redirected to other projects and the Board and management apparently cannot agree on restricting the pipeline funds. Requirements to line the storage pond was known since 2014, but not one thin dime was appropriated for the project until April 2021 when only \$1,550,000 was augmented to fund the project which will cost almost \$5 million as reported by Jacobs Engineering in September 2021.

Try to be sincere with the new budget. Thank you.

Diane Becker Heirshberg said she is calling in following some items that she has heard on the most recent on some of the items on the ACFR and just some thoughts she would like to give you from the public. She is not an accountant and don't have an accounting background. What she wants is to know, as member of the public, is what we are actually spending and that accounting policies and procedures are being followed. That we follow the recommendations from our outside consultants to keep our accounting clearly informative to the public. She would really like to ask you to think about the dispute that is going on as to whether or not you can or cannot capitalize smaller items by adding them together. The Board policy itself that says you cannot capitalize the items together is very specific and it is there for a reason. And the reason that's in GAAP, even if you don't have to follow GAAP, is so that we have real transparency in our financial statements. As a member of the public, if she was told that we were losing money and that maybe our assessments need to go up by a very small amount, she would understand that. But what she cannot understand is if a lot of items are glupped together and they are capitalized and she doesn't actually know what the expenditures are, that is troubling to her. So she asks, in setting up the budgets in the future, that Staff stick with what are generally accepting accounting principles

and that you not try to get very interpretive, different interpretations of what policies mean and that you really let all of us in the public know what we are spending. She really appreciates IVGID and she loves the Recreation Center, Diamond Peak and she likes the golf courses as well as appreciates everything that the District does but she does ask that the Staff be very careful on full disclosure on the accounting and financial documents that you send to the public. Thank you.

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

Board Chairman Callicrate asked for changes to the agenda; none were submitted so the agenda was approved as submitted.

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

**E.1. Receive and discuss the District's FINAL Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2021 and related audit reports (Presented by Director of Finance Paul Navazio and Jennifer Farr, Partner, Davis Farr, LLP)**

Director of Finance Navazio gave an overview of the submitted materials. Ms. Farr gave a brief presentation which is incorporated herewith by reference. Trustee Schmitz said she really appreciates Ms. Farr doing another presentation and asked that Ms. Farr please bring up slide #9 which Ms. Farr did. Trustee Schmitz said that while Ms. Farr is doing that, she just wanted to bring the Board of Trustees up to date – the Audit Committee reviewed a draft of the ACFR and it had some capitalization that was written off and some that was not. Based on the direction from the Board of last February where the Board unanimously agreed to move forward with the recommendations from the Audit Committee which included the write off of some of the effluent pipeline expenses. When that was added in, the second version of the ACFR that the Audit Committee reviewed, just last Wednesday she believes, had those things taken into account however it had some items that had been on the original ACFR been expensed and suddenly it came back in as being capitalized. And right here, Ms. Farr's last bullet point, where it says "write off of assets under capitalization threshold", these things that were, some of the things but not all of them, the majority of the things that were shown to the Audit Committee last week as being removed were those items that were below the capitalization threshold so she is wondering how that was handled and why was that an acceptable change when they were under the capitalization threshold? Ms. Farr said that when they provided their original listing of items to write off, they had provided them to Staff and asked them to review them and to let them know

if they disagreed with any of the write offs because we had limited information and so on the first path, they just recorded all the write offs and since we went back and looked at all the pipeline, there was an effort to really go through and make sure that we were making the right decisions on those items. Director of Finance Navazio said that Staff did go through the original list of candidates for write offs and provided back up to Ms. Farr and her team that should be left as capital items. There were a number of land items on the list that don't have a capitalization threshold so those were removed. There are some items that are split between funds so the asset looks like it is below the threshold but it is actually not and meets the threshold. We did go back and forth with the auditors and there are some items that did get written off because the auditor requested it and then there are items that didn't because Staff felt they shouldn't be. Management probably should have done that more thorough review in the draft document but we did it when the time was right. Trustee Schmitz said, as a follow up question to Ms. Farr, as it relates to the Management Representation letter, and even your letter, there is not any sort of a reference that Management is making a statement that they are abiding by Board policy and so she is wondering when Ms. Farr is doing your review, do you consider Board policy as being an internal control document and, if so, did you review Policy 9.1 and also Practice 2.9 as part of reviewing these additional assets that were grouped as we discussed? Ms. Farr responded that the items that might be in a gray area, as to whether they conform to a Board policy, are not material to the financial statements and so when it comes to evaluating the statements to the policy we can have, during an audit, an absolute test because audits would be cost prohibitive if we were to audit every single transition to prove, in an absolute fashion that policies were being adhered to but obviously we think the policy is important for internal controls and did review the policy when we were looking at these items. Trustee Schmitz said, as far as the Management Representation letter, there is nothing in it that she sees anywhere that talks about compliance with policy so is that just not a standard practice when you are producing these Management Representation letters? Ms. Farr said it is a standard letter that is produced by the American Certified Public Accountants and so she would say that policies are included in those phrases. Trustee Schmitz said, just to follow up, what you are saying is that you did review the Board policy and the Board practice but from an Auditors' perspective, the issues didn't rise to the level of materiality so therefore it was something that you have just basically given a pass on? Ms. Farr said like Director of Finance Navazio explained, we did have a lot of back and forth about our interpretation versus Staff's interpretation of the policy and felt that we came to a good conclusion. Ms. Farr said she can respect that there are different people who can look at a



policy and come to a different conclusion so we felt comfortable certainly that there is not a material error. It wasn't that we saw something and decided to pass on it knowing that it was wrong, we actually thought it was correct. Trustee Schmitz asked if they also reviewed Practice 2.9 in addition to the policy? Ms. Farr asked for a reminder on which one that is. Trustee Schmitz said the practice that is the more detailed version of the capitalization and in that practice it specifically states "...the capitalization threshold is applied to individual items rather than to groups of similar items example desks and tables." So she is wondering if Ms. Farr was provided with this practice along with the Board Policy? Ms. Farr said that they certainly reviewed those practices and policy when they were making their decision. And again just feel that the items that are in the potentially grey areas are not material to the financial statement which allows us to express an opinion. But she can certainly appreciate a difference of opinion and she just believes it is in a controllable materiality threshold for us, from an Auditors' standpoint. Trustee Schmitz said that she can understand it from the Auditors' perspective and as a Board and as a Trustee, compliance with Board policies, practices, ordinances and resolutions are something that is an expectation so while she can understand your perspective as it relates to materiality, from her perspective as a Board member, it is a requirement for these things to be abided by and if there is some reason why they can't, then we need to, as a Board, make modifications to the language going forward but as it stands here today we need to abide by what the policy and practice states and she thinks there are some things that were brought forward in that adjustment that were below the threshold and they were grouped in order to meet the threshold and the Practice 2.9 clearly states that it is applied to individual items rather than groups and she feels pretty adamant that this is something that the Board and the District needs to abide by because it's our practice and it's our policy. Trustee Tonking said that she wants to push back on Trustee Schmitz' point as we did not say that we approved all of the recommendations that came out of that audit report rather we said that we accept it; the Audit Report and that it was delivered to us and that we accepted it. She just went back to our meeting minutes as well to make sure that this was not the case so she would like to make sure that this is clarified for the record and if her understanding as to what she was voting for on a 5-0 basis. Trustee Tonking continued that she thinks she has a couple of questions for Ms. Farr but that she first wanted to thank Ms. Farr and Staff for all the work that they have done as she knows how time consuming it is, how much had to be learned and how many different types of things that all of you had to do and that she really appreciates all that you and Staff had to do as well as the time and energy that you put into this effort. So this issue had been brought to her from the Audit Committee and

she had talked to the Director of Finance Navazio and she understood the Audit Committee's interpretation and how she is feeling is very similar to Ms. Farr's point in how she is understanding it and she feels similar and that is that she doesn't think there is a right or wrong interpretation to this point. She is viewing that a lot of those groupings would count as an asset because you just don't have a recreation facility with a bike in it and you don't have a point-of-sale system for one venue. She did go back through and she did look through all of those assets and she looked at the ones that have been brought up and that fell below the threshold and that were grouped. Some of them were land so you are not taking that in any way so she removed those. Some of them, like she said, you have to group them like a BPN system and that has to be in the case and then the others, and she did take apart every one of the machines, and she did take away all of the snowmakers and it comes out to such a low amount of money that it definitely does not fall into material and she actually agrees with Staff's interpretation of how they interpreted the policy. Maybe we need to make it clearer, if that's the desire of the Board, she is completely fine with that and we can talk about that during our policy discussion. The other thing that she thinks we need to think about is we, as a Board, create governance policies for all of us to look at. It is then the General Manager's job to hire highly qualified employees to implement those policies and we have to trust those experts to do that and she thinks to Ms. Farr's point, it was in the grey area and it's not a material issue and it is in the grey and that was their decision they made when they thoroughly reviewed. She can understand their decision and she can agree with it and that is how she feels personally. There are issues in this audit that she does want to talk with Director of Finance Navazio about and she apologizes for not asking them yet but she can wait until we finish asking Ms. Farr's her questions. But she is concerned with some of the material findings and how we can make sure that this is something that does not continue year to year and those are some of the bigger issues that she sees within this audit. The other thing that, and that she does agree, that this is her question is to the Audit Committee – when we created a timeline, she does agree that we should see an audit report, but she a little concerned about why it wasn't fit into this timeline and to make sure that it was filed on time. So she is a little confused on that as well as why you all approved an audit timeline with Davis Farr and that it didn't meet the needs for you to file your report. Trustee Wong said she just wants to thank Ms. Farr and her team for all the work that they put in. She knows that a first year audit is a lot of work and it is sometimes fun getting to know the operations of a new business and a new client but it is definitely a lot of work so she definitely respects the amount of time and energy that you had to put into this audit report. She is very impressed that you have internal control

recommendations by way of material weaknesses and significant deficiencies but you were also able to issue a clean opinion on the financial statements. So she thinks that it speaks a lot to our finance team and the District's ability to listen to our independent auditors and work with them to resolve those issues. Judging by your internal control report, it seems as though a lot of the issues are resolved already and/or will be resolved going forward except maybe fire suppression because the whole building doesn't have it and the whole building is an issue anyways. Really does want to thank Ms. Farr for your time and that she will just ask the question – were there any unadjusted audit differences that you felt Management should have booked and do you have any concerns regarding material weakness and significant deficiencies going forward? Ms. Farr said she doesn't have any concerns about management corrective actions related to the internal controls issues so as long as Management follows through with their plans, there should not be any issues with that. And a lot of our issues ended up being historical issues and being here at time when there was clean up was happening so a little bit of what you see, as you mentioned, are things that were already cleaned up. As to your question on uncorrected adjustments, there was a small net pension liability that has never been recorded in the financial statements which is in immaterial amount to record that net pension liability and we had uncorrected adjustments to increase accrued payroll and to adjust a legal liability amount. In total, those amounts were very insignificant so we keep track of them and if they are all combined and they become significant we would record them but for one reason or another there was some ambiguity about recording those amounts or they are just so insignificant that we did not make adjustments to them this year and she believes that other than the net pension liability the others will reverse out so they won't have an effect on future years. Trustee Wong says it sounds like some of those are related to timing and thank you as she appreciates that. As an accountant, as a CPA and even as an auditor, she thinks materiality is a very important concept and if there aren't going to be adjustments that would change how someone would interpret the financial statements then, quite frankly, she agrees with Trustee Tonking and that they fly under her radar to be honest and so she agrees wholeheartedly with Trustee Tonking's comments as well. Thank you and she appreciates Ms. Farr pointing out the materiality threshold. Trustee Schmitz said if we are going to start applying materiality to compliance to Board policies, we, as a Board, on a very slippery slope. Board policies are to be abided by and materiality should never come into play as it relates to compliance with Board policy. Trustee Dent said he appreciates the opportunity to work with your firm and to you for sitting through the process with the Audit Committee this year. His concern is the fact that we did not meet Board Policy 15.1.0

by jumping the gun with this meeting and receiving this presentation when it comes to this year's Annual Financial Comprehensive Report and he brought that up at the Audit Committee meeting and he thinks that was a miss for the Audit Committee. He thinks that the Audit Committee and Staff can do a better job next time on hitting that and allowing enough time for the Audit Committee to actually meet and put together their thoughts in a meeting that abides by the Open Meeting Law and actually have time to put that report together so we, as a Board, can review that. So this is the second time in a row that this has happened and that this time we could have postponed having this presentation until next month and it would have allowed us to meet like we are on Thursday and had our report given to the Board of Trustees prior to receiving the financial report presentation. Secondly, he would like to say that he agrees with Trustee Schmitz and how she summarized Practice 2.9.0. and he believes she spoke about what develops for the last 20 minutes or so of the Audit Committee meeting and he thinks there is some concern there. He also believes that Board policy, he understands our auditors view he guesses on Board policy but he thinks we, as a Board, when it comes to Board policy and complying with Board policy, it is not really materiality, rather it is yes, we comply with Board policy or no, we are not complying with Board policy and that it is pretty straightforward so those are his thoughts, thanks. Board Chairman Callicrate thanked Ms. Farr and her colleagues again and that he would like to express something that has been somewhat overlooked and that is the fact that some comments that have been made by members of the public and one individual on the Audit Committee and that he went back and reviewed. He is concerned about the impugning of Ms. Farr's abilities and her character and her colleagues firm. He thinks it is absolutely unconscionable and he knows that emotions can run high at meetings and he has said some things in the past that he regrets but when it comes to the professionalism and the fact that the entire Audit Committee chose Ms. Farr's firm to do this audit and set the timeline that they set and then to have, and he is not saying this about his colleagues on this Board, but to have comments made by some members of the Audit Committee that we didn't get the information in time or try to impugn the character of our Director of Finance or our Controller who is a CPA and who does know his business. He just thinks it is very unprofessional and he really takes offense at that because it was the Audit Committee that chose and was agreed upon by the entire Board for Ms. Farr and her group and she was given glowing remarks and he thinks that they were absolutely well founded. Her reputation and her firms' reputation has been stellar among her colleagues and those in the industry and he thinks that hearing some comments that have been bandied about by certain members of the community and of the Audit Committee especially implying

that she didn't do her thorough job or come up with what they expected. Well, that's why it is an audit by an independent group and since there hasn't been anything illegal, immoral or unethical, he thinks that speaks highly of the work that she has done with her firm. And again, he just cautions those who want to try and impugn her character or that of her colleagues. You need to go back and take a good long, hard look at things. As far as the timeline goes, it did get crunched and to Trustee Dent's point, this is 2<sup>nd</sup> year we have had this and it seems that every year we have these up and downs with our audits. He doesn't know why that has been the case but that has been the case since he has been on the Board for over 6 years. So he is hopeful that as we move forward, we can finally get this nailed down. He hopes that Ms. Farr and her group are retained because they have done what they were asked to do in the scope of the work that they were hired to do. He thinks they did an excellent job and if there are disagreements, we need to get those taken care of. He thinks there is an opportunity for the Audit Committee to file its report, asking for extensions to accept and put forth the ACFR, he thinks that the Department of Taxation has probably had enough of the extension asking from this District. We seem to get ourselves embroiled in unnecessary problems. To Trustee Schmitz' point, he agrees we do have Board policies and procedures that need to be adhered to. He thinks as we have been going through this year to year and half to 2 years or longer, we need to get them all into a compliance situation that makes sense and that we can abide by because it seems like we have these Board policies and procedures and we either circumvent them or throw them by the wayside. He thinks that it is time and he knows that this work has been done on these. In defense of Ms. Farr, she and her group have been maligned by a few people that have no business doing that and they themselves need to quit projecting on Ms. Farr and her group. Trustee Wong said that she just wants to say thank you because she really appreciates his comments. Do want to address our policies and the claims that we are violating our policies and procedures as this is where she does have a very different opinion about policies and procedures than some of her colleagues in that yes, we have policies and procedures and we need to follow them. However, she doesn't believe that we should have policies that you can't use your professional judgment to do your job and so, quite frankly and she will see it very clearly, she doesn't think we violated any policies or procedures and she thinks that our professional staff used their professional judgment in an appropriate manner. Board Chairman Callicrate then turned the item back over to Director of Finance Navazio. Director of Finance Navazio asked Trustee Tonking if she has some additional questions on the audit report? Trustee Tonking said she apologizes for not getting this to Staff before this meeting and the first one is on page 98, when we are looking at

Management's response to the construction in progress, and you were talking about using the transition to new software and using it, is it something that can easily be done and make sure that it won't be an issue next year? Director of Finance Navazio said it will be better in our new financial system, we are transitioning the new software on July 1 so that will be for the 2022/2023 fiscal year but we will pay close attention to this issue in the current fiscal year with the system we have. Trustee Tonking said, on page 97, can you talk to me a little bit about what happened with the negative cash balance? Director of Finance Navazio said that this is as of June 30 in our Community Services Capital Fund. We did have a negative cash balance, we concurred with the adjustment as it is appropriate. His only note on that is that as the Board knows we transitioned from governmental fund accounting to enterprise fund accounting as of July 1 and therefore all of our special revenue capital and debt funds for Community Services and Beach collapsed as of July 1 and so when we made that transition this negative balance got addressed but upon review by the audit that should have been booked as of June 30. He doesn't want to minimize the issue but we have addressed it and we just had to book it as of June 30 as opposed to waiting for the funds to naturally collapse on July 1. Where that comes from is the fact that we budget for the capital projects in the capital projects funds. Some of the carryovers that came over from prior year led to expenditures that brought us into a negative cash position. Trustee Tonking said that the answer was really helpful. Trustee Schmitz said this is a request of the Board Chairman and potentially of Legal Counsel, she and Trustee Dent are receiving a text message from the Audit Committee Chair requesting to respond to the comments that were made relative to the Audit Committee and she doesn't know if that is acceptable or not and she is just asking the question. Board Chairman Callicrate deferred over to District General Counsel Crosthwaite who said she was not sure of the question. Board Chairman Callicrate clarified that our Audit Committee Chair wants to respond to the comments made about Ms. Farr and Trustee Schmitz was asking if it is appropriate for Audit Committee Chairman Tulloch to respond. District General Counsel Crosthwaite said it is legally required, public comment, at beginning and end of the meeting, and that the decision is up to the Board but she would note that there is an opportunity later in this meeting to comment. Board Chairman Callicrate said he doesn't have a problem with Audit Committee Chairman Tulloch speaking and that he would like to give him the opportunity. District General Counsel Crosthwaite said that was ok and asked that it stayed within the topic. Board Chairman Callicrate said he wants to make it clear that he is not opening this item up to public comment and that this is specific to the Audit Committee Chair and wants that made clear. District General Counsel Crosthwaite said it must be

germane to the agenda topic in order to be allowable and it is at the discretion of the Chair as to whether or not to allow it. Audit Committee Chairman Ray Tulloch said thank you to both Staff and Chair Callicrate. He made this unusual request to respond because frankly, Mr. Callicrate, he is ashamed that you would make such slanderous remarks in a public forum. He suggests that you go back and look at the start of the Livestream meeting and if you also look at the Audit Committee meetings, he can vouch that you will not find any unprofessional remarks or denegation of Ms. Farr's work. In fact, he thinks you will find to the contrary. He does believe that given the remarks you have made that they must be clarified for the public. He has made no slanderous remarks or anything like that unlike yourself. He thinks you should be ashamed of yourself as a Chairman making remarks like that. He should also report that other matters of fact that you misstated – Davis Farr was not selected by the entire Audit Committee. He had no involvement in that and the Audit Committee had no involvement in that. The Audit Committee Chair and he believes one of the members was involved in that not selected by the entire Audit Committee. Also the timeline for review of these documents and things were set by Staff and not set by the Audit Committee. So frankly Mr. Callicrate he thinks he deserves a public apology for your remarks and he thinks, in fact, you should review withdraw from your position as Chair if you care to make remarks like that about a member of the community that volunteers their time for this and their professional time for this. He thinks you should be ashamed of yourself and he expects a public apology. Thank you. Board Chairman Callicrate said that he never accused Mr. Tulloch of anything as he said a member of the Audit Committee and after he has reviewed several of the Audit Committee videos and whatnot, there has been an individual who has made cursory remarks that could be interpreted as such and it is all about interpretation. As far as being ashamed, he is not ashamed whatsoever. He thinks that the situation from this one individual has been a bone of contention since being put on the Audit Committee and he did support this individual and he has supported the Audit Committee and its independence from the very beginning. He has never called for anything to be shut down. As far as the timeline, there was a timeline presented to the Board from the Audit Committee on when they wanted to do the reviews and what not. So if this is a misinterpretation there, he will apologize for that Mr. Tulloch because he was under the impression as we voted at the Board level on what was going to take place in a timeline that would fit with what the Audit Committee wanted and that's what we did. There has been issue where it hasn't been met, ok, we are going to move on. We have rectified things in the past but he was never impugning your character and if you took it that way, he does apologize for that because he certainly was not talking about you on the Audit Committee and he also

exempted the two members who are here on the Board. So, with that being said, he thinks there has been comments being made in the public arena and as he mentioned, and he prefaced it with primarily that, that are unconscionable in a community of this caliber to go after someone who has impeccable records and the emails that he has received that you may not have been privy too are disgusting and aren't worth repeating in public so he is not going to withdraw as the Chair. He knows that there is a small group of people that would like that; it's not going to happen. Audit Committee Chairman Tulloch said thank you for that and if you care to go back and review your remarks from the tape you made these remarks about the Chair of the Audit Committee when you were making your remarks. You may protest that that is not what you intended; go back and review the tape and you will find out that was what was said. Board Chairman Callicrate said he will do that and Mr. Tulloch is if that is how it was interpreted then please forgive him because that is not what he had stated. He did not mean to state that and he apologizes if that is how it came out because in his mind he was saying that there was a member of the Audit Committee excluding the two members that are on the current Board. He will go back and review it so if you took it or it came across that way, Mr. Tulloch, that was not what he meant. And he is sorry about that if that is how it came across and he can understand you being upset because he doesn't want to be accused of something that he is accusing somebody else of. Audit Committee Chairman Tulloch said please do so because if you go back and review your remarks, you will hear that you were ashamed of the remarks made by the Chair of the Audit Committee and he is happy to stand by that. Board Chairman Callicrate said you are absolutely right and if that is what he said please accept his apology, it is well intended, he is sorry. Now that we have had our opportunity to air our concerns and go back and forth, he wants to thank his colleagues at the Board for putting up with this unnecessary clarification because that was not his intention as stated so he misspoke and he is the first to admit that and he will go back and review exactly what he said but he remembered it differently. Director of Finance Navazio said he would echo what was said earlier, a lot of corrections and adjustments were clean up from the past and don't want to minimize the recommendations and findings in the audit report as they are the utmost importance and any recommendations that will come from the Audit Committee. Comment made about a clear and more robust plan to addressing the recommendations from this report and he will ensure that it works its way through the Audit Committee and Board.

Trustee Wong moved to receive the District's final Annual Comprehensive Financial Report for the Fiscal Year ended June 30,



2021 as well as the required audit communications provided by the District's independent auditor Davis Farr LLP and request that those items be transmitted to the State in accordance with NRS. Trustee Tonking seconded the motion.

Trustee Schmitz said we shouldn't be taking this action tonight because we have not received the final report from the Audit Committee and that we do not need to take this action tonight. We need to receive it from Davis Farr and she understands that but we do not need to take the step forward and she would suggest that we defer making this decision until after the Board receives the report with the details from the Audit Committee. Trustee Dent said he agrees with Trustee Schmitz and that we should just pause because we haven't received the Audit Committee report. Board Chairman Callicrate asked what are the legal ramifications of receiving the Audit Committee report – ask for an extension? Director of Finance Navazio said that the NRS simply has a timeline for completing the audit which he went over. Should the Board, as a whole, wish to hold off filing – he would recommend that we file for an extension and that this is entirely a Board call. Board Chairman Callicrate asked how many extensions has the District filed for? Director of Finance Navazio answered that last year we filed for more than one. Board Chairman Callicrate asked Ms. Farr if we are not seeing any cataclysmic items, and knowing that the Audit Committee is having a meeting this Thursday, if we were to receive this and send it to the State with the addition of the report from the Audit Committee, what are the ramifications of changing any of the materiality if we accept and receive tonight or receive the report? Ms. Farr said she doesn't think any of the issues to be brought up will not cause any adjustments to the financial report. Director of Finance Navazio said that the report from the Audit Committee is an internal document.

Hearing no further comments, Board Chairman Callicrate called the question – Trustees Callicrate, Tonking and Wong voted in the favor of the motion and Trustees Dent and Schmitz voted in opposition. The motion was passed. Trustee Schmitz commented that this action was not in compliance with Board policy.

At 6:19 p.m., Board Chairman Callicrate called for a break; the Board reconvened at 6:30 p.m.

**E.2. FY2022/2023 Budget Workshop #1: Review and discuss the following:**

**Part I: Board Policies Related to Budgeting and Fiscal Management**

**Part II: Internal Services**

**Part III: Central Services Overhead Cost Allocation**

(Presented by District General Manager Indra Winquest and Director of Finance Paul Navazio)

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

Following are the questions, comments, and answers:

Trustee Schmitz: Based on tonight's decision with the AFCR, it appears as though we need to have included in our capitalization policy a materiality definition. We didn't hear from Staff how this capitalization policy was being followed.

Director of Finance Navazio: Staff will deal with individual versus group item and materiality is more of a financial item, we will make sure comments are incorporated.

Trustee Schmitz: Clearly had items that were below and misinterpreted about grouping, remove ambiguity and unfortunate we moved forward with that action.

Director of Finance Navazio: Agree on how we apply can be important.

Trustee Schmitz: Just want to clarify for her fellow Board members, she provided detailed feedback and spent an hour and a half reviewing those with Director of Finance Navazio so she is a little bit puzzled as to what feedback should be shared with the Board as she is sure that feedback is coming from all of us.

Director of Finance Navazio: What is most helpful is broad brush feedback and the most helpful feedback is on are we heading in the right direction and are there some areas where we need to have some serious discussions.

Board Chairman Callicrate: How is Trustee Schmitz able to share her feedback with her other Board members and within the perimeters of the OML as she did a lot of work and want to make others aware.

Trustee Schmitz: Her feedback is as one individual Trustee and understands about asking for Board input, she has already provided it and it is up to Staff on how to incorporate and what they want to do. What is it that you are specifically asking of us tonight?

District General Manager Winquest: All in agreement with what was discussed and we are going to track all the changes made however it is just important to get this feedback whether it is here or elsewhere. It makes sense to not regurgitate all that and get feedback from others and track it and then discuss all that was submitted by the Board of Trustees. This is a new policy and really urge all of the Trustees to do their homework and provide us as much feedback because sometime in the next month or so we are looking to adopt this and it impacts the budget with all the activities around the District. Once adopted, it will be something that we all have to adhere to.

Trustee Tonking: This is really helpful and she believes we are headed in a good direction. She has small edits or changes and she would like to send them to the District Clerk.

Director of Finance Navazio: Yes, send them on and we will track it, etc. We want to make sure the Board is comfortable with the policy.

Trustee Schmitz: One thing she would like to share with her fellow Trustees is one of the things that we discussed was using consistent language that was within the Strategic policy and when we got into the details, it is good to have a pricing policy for non-profits or community groups and then for community programming. Those components are presently in different sections and if we brought those four terms (customer, pass holder, non-profit and community group) together it would be specific but tie back to those four different groups.

Board Chairman Callicrate: He agrees with those four terms.

Trustee Schmitz: Make it clearer and more specific.

Trustee Wong: Most of her feedback is incorporated as she has been working on this with Staff and interested in the feedback provided by other Trustees.

Trustee Dent: Has nothing to add at this time and he is thinking of additions and any unintended consequences.

Board Chairman Callicrate: Agreed with this process.

Trustee Schmitz: Internal Services – are they charged a Central Services Charges allocation?

Director of Finance Navazio: Common practice is they are not. Typically, it is because of a circular calculation. As called out in our policy, we don't charge General Fund because it is already included and don't charge Internal Services for the reasons he stated.

Trustee Schmitz: Nothing for janitorial so how are these interrelating with one another?

Director of Finance Navazio: In the current budget, on page 43, as you will recall, we switched from in house to contracting out. Cost of those contracts moved from Internal Services and charged to the venues that each contract covers. Another example, nothing charged for fuel in Fleet. It is assigned to the venues and the cost for fuel is charged out to the venues. Not in the Fleet budget and in the operating budget.

Trustee Schmitz: Don't have pages separate for Fleet and Engineering?

Director of Finance Navazio: Yes, you do – will come back to you. Page 235 and had intended to include three more pages and will confirm that he included them.

Trustee Schmitz: Would think that Engineering should be charged for janitorial because as you said it gets charged to the facilities.

Director of Finance Navazio: Will be under Public Works Shared.

Trustee Schmitz: Her feeling, as a Board and a Staff, we are doing a good job of planning rolling stock and managing Fleet and looking at five-year plan - doing a pretty good job of doing it. Her concern about establishing another fund, and we seem to have excess fund balance, and we shouldn't have another fund where we are having excess fund balance and that we need to get our policies in line before establishing another fund.

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Director of Finance Navazio: He could make a point that it is a replacement fund and if we deferred and delayed them, we have the monies. Hear that and want to make sure we are managing them well. It is a common practice to set facility fees up and down to cover this as opposed to \$800,000 for vehicle needs in the Community Services Fund so your point is well taken and don't want this to be misplaced in the long run.

Trustee Schmitz: Heard you ask a lot of questions, so how are you going to do it? (in reference to Slide 50 – Engineering)

Director of Finance Navazio: Default is when we set a target, the charge back rate would have a rate to cover the unbillable time. Is the Board ok with that? Billing for 80 to 90% of their time? We want to be able to respond correctly.

Trustee Schmitz: If we did it differently, would we be able to get better data?

Director of Finance Navazio: Have pretty good data on hourly's and intent on demonstrating that through this process.

Trustee Schmitz: Is it accurate or is it potentially skewing numbers?

Director of Finance Navazio: No pressure, we acknowledge that when a person walks in, they aren't billing their time to a project but rather 80% of their time and we all need to be comfortable with how the 10-20% is not being charged.

Trustee Schmitz: Is this a best practice of how we are doing it?

Director of Finance Navazio: Best practice is that we are moving towards tracking the time and what is not being worked on a project and how the overhead is covered. The best practice is to be clear on how we are covering that.

Trustee Schmitz: Would like to request that Village Green be removed from the list in good condition as she thinks that Village Green is in needed of attention.

Director of Finance Navazio: Need to clarify what this applies to and will do so.

Trustee Schmitz: Just clarify that please.

District General Manager Winquest: Comment on Village Green – the condition of actual field is not in good condition and the restrooms are fine. There is money in the budget to look at it and that he is not in favor of putting a lot of money in there until we determine the dog park.

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

**F.1. Meeting Minutes of November 10, 2021**

Board Chairman Callicrate asked for changes; none were received so the meeting minutes of November 10, 2021 are approved as submitted.

Board Chairman Callicrate said that he and Audit Committee Chairman Tulloch have been in contact during the meeting and he is going to review the tape and notes that he didn't vote on Davis Farr and that he was not accusing Audit Committee Chairman Tulloch of doing anything harmful towards Davis Farr.

**G. FINAL PUBLIC COMMENTS\***

Chris Nolet said we had a spirited discussion earlier tonight about a number of audit issues and he fears we might have crossed the Rubicon on one or two of them but he will just make the following two observations: first, there are accounting principles and practices that clearly state that significant judgment should be rendered by the preparer in the application of the standard and he is hoping that's the case here. Policy 9.1 is very succinct and simple and it says "in case will the District establish a capitalization threshold of less than \$5,000 for any individual item". He is not finding the peripheral text that encourages or allows the District Management to interpret, apply judgment or leverage materiality under the grey circumstances. The other observation he would make is that in his 41 years, 39 years as a practicing auditor and 2 as a Board member on a number of Audit Committees, he can't say that he has ever seen the audit firm disregard the unanimous consensus of the Audit Committee members and side with Management on an issue like this so that's so rare that he can't say generally anything and we will all need to take a look at auditor independence this spring as we consider who does the 2022 fiscal audit. Thank you.

Cliff Dobler said these written comments are to be made part of the meeting minutes. This public comment is addressed solely to Chairman Tim

Callicrate. During tonight's Board meeting you jumped on comments by an AC member regarding disparaging comments made about the audit firm Davis Farr and in particular Ms. Farr. Since my public comments had no such remarks about Davis Farr, it could only be determined that your statement was directed at Mr. Ray Tulloch. Mr. Tulloch was able to respond to your accusations and, as such, you somewhat apologized to him and then searched for another person to prey upon to justify your false statements. Through a process of elimination, you stated that comments were made by an AC member which was not a trustee and not Mr. Tulloch. Thus only he was left. You rambled on about seeing texts, and e mails and heard public comments and statements at Audit Committee meetings made by him making disparaging comments about Davis Farr and the firms' associates. You even went as far as saying these communications were unconscionable and disgusting. This is factually incorrect and you should be ashamed of yourself. So please provide any proof that he disparaged Davis Farr and or the firms' associates. Once you look back you will find nothing. You simply decided to put a hit on his reputation and he will not allow you to get away with it. He will give you two weeks to provide any evidence you might have that he wrote or said anything disparaging about Davis Farr. He will probably turn this over to my attorney. He does not like to be slandered especially by your outrageous statements about what you decided fictitiously what he wrote or said. You will find NOTHING. He will require a public apology from you.

Aaron Katz said first he wants to talk about the Audit Committee meeting on December 8 – did you Board members listen to that meeting? Both Ms. Farr and the Director of Finance admitted that the Rec Fee does not represent revenue from exchange transactions. Fees are paid per exchange transactions. Both individuals that parcels which are charged receive nothing special in consideration of the charge. The Director of Finance admitted that without receiving special benefits, the Rec Fee is an invalid tax. Ms. Farr said that the Rec Fee is an assessment and she states that prior auditors agree. Well, Ms. Farr was wrong and he is going to show you how. If Ms. Farr had read the minutes of the May 26, 2021 meeting, she would have seen that the Rec Fee was adopted pursuant to NRS 318.1971 but that provision states “the Board may adopt rates, tolls and charges other than assessments” thus the Rec Fee cannot be the assessment Ms. Farr represents. So what is it? Just like the Director of Finance told the committee – an invalid tax. So now that you all know the truth what are you going to do about it? He assumes you will perpetuate the fraud but you were elected to do that. Let's go to the budget workshop, he listened to all of it and this is another wasteful dog and pony show in his opinion. Staff is free to spend on

anything even if not budgeted. If they claim it is “related” to expenditures budgeted. Rec fees are related to recreation and beach expenses. Utility rates are related to utility services so any expense Staff concocts that is related in any way shape or form to recreation, beaches, or the utilities is possible. Time and time again, and we have uncovered expenses, not budgeted, yet related to recreation, beaches, and utilities and they are then affirmed. So why go through this whole process of budgeting anything other than the global amounts that Staff may spend? What an incredible waste. Thank you.

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

The meeting was adjourned at 8:03 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 Chris Nolet



## Susan A. Herron

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**From:** Chris Nolet <cnolet99@gmail.com>  
**Sent:** Tuesday, December 14, 2021 9:39 AM  
**To:** Herron, Susan  
**Subject:** Fwd: Report from the Audit Committee on the Fiscal 2021 ACFR

Susan, please include this email string in the formal record for today's Board meeting.

Thanks

----- Forwarded message -----

**From:** Chris Nolet <[cnolet99@gmail.com](mailto:cnolet99@gmail.com)>  
**Date:** Tue, Dec 14, 2021 at 9:33 AM  
**Subject:** Fwd: Report from the Audit Committee on the Fiscal 2021 ACFR  
**To:** Tim Callicrate <[callicrate\\_trustee@ivgid.org](mailto:callicrate_trustee@ivgid.org)>, Michaela Tonking <[tonking\\_trustee@ivgid.org](mailto:tonking_trustee@ivgid.org)>, <[wong\\_trustee@ivgid.gov](mailto:wong_trustee@ivgid.gov)>, <[jfarr@davidfarr.com](mailto:jfarr@davidfarr.com)>, <[isw@ivgid.com](mailto:isw@ivgid.com)>  
**Cc:** Matthew D <[matthewbdent@gmail.com](mailto:matthewbdent@gmail.com)>, Sara Schmitz <[trustee\\_schmitz@ivgid.org](mailto:trustee_schmitz@ivgid.org)>, Ray Tulloch <[raytulloch@munrotulloch.com](mailto:raytulloch@munrotulloch.com)>, Cliff Dobler <[cfdobler@aol.com](mailto:cfdobler@aol.com)>

Dear Board of Trustees, District GM and Jennifer Farr - please find attached my email to the Audit Committee yesterday based upon the discussion during the December 8, 2021 Audit Committee meeting.

My advice to the Audit Committee in my email is self explanatory. I would also note the following:

Davis Farr is engaged by, and works for, the Audit Committee (not District management).

All four members of the Audit Committee were clear in their communication on December 8 that Board Policy 9.1 3.0 and Board Practice 2.9 1.2.5 do not allow for "interpretation or judgment" to support capitalization of individual asset additions of less than \$5,000. I have carefully studied both these references and see **NO** latitude therein for the application of judgment or interpretation.

This *very late adjustment* proposed by District management is based upon a completely unsupported assertion made by District management that the relevant guidance does allow for judgment to be made in its application.

As the Audit Committee *unanimously disagreed* with that management assertion, and as David Farr works for the Audit Committee, it is reasonable to consider this late adjustment to represent a known, **intentional error** under ASC 250 and related SEC guidance (in the absence of any specific GASB guidance concerning error corrections).

Known, intentional errors recorded by management are generally **NOT** evaluated based on **quantitative** materiality. They are generally evaluated through the lens of **qualitative materiality, with a primary focus on management integrity**. Davis Farr surely understands this circumstance. Hence, I fail to see how the Fiscal 2021 ACFR can be approved by the Audit Committee or Board in its current form when it appears to contain 1) this intentional error, and 2) inconsistent application of the Policy and Practice noted above, particularly when compared to the Fiscal 2020 CAFR.

Best

----- Forwarded message -----

From: **Chris Nolet** <[cnolet99@gmail.com](mailto:cnolet99@gmail.com)>

Date: Mon, Dec 13, 2021 at 2:50 PM

Subject: Report from the Audit Committee on the Fiscal 2021 ACFR

To: Sara Schmitz <[schmitz61@gmail.com](mailto:schmitz61@gmail.com)>, Ray Tulloch <[raytulloch@munrotulloch.com](mailto:raytulloch@munrotulloch.com)>, Cliff Dobler <[cfdobler@aol.com](mailto:cfdobler@aol.com)>, Matthew D <[matthewbdent@gmail.com](mailto:matthewbdent@gmail.com)>

Dear AC Members - great work during the December 8 meeting. I am providing some thoughts that you may wish to adopt and include in your report to the Board. And by the way, I agree that with the late FINAL close of the accounts by District staff, and the unsupported adjustment which violates both a Board Policy and Board Practice to capitalize individual asset purchases with a cost below \$5K, that you have every right if needed be to request an ACFR filing extension to complete your report and submit it for Board and public review and comment.

Hopefully you will find the following comment quite useful for inclusion in your report to the Board:

The District staff explanation of them having gone back in late November to capitalize expenditures previously expensed was not adequately supported. It also appears to be inconsistent with the prior year treatment (recall that GAAP requires consistent application of accounting practices) and the Board Policies and Practices. I did not hear any case made to suggest that the Policy/Practice was open to "interpretation or judgment." Why did they do this, when as noted in the written audit materials, management did not do the historical analysis with resulted in the prior period adjustment write-offs at year end, rather I understand that they abdicated their responsibility and effectively delegated that project on Davis Farr (even though management knew it was a topic of keen interest throughout Fiscal 2021).

Based on the above observations, the late adjustment proposed by management is what is considered under GAAP (and SEC guidance by analogy - see text below) as an "immaterial but **intentional** error." Contrary to what Jennifer Farr stated, materiality is rarely a valid consideration for waiving the correction of a known, **intentional** error. Those matters are always corrected. Plus, as was noted during the meeting on the 8th, the ramifications on internal control over financial reporting of management intentionally recording a **known error** must be considered.

The final, signed auditor report on the ACFR contains an error which **must be corrected**. In the Emphasis of Matters section, the report refers to Note 21 for an explanation of the prior period adjustments. The reference should be to Note 22.

I also fail to understand how, recognizing the Emphasis of Matter narrative in the Davis Farr report, that they did not require a "special representation" from management that the prior period adjustments do not materially misstate the Fiscal 2021 ACFR, or any impacted prior period. They should explain to the AC why they did not require such a representation (this question speaks to the quality and thoroughness, **or not**, of their audit).

The existence of material weaknesses and significant deficiencies in 2 consecutive years, and prior period adjustments being recorded in the past 4 of 5 years, is simply **UNACCEPTABLE** under any circumstances. I think you should ask management for a detailed internal control remediation plan for Fiscal 2022. You should also ask about penalties or other probation like plans to be added to mid-year to the personal performance plans

for our CFO and Controller. You should state that the existence of ANY MWs during Fiscal 22 is completely unacceptable.

Lastly, I completely agree with your consensus to slow down the process and consider whether this current ACFR is something you can endorse.

Happy to answer any question you may have.

Best

SAB Topic 1.M, Assessing Materiality 250-10-S99-1 2.

**Immaterial Misstatements that are Intentional Facts:** A registrant's management intentionally has made adjustments to various financial statement items in a manner inconsistent with GAAP. In each accounting period in which such actions were taken, none of the individual adjustments is by itself material, nor is the aggregate effect on the financial statements taken as a whole material for the period. The registrant's earnings "management" has been effected at the direction or acquiescence of management in the belief that any deviations from GAAP have been immaterial and that accordingly the accounting is permissible. Question: In the staff's view, may a registrant make intentional immaterial misstatements in its financial statements? Interpretive Response: No. In certain circumstances, intentional immaterial misstatements are unlawful.

## MINUTES

### **REGULAR MEETING OF JUNE 8, 2022**

Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Chairman Tim Callicrate on Wednesday, June 8, 2022 at 6:00 p.m. at the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

**RECOGNITION OF ACHIEVEMENT OF THE INCLINE HIGH SCHOOL BOYS AND GIRLS BASKETBALL AND TRACK TEAMS OF INCLINE VILLAGE/CRYSTAL BAY** *(The Board Chairman will say a few words in recognition of their excellence and invite the coaches of these teams to say a few words followed by a photo opportunity).*

Board Chairman Callicrate acknowledged the typographical error at the top of the agenda and said that we are going ahead with the meeting and if an OML complaint is filed, we will deal with it. Board Chairman Callicrate then said that they are going to do the recognition, noted at the top of the agenda, and hear from the coaches and then there will be a photo opportunity outside. Tom Rhymer, head coach for the track team, said thank you for this recognition and he introduced some of the girls that were in attendance. Mr. Rhymer then gave an overview of the accomplishments of the girls' track team. Tim Kelly, head coach for the boys' basketball team, introduced the 2 assistant coaches in attendance and thanked the Board for their support. Indra Winquest, head coach for the girls' basketball team, introduced the 4 team players in attendance, and stated that this team won back to back State Championships and won 41 straight games which is the longest streak to date. The girls presented Mr. Winquest with a championship ring.

At 6:10 p.m. the Board went outside to take photos with these winning teams, they reconvened at 6:15 p.m.

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

The pledge of allegiance was recited.

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

On roll call, present were Trustees Tim Callicrate, Matthew Dent, Sara Schmitz, and Michaela Tonking. Trustee Kendra Wong joined the meeting at 7:05 p.m.

Members of Staff present were District General Counsel Melissa Crosthwaite, and Director of Public Works Brad Underwood. Members of the public physically present were Mike Abel, Yolanda Knaak, Pete Morris, Pat Schmitz, Ellie Dobler,

Cliff Dobler, Bradley Mindlin, Lisa Mindlin, Aaron Katz, Gail Krolick, John Eppolito, Raymond Tulloch, and others.

**C. INITIAL PUBLIC COMMENTS\***

Yolanda Knaak, IVGID candidate, said she wanted to make a comment on the Clean Tahoe program. She has talked to so many people about this program who would like to make it last and she doesn't know if we can add another program or not as a lot of people want to pick trash.

John Eppolito said this is not under IVGID purview but it is happening in our elementary school next year. At the SHARE meeting, this was about sex education, the committee decided to change the definitions of boys and girls and the definition of a boy is a body with a penis and the definition of a girl is a body with a vulva. Boys and people with a penis and girls with a vulva – this was the compromise. It will go to the Board in November or December and that's what they will be doing. Both Channels 2 and 4 covered it and if you go to his website, it is right at the top.

Margaret Martini said, regarding Mr. Eppolito's news, that it is shocking and they voted unanimously and passed it unanimously. Ms. Martini then said there are some pretty defining agenda items this evening and it would be nice to have some determining questions asked of the general manager in his report: First and foremost is where is the attorney determination on the beach access of non-property owners? Are we being primed for another 2-year stint on the Ordinance 7 issue. One of the main issues for the revision of Ordinance 7 was beach access for non-property owners access which included district employees and previous district employees with silver and gold cards...then we hired an attorney 8-9 months ago to make some determinations as the current district hired attorney had opinions that were contrary to the parameters of the beach deed. A typical debacle from the IVGID admin staff. OK, at the last meeting we were told that the access of non-parcel owners was "put on hold" until another issue could be resolved. So here it is more time elapsed and hopeful that the determination will be stated in the general managers' report tonight. If not, why not? Enough of the pussyfooting around the elephant in the room! And there is an agenda item for the salary increase of the general manager. How can this be when one of the main issues much discussed in the last 2 years has been beach access and it is still not resolved as of this moment...but hopefully will be resolved before the salary increase is voted in. Second and almost as foremost is the sale of IVGID assets in the form of land coverage on the selling block. As is typical there is no mention of why this needs to be sold and most importantly where the money from the proceeds is going. She would expect that since this is public money it should be

stated why the assets are being sold and specifically where the money is slated to go....is it for the pond liner, the pipeline, a needed remodel of the Snowflake Lodge? or is it just going into the general slush fund to be parceled out for such frivolities as unnecessary salary increases of the general manager or perhaps a few more bloated staff positions? The asset is gone forever so the Board needs to determine where the money is going to be spent before it authorizes a sale of the asset. It is called fiduciary responsibility. Before determining the value of the general manager's salary increase perhaps the previous goals and inspirations should be reviewed first to determine performance...like the golf cart path and the golf carts and the high dollar bath remodel and the fact that expenditures are approved after the fact of being performed. And the fact that the Burnt Cedar pool project is still incomplete. How about another ACFR debacle? Is a salary increase in order for performance...highly unlikely. A review of the boards fiduciary duties is in need of an audit.

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

Iljosa Dobler read from a prepared written statement which is attached hereto.

Aaron Katz said he has two written statements to be attached to the meeting minutes and they both deal with less than honest Staff. The first is the Director of Finance and before Ms. Krolick comes down on him, please read the facts for yourself as they are here in his written statement. The second is the District Clerk and you can read about that to in his second written statement. Our Public Works Director and Chief Engineer tell us that they bill other IVGID departments for the internal services they furnish to those departments. The Chief Engineer's job description mandates that she maintain a daily log. He makes a public records request to examine the bills and the District Clerk responds "I have no public records available for you to examine". Who is the truth teller? Continuing with the subject of truth tellers, before Trustees Callicrate, Dent and Schmitz were elected, all 3 represented that if elected, they would never vote in favor of bonding without first securing voter approval. We are facing mammoth bonding within the next several months and he has asked these Trustees if they will be true to their word. He doesn't know about Trustee Dent but Trustees Callicrate and Schmitz have wiggled waggled in the answer. He hopes that they are not going to turn into untruth tellers. Finally, the General Manager and his merit raise – apparently, \$226,130 annually just isn't enough so he says give him all he wants. He doesn't care what the number is. It is just when the Board comes back to him for bond approval his answer is going to be no because you spend it all on wasteful stuff like merit raises for the General Manager. Thank you.

Mike Abel said he promised his wife he would behave himself tonight. First of all, it is nice to see these kids out here and some kudos to the District General Manager as we have a somewhat contentious relationship with and all the good work that he did as it is really nice to see some really successful kids coming out of this community and maybe we will see some of them up on the dais here in a few years. His next comment, and these are off the cuff, is the Open Meeting Law violation in question. The meeting was called to be held at 893 Boulevard and the question is whether this meeting and any votes that take place tonight will be legal. He guesses you don't have the attorney here tonight to answer that question. His third comment is kudos to Ms. Martini about her comments about the beach access. He thinks she made excellent comments and he doesn't see anywhere in the beach deed where it allows employees. He made the suggestion that we have some kind of adopt an employee program so as to take the employees off the beach as employees but they can come as guests of the homeowners. Finally, where is Trustee Wong tonight? It is time that this Board, and he is going to say this at every meeting, it is time to tell her to show up. He thinks it is inexcusable that she is collecting a salary and she hasn't shown up here in 2 years. Now maybe she had an excuse for a year or a year and half but there is no excuse for her to not be here this evening. It is time for our Chairman, Trustee Callicrate, our unindicated felon, trying to run for office 4 times when he knows he was only allowed 3 terms tells Trustee Wong to get her tail up here on the dais. Thank you.

Gail Krolick said she is still trying to figure out why we have to call our Chairman a felon when all he did was what any. Again, the negativity just needs to stop as there is no reason to have personal attacks; it is ridiculous and grow up. She has the privilege of eating at the Chateau this afternoon for lunch and if you haven't been there and she has been there more than she likes, the food is absolutely outstanding and absolutely incredible but the Staff, she couldn't believe the amount of people that were at the golf course today, it was packed. Cars up and down the street, Staff was extremely friendly and it was a really nice experience. It too a little longer than perhaps people would like but the Staff was just incredible so kudos to Staff and pass that along to whoever you need to. One of the reasons she is up here and she did read the packet thoroughly and she was quite surprised at the General Manager's review as it ranged from a 9, to a 7, to a 9+, to a 2.1. Trying to figure out the disparity here and she thinks that there might just be a personality conflict – it just doesn't make sense to her at all. She is hoping that this will be explained sometime during tonight's meeting as it just doesn't make sense. Lastly, if anyone wishes to speak to her in the community or anyone comes to you, members of the Board, have them talk to her. She has lots of people stopping by her office and talking with her. She doesn't take kindly to threats but she is more than happy to talk to you face to face like a grown up does. Thank you folks for your support and keep up the good work.

Ray Tulloch said he is a candidate for IVGID Board, first, a couple of things following up on Ms. Krolick's speech, yes, the golf course is very crowded today as there was actually two competitions on as he spoke to the Director of Community Services/Golf today he was aware of that. He thinks that Ms. Krolick is actually making some suggestions but he is not sure who she is aiming them at. He could make similar suggestions that people as he has heard that many of his supporters are being told why are you voting for Ray? So if Ms. Krolick wants to make suggestions that somebody is making threats to her, he suggests that she name them in public and suggest who she is talking to otherwise he thinks she is just hiding behind privilege. He has also heard on the campaign trail a rumor that he has said he is going to somehow (a) fire the general manager and (b) he is going to stop the subsidies to the golf course. As the General Manager knows, he has never made any suggestion of that and if anyone can find that in the record, he will happily pay them something to their charity. With regards to cutting subsidies to the golf course, he, again, has made absolutely no comment to that either private or on the public record. If anyone can find something to that, he will make a \$100 donation to charity of their choice but he knows that you will not find it so just when Ms. Krolick talks about negative campaigning there is negative campaigning from all sides. He has also heard, on the campaign trail, some candidate's suggestions that we spend too much time on policy and making policies. Maybe we should spend some more time on actually complying with policies. If we don't make policies and we just spend, spend, spend, we have never seen a project where we don't want to spend we are not a Board, we are not a business, we just become the wild west without any policies to set the perimeters for both our expenditures, our behaviors, and our operating expenses. As he said, we don't have a business, we can't afford to do that and we are spending something like \$50 million next year without policies, we are just a joke. Thank you.

Peter Morris said it is a pleasure to be sitting on this side of the table and he has enjoyed his time off that's for sure. He appreciates the opportunity to address you all and specifically though he wanted to speak to Trustee Schmitz and he hopes that that is some soothing music that you are listening to there on your earphones because he has some things to say. He is very concerned about all of your activity on the Board and of course your, what he would consider, your lack of intellectual capability/capacity to be on the Board. He thinks you are a very good community agitator but they are not the notable motivations needed by a Trustee who should have the good of the entire community and the assets of IVGID totally in their minds at all times. He feels that there is one very good demonstration of your inability to have an original thought. If you look at your report on the GM, Section C, subsection C, one of the questions was asking you to make a recommendation on what you would like to see happen next year. It was interesting that you couldn't



even think of one item that might be addressed next year and he thinks that's rather typical of how you operate. It would probably be to your advantage to stop getting all your advice and input from Mr. Cliff Dobler and that cadre of people who don't really have the interest of Incline Village General Improvement District at heart. So he is really concerned about your abilities to be a Trustee and he knows that you have got 2 more years to go and we need to suffer through that but hopefully you will start to learn some of these things that you ought to really be doing as a member. Then he thinks that your essentially personal attacks on the General Manager in your review really demonstrates a lack of professionalism on your part. If you spoke about specifics, rather than generalities, he thinks it would be good. And a comment here on Section 1. E. that the General Manager is not visible in the community, he would say that he is one of the most visible members of all 5 of you Trustees as was demonstrated tonight by all the work he does for the schools as example so he would say that it is very active in the community. Unlike yourself is an agitator in the community and it is very interesting in yourself in aggrandizement saying about your paper was the only one published. Thank you.

Board Chairman Callicrate said that everyone is welcome to talk with each other but please just take it outside as it makes it difficult to hear so please step out into the corridor, have your conversation, and then come back in.

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

Board Chairman Callicrate asked for any changes to the agenda; none were received so the agenda was approved as submitted.

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

**E.1. DISTRICT GENERAL MANAGER REPORT\***

District General Manager Winquest gave an overview of the submitted report and then commented on a public comment that was made; the Special Counsel's remaining work, recommendations on employee access and Silver/Gold programs, he just received a phone call from him and he will reach out to him tomorrow. It is anticipated that Staff will have those recommendations in front of you shortly and will work with the Board Chairman to agendize it. He understands the anxiety around it as it is some of the most important decisions that the District will make and it is important to allow the time to do the work. Trustee Schmitz said she is wondering if it would be possible to flag changes and updates in the General Manager's report as that would be helpful so we don't miss things. If we could have an

update on the internal controls as we don't have anything on the long range calendar such as deliverables and dates that would be helpful, Policy 16.1.0 updates – need to be added to our long range calendar, and tagging some dates on the dog park. She is appreciative of the golf breakdown and when we approved rates, Staff had talked with us about the differences of unlimited play passes and the other play passes so it would be helpful to do that breakout. District General Manager Winquest said that Staff will start reaching out to form the Dog Park Advisory Committee and that the Superintendent of Parks and Recreation is going to lead it and Trustee Schmitz is the Board representative. USFS said the delay is on their part due to Staffing shortages. Trustee Tonking asked about starting a committee for the Diamond Peak Master Plan. District General Manager Winquest said when he met with the Diamond Peak General Manager they spoke about it and that their goal is late summer to work with that committee and that it would be after the Dog Park Advisory Committee is formed. Trustee Dent suggested underlining the new wording with the General Manager's report.

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

District General Manager Winquest went over the submitted long range calendar. Trustee Schmitz asked about hotel/motel procedure, District General Manager Winquest said that Staff is working on it and that he will include it in the General Manager's report and send an internal memorandum to the Board of Trustees. The Board had a conversation about the Crystal Bay Water Pumping Station and the conclusion was that Staff would have the North Lake Tahoe Fire Protection District Fire Chief come before the Board with a verbal report and then following that report, direction would need to come from the Board to take it further. Trustee Schmitz asked that the Board be more clear on the direction for adding things to the long range calendar.

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

- G.1. SUBJECT: Award a Procurement Contract for Replacement Flooring Material – 2021/2022 Capital Improvement Project: Fund: Community Services; Division: Ski; Project # 3499BD1710; Vendor: Town and Country Flooring in the amount of \$71,207 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)**
- G.2. SUBJECT: Authorize a Memorandum of Understanding for the Clean Tahoe Multi-Jurisdictional Program and approve Amendment 1 with Clean Tahoe, to continue the “Clean Tahoe**

**Multi-Jurisdictional Program” for FY 2022-23 (Requesting Staff Member: Director of Public Works Brad Underwood)**

- G.3. SUBJECT: Approval of Appraisal for Sale of 6,860 Square Feet Potential Class 6 Land Coverage for the Tahoe Forest Hospital District and execute sale of this coverage out of the Nevada State Division of Lands Bank (Requesting Staff Member: Director of Public Works Brad Underwood)**

Trustee Tonking made a motion to approve the Consent Calendar. Trustee Schmitz seconded the motion. Hearing no comments, Board Chairman Callicrate called the question and the motion was passed unanimously.

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

- H.1. SUBJECT: Review, discuss, and concur with IVGID Staff, Design and CMAR Team recommendation of a two million gallon prestressed concrete tank as the WRRF effluent storage facility (Requesting Staff Member: Director of Public Works Brad Underwood)**

Director of Public Works Brad Underwood gave an overview of the submitted materials. Ashley from Jacobs gave the included PowerPoint presentation that was included in the Board packet. Trustee Schmitz asked if it was a requirement to remove the dam, from a cost perspective, \$2.6 million above what we have budgeted, so are there any opportunities to reduce costs and not increase any risks? Director of Public Works Underwood said in looking at the site, looking long term, and talking to Division of Dams, there is a risk and it is important to remove that risk and we need to look at that area for the future. Trustee Schmitz said for budgets, we have our budget so how are we planning on filling the funding gap? Director of Public Works Underwood said we are looking at funding from USACE for 75% of the funding which means we will be fine. Staff will work really hard to drive that cost down. We have talked about bonding as well. When we come back with the construction contract, we will have that plan in place and will have USACE contract before you. Trustee Schmitz said are we going to have the USACE commitment before next month? Director of Public Works Underwood said we talked to the USACE last week, will re-engage those conversations, and that his hope is to have something in the fall to the Board.

Trustee Tonking made a motion to concur with IVGID Staff, Design, and CMAR Team recommendation of a two million gallon (MG) pre-stressed concrete tank as the WRRF effluent storage facility. Trustee Dent seconded the motion. Hearing no comments, Board Chairman Callicrate called the question and the motion was passed unanimously.

At 7:14 p.m., Board Chairman Callicrate called for a break; the Board reconvened at 7:20 p.m.

Trustee Wong joined the meeting at 7:20 p.m.

**H.2. SUBJECT: Review, discuss, and conduct Incline Village General Improvement District's General Manager Indra S. Winquest Annual Performance Evaluation to include a possible salary increase (Conducted by Dr. Bill Mathis)**

Dr. Mathis said that the meeting was well conducted tonight and not typical of what he has been viewing. Board Chairman Callicrate said thank you and reminded everyone that we are all neighbors and that we can pleasantly disagree. Board Chairman Callicrate distributed Dr. Mathis' list of items that he is going to cover. Dr. Mathis covered his list of items. Trustee Tonking asked if Dr. Mathis had a game plan on how we address items on your list; Dr. Mathis said yes, he has 6 different packets of materials to go over with the Board of Trustees; he is ready to roll and he proceeded with his presentation.

The Trustees were asked to speak to their reviews (included in the Board packet) of the District General Manager and the following are their responses:

Trustee Dent

Number one is Ordinance 7 being adjusted, modified and approved; top of page 140, did say, limited negotiation; top of 141, inside of negotiated should say navigated, overall rating: 6-1/2. Strengths: Very bold on decisions, creative (beaches, parks) and good guy who is likeable. Area of improvement – delegate more and limit the access to you so you can control your schedule a little bit better.

Trustee Wong

Thank you for your time and service to the District. Known you for a very long time, remember when you were coordinating sports leagues. Had the

pleasure of watching you grow, very happy to have you as the General Manager. Agree with Trustee Dent about Ordinance 7, remember the conversation 7 years ago, navigated really well and with committee members who you knew were going to give a different perspective. Really appreciate your flexibility as the Board sent you on a few different directions – accelerating capital projects that weren't on your list and getting those underway. As a Board, when we rush things, we have to understand we may not do it well. As a Board, we need to accept responsibility and not let the Staff take the brunt of the public comments. The General Manager and Staff did a very good job of managing the Audit Committee and appreciate the time you put into that. No surprise, spending more time with the community and your Staff, ignore the noise which is a big part of it. There are a lot of things that distract you and you really like listening to everyone and finding that middle ground but sometimes there is just noise. One of the other things we talk about all the time, you have a phenomenal Senior Staff and she would love to see you delegate to them more. They do great work and that would allow you to spend time with our front line staff and she knows that is something you want to do. In the budget cycle, we need to add more money for Staff, realistically have some Staff that are overloaded and the sheer volume of public records requests, we need to show direct costs. We need to show this to the public because by trying to manage it with the Staff we have, we are make the Staffing worse. Additional staff in the General Manager's office is need to support our District Clerk and additional Staff is needed in Finance to support public records request and possibly improve the Audit Committee. Dr. Mathis said we are full tilt in heading in that direction and that in the two or three months we should be up and running.

#### Trustee Tonking

Trustee Tonking said that she thinks the General Manager has done a great job. She is a little biased as he was the first Boss she had, still holds true, very caring to Staff, do something that is really important, you take the fall and protect Staff well. You deal with it internally and you own up as if it is your own. You have a lot of skills that she would like to see in others. You are a generalist and that means you understand the overarching items of the District. You have hired an incredible Senior Management Team and that is what we see in other fields, you oversee and you have done a really job with that. Improve on this coming year - delegating to those Staff. Hard to do but you can do it. We have an incredible group of people who are firefighting as there are fires that consistently crop up. Big accomplishments – Ordinance 7, the effluent pipeline progress and the partnering on the Recreation Center expansion. All of this shows how well respected you are and that people trust you and the District. Thank you for all those things.

Trustee Schmitz

Trustee Schmitz read the following prepared statement:

*For the record, I did NOT write the review contained in tonight's Board packet that has my name attached. I will NOT agree with it nor will I defend it. It was NEVER reviewed or approved by me prior to being published. In my many years of writing performance reviews, I have never delegated what I deem to be my responsibility to another person. It appears that this is exactly what was done this year without me understanding Dr. Mathis was intending to write my review of Indra for me. In reading what is supposedly my review, I don't understand some of the statements and would never write a review in such a manner. I find it unfair and hurtful to GM Winquest and to the community to have allowed another person to write a review on my behalf. When I learned, just weeks ago that Dr. Mathis was intending to interview us all and write Indra's performance evaluation, I objected. I have never in my career ever delegated the writing of a performance review. When I expressed this concern, I was told by that the 3 Trustees had no issue with it. To be a "team player", I went along with the interview. The outcome, for which I never reviewed nor approved, is in this packet for which I find highly disappointing. Over the many years of my career I have always written a draft review, sat down and reviewed it with my staff member and potentially revised it. This is exactly what I did last year with GM Winquest. This process allows the opportunity to ensure there's understanding and agreement along with a path forward. This was NOT done as part of this process, and I feel the results are disappointing and not helpful. I will not defend this document but instead offer to GM Winquest my time and effort in writing him a complete and accurate review for which I will review with him before it is shared with the Board and the public. If he prefers this NOT to take place, then my only comment tonight is to state for the record I did not write this review and do not support what has been written. In January my feedback to the Board was that the contract with the Mathis Group lacked clear deliverables. In hindsight, my concerns were justified. In it is states 'beginning a new General Manager evaluation program'. When this was discussed with Dr. Mathis he explained how all the Trustees need to be trained and consistent in doing a performance evaluation. This process, of having another person write reviews, to me, isn't training for a consistent performance evaluation.*

Dr. Mathis said the process that we outlined of taking materials from Board members and writing it down was a time opportunity because we wanted to cut back the amount of time that some people took to generate a document.

He received a document from Trustee Schmitz that her mental health is in danger and that she asked for more time. That time was given. She is correct that she still preferred to write her own review and that the other Board members are going to do this way. He told Trustee Schmitz that you can do it differently, but he is not going to condone it and everyone was able to complete the exercise in 1 hour in a very thorough way. He is not in a contest of who's right or wrong. He covered the exercise with Trustee Schmitz and she wasn't in agreement and that was fine. There is still an opportunity to fix it and if she wants to continue to do things her way, she is going to continue to have the same problems. We have some issues festering.

#### Board Chairman Callicrate

Board Chairman Callicrate said that the enterprise fund accounting switch was a highlight as was getting the financial house in order. There is still more work to do but the internal controls are well on their way as is the effluent pipeline and Ordinance 7 which was tried 22 years ago and it was very, very difficult; so that is a huge accomplishment. The Duffield Foundation is a huge item and funding the needed improvements at the Recreation Center. Areas of improvement – time management and delegation. Guilty of reaching out every day and understand the tight schedule so he usually sends a text to see when he is available. Very comfortable with what he gets and that is a personal choice. Going back to the weekly and bi-weekly meetings is an opportunity to move forward. The team that has been assembled is one of the best. He thinks that the Director of Finance took the City of Woodland from a -\$2 million to a positive of \$10 million is impressive and his first day, with the District, was the shutdown for COVID. The General Manager was hired to put a team around himself and he has to hire some more people in the Administrative office to help our District Clerk as she transitions. We have had an inordinate amount of crisis' and he has been able to maintain a level head. What occurred before the meeting shows how involved the General Manager is within the community - two State championships. He has done a great job of steering this ship. Exemplary job and areas for improvement are those that we have all marked. After reviewing all of the information, we might differ on how things were written down, overall intent is spot on in his review.

Dr. Mathis said to finish the process of the review and finishing that job is important. Secondly, the offer to work out some agreements with the General Manager and whomever Board member and write them down for the future will be making this a better relationship and making it work is something that we can do following this meeting. Trustee Tonking asked Trustee Schmitz if she was willing to the Board understand where she is

coming from. Trustee Schmitz said she would just prefer to abstain because she doesn't feel comfortable. Trustee Tonking asked Trustee Schmitz if the 2 is accurate or no, you don't think so? Trustee Schmitz said no. Dr. Mathis said that the 2 offered up by the Trustee was what he does have in writing to him; he is not sure it was important. Board Chairman Callicrate said we can work together on a variety of items to move forward. Trustee Wong said she is not sure how to approach this as a Board and, as a Trustee, one of our main responsibilities is to give the General Manager an evaluation. She heard what Trustee Schmitz said and what Dr. Mathis said and feels that Trustee Schmitz is not fulfilling her responsibilities as a Trustee by not participating in this process.

Trustee Tonking made a motion that the Incline Village General Improvement District's General Manager Indra S. Winquest has had his performance evaluation presented in public on June 8, 2022. The Board of Trustees moves to give the Incline Village General Improvement District's General Manager Indra S. Winquest an overall performance evaluation rating of outstanding. Trustee Wong seconded. Board Chairman Callicrate asked for further comments.

Trustee Dent said will not be supporting that motion, out of the 5 Trustees, if you were to weight all scores, it wouldn't be outstanding. Trustee Tonking asked if we are using the 2 in our average or not. District General Counsel Nelson said it is the Board's pleasure on how to do the weighting. Board Chairman Callicrate said it would be the 4 of us. Trustee Wong said 8.125 is the math.

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

Trustee Wong asked about the effective date; Director of Human Resources Erin Feore said it depends on the date of the increase and that the District General Manager was hired on July 1. Typically, do the evaluation first and then the COLA on top of the evaluation.

Trustee Tonking made a motion to increase the District General Manager's annual base salary, effective July 1, 2022, for Fiscal Year 2022-2023 to be 4% which does not include the authorized COLA for this fiscal year. Trustee Wong seconded the motion.



Trustee Dent said he thinks we are going to see another increase next March and some of these positions are going to be pretty high. Trustee Tonking asked what percentage would you propose? Trustee Dent said 2%. Trustee Wong said if you want to meet in the middle, your proposal would be 0. Trustee Dent said 2%. Trustee Tonking said let's do 3%.

Trustee Tonking made a new motion to increase the District General Manager's annual base salary, effective July 1, 2022, for Fiscal Year 2022-2023 to be 3% which does not include the authorized COLA for this fiscal year. Trustee Wong seconded the motion. Board Chairman Callicrate called the question and Trustees Callicrate, Wong, Dent and Tonking voted in favor of the motion and Trustee Schmitz abstained.

District General Manager Winqest said thank you for going through the process, he knows it was different, and he thanked the 4 Trustees that worked within this process. He is young District General Manager and he understands all the areas of improvement. Trustee Schmitz said that she understands the District General Manager's sensitivity and your comments and that she is completely comfortable with working with you. District General Manager Winqest said that your 2 rating cannot be denied and that he has invested a tremendous amount of time in their working relationship and that based on the amount of time, he would appreciate a better understand of the items that were stated as it was very insulting and some of these things are absolutely false. He really hopes that he and Trustee Schmitz can work together and that he would relish that opportunity. Thank you to Dr. Mathis for working with him and again thanked all 4 Trustees. Board Chairman Callicrate said thank you to Dr. Mathis and that he acknowledges that there are things that we need to work on. Thank you for all the work.

**H.3. SUBJECT: Review and discuss goals for the District's General Manager, as suggested by the Board of Trustees, for Fiscal Year 2022/2023 (Conducted by Dr. Bill Mathis)**

***Recommendation for Action:* There is none at this time however this item will be coming back at a future date for adoption.**

District General Manager Winqest said that the process we discussed is to discuss at the June 29 meeting and then take formal action. Trustee Schmitz said the meeting on June 29 is a huge agenda and that perhaps we could take some of the policy items and group them because the others are very

important projects and that she doesn't want to be pushing time so please review that agenda and see if there are things could be moved.

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

**I.1. Meeting of May 10, 2022**

District Clerk Susan Herron stated that Trustee Schmitz identified a typographical error which was corrected and submitted to the Board prior to this meeting; the website has been updated to reflect this change. Board Chairman Callicrate asked for any further changes; none were submitted so the meeting minutes of May 10, 2022 were approved as amended.

**J. FINAL PUBLIC COMMENTS\***

Bradley Mindlin said thank you for allowing him this opportunity and that he is a candidate for Trustee of the Board of IVGID, but more importantly, proud neighbor of Incline Village and Crystal Bay who is proud to be here. He has been watching the meetings on Zoom and been here in this room and that the behavior in this room is divisive and disgusting. Everybody he has been seeing has been working really hard which is good for the community. We should all have differences, if they have one view, they are not thinking, and we need to learn to work together. Notwithstanding the election, met with every opponent, except for 1 who doesn't want to meet with him, and he has made some really good friends. This is a hearing room and he is not here to advocate for issues other than those in front of the Board. He would like to say to everyone behave. He has been attacked via e-mails and that this is the not place so please go to his website and leave your phone number and he will talk to you as he is willing to talk to anyone. Finally, he would encourage everyone to read the sign behind the Board of Trustees.

Margaret Martini said she would like to concur 100% with Trustee Schmitz about people not writing what you say on such an important topic. What happened here was bad and every one of those comments should have to come back to those with their name at the top. No one has the right to speak for anyone else, especially as important as is was. It was very wrong of the General Manager to address Trustee Schmitz with that number. She doesn't know how much you paid that guy but it was too much.

Gail Krolick apologized for her earlier outburst. Sitting here today, there were a lot of statements and that she is hoping that there might be a way to address the important comments and questions in order to set the record

straight as the circle needs to be completed. Thank you to the General Manager as she remembers sitting and giving evaluations in the public so kudos to him. As to the confusion on the process, it appears to be a different methodology. She sees quotes throughout and 4 Trustees agree and 1 says no. She doesn't understand how 4 Trustees can be on board and while she respects Trustee Schmitz she doesn't agree with her and that she agrees with Trustee Wong when she said that one of the biggest jobs of a Trustee is to give feedback to the General Manager. She was really disappointed tonight and feels that Trustee Schmitz should have defended it a bit and that she doesn't understand why Trustee Schmitz didn't.

Peter Morris said he has a comment and that is to complement the Board and Dr. Mathis on that review and that he was really astounded by Dr. Mathis on giving that feedback. He hopes that Dr. Mathis can continue his work as he can really help the Board. Two things really struck him – set clear and concise goals and then it becomes a much less of a general review and becomes more specific. He would like to see some money for an executive coach for the General Manager as no one that acts as a coach to the General Manager so please get that in the budget. Sorry to hear about Trustee Schmitz' health issues and that he would recommend as well as the coaching, maybe some personal coaching or counseling that might help. Further, he thinks that Trustee Schmitz is back peddling to Dr. Mathis in the way he recorded it and that you don't have the guts to say that was all wrong. You could have stepped up to the plate and said it tonight and that would have made it more definitive. Given that Dr. Mathis said that the review score information was in writing, it becomes a public record, and that he shall be making a public request for back and forth with Dr. Mathis. Trustee Schmitz, please do get some help.

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

The meeting was adjourned at 8:50 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 Clifford F. Dobler – IVGID Board of Trustee meeting 6-8-2022

Submitted by Ijosa Dobler – Public Comments, Board Meeting June 8, 2022

Submitted by Aaron Katz – Written statement to be included in the written minutes of this June 8, 2022 regular IVGID Board meeting – Agenda Item C – Public Comments – It’s not just the District’s Finance Director who skews the truth to protect his public employee colleagues, it’s the Board’s Clerk who also doubles as the District’s Public Records Office (“PRO”)

Submitted by Aaron Katz – Written statement to be included in the written minutes of this June 8, 2022 regular IVGID Board meeting – Agenda Item C – Public Comments – The District’s Finance Director is the same liar all prior Finance Directors have been

Submitted by Frank Wright – E-mail dated Thursday, June 9, 2022

Public Comment - Clifford F. Dobler - IVGID Board of Trustee meeting 6-8-2022

General Business item #1 - Waste water storage ponds <sup>History</sup> 9 year ~~timeline~~.

In October 2013, the Nevada Department of Environmental Protection found management practice violations for improper operations and maintenance of waste water ponds, shut them down, and requested a plan to line pond #1.

One year later, IVGID provided NDEP a temporary solution and ended up spending \$678K to obtain a permit.

In March 2018, the Board authorized taking \$1 million from the Pipeline set aside to line Pond #1.

In June 2018, it was found that rather than lining Pond #1, \$788K was spend on a variety of items mostly chasing funding rainbows. In November 2018, Staff finally confessed that they did nothing on the pond.

In September 2018, Jacobs was given \$39K to provided 4 design choices ranging from \$500K to \$3.2 million to line pond #1. The Board approved nothing but staff decided on a \$1.1 million alternative.

In May 2020, Staff again took \$1.55 million from the Pipeline set aside for anticipated Pond lining costs in 2021.

In June 2021, Jacobs was awarded another \$36K to explore alternatives for Pond #1 which was already done two years earlier. No budget existed, so money was taken from the pipeline set aside.

In September 2021, Staff decided to dump the Pond #1 alternates and rushed to award Jacobs another \$425K to complete final plans on Pond #2, which was then abandoned because of prohibited cost estimates, and then jumped back to Pond #1 wasting \$330K.

In February 2022 Jacobs issued Pond #1 revised estimates from \$6.5 million to \$8.3 million.

Well aware of these increased estimates, Staff deliberately prepared a Utility Rate Study and the 2022/2023 budget providing only \$4.55 million for developing Pond #1.

Tonight, Staff is asking the Board to select the \$6.8 million pre stressed concrete alternative for Pond #1. Since \$330K was wasted on Pond #2, only \$4.2 million of the budget is available and **a shortage of \$2.6 million exists**.

14 days ago, the Board agreed to transfer \$1.6 million from the General Fund to the Utility Fund specifically for the Effluent Pipeline but **NOTHING** for the pond

According to Jacobs, Pond #1 will be completed within the next 12 months.

How will this \$2.6 million shortage be funded when the Utility Fund cash reserves are minimal at the end of 2023? Will the Board again take money from the pipeline set aside.

The wastewater discharge permit from NDEP expired last year on June 20, 2021? Has that been renewed?

This written statement is to be made part of the meeting minutes

*"Giving government money and power is like giving car keys and whiskey to a teenager"*

**Iljosa Dobler, 995 Fairway Blvd. Public Comments, Board Meeting June 8, 2022.**

**To be included in the minutes of this meeting.**

**I'd like to address some of the comments made at the last board meeting,**

**One speaker was outraged at the way some citizens complained about the staff and management. I guess when reviewing the design for lining Pond #2 and the related Dam, we should be more understanding and THANK management for not completing the design because they did not consider impervious coverage requirements, thereby only wasting \$330,000 instead of probably \$425,000 when the design was abandoned in favor of proceeding with Pond #1.**

**Also it was stated that we should support out trustees, since after all, we voted for them. No we didn't.**

**The Tim Callicrate we voted for promised to follow board policy : which didn't happen ,and also rotate the Chairmanship of the board, so that all trustees could be involved. But, after he became Chairman or should I say "Master of Ceremonies," he would not even consider relinquishing his position and power.**

**Then instead of reappointing Trustee Schmitz to continue her diligent work on the Audit Committee, which according to Board Policy 15.1 states: " appointing trustees to serve successive years increases continuity and allows for knowledge retention", Callicrate along with Tonking (who sponsored revisions to the Audit Committee Charter) appointed Wong to the committee, knowing full well she can only serve 6 months, when 1 year is standard, throwing Schmitz overboard**

**If you recall, most of the accounting irregularities occurred when Wong was aa Audit committee member. She chose to ignore board policies, reporting requirements .and citizen's observations of questionable accounting. The CPA firm of Moss Adams came up with numerous recommendations as did this current Audit committee. Why appoint her?**

**Trustee Wong, so as not to seek more embarrassment, did not want any consultants to come in and review the financials and then attempted, by slanderous name calling, to remove a member of the Audit Committee that discovered several misstatements. There is no way she can escape the prior period adjustments recommended by Moss Adams which occurred during her watch. Why would she be appointed to the Audit Committee after failing for so many years? Do you really think these 3 trustees are looking out for citizens interests? I don't think so.**

**Trustee Tonking, you criticized the Board for not approving any capital projects. What might those be? It's up to staff to present projects to the Board for approval. With the exception of lobbyists, consultants and psychiatrists, I've seen NONE recently.**

**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JUNE 8, 2022 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – IT’S NOT JUST THE DISTRICT’S FINANCE DIRECTOR WHO SKEWS THE TRUTH TO PROTECT HIS PUBLIC EMPLOYEE COLLEAGUES. IT’S THE BOARD’S CLERK WHO ALSO DOUBLES AS THE DISTRICT’S PUBLIC RECORDS OFFICER (“PRO”)**

**Introduction:** At the Board’s May 26, 2022 Board meeting our Public Works Director, Brad Underwood, presented a lot line adjustment request<sup>1</sup>. Basically the owner of APN 126-273-04 asked that IVGID consent to the conveyance of its adjacent APN 126-273-02 parcel, after which the owner proposed granting back partial use in the form of an easement. Staff admits that:

The owner approached Public Works with its proposal;

In response, Public Works reviewed the proposal;

In response, Public Works staff conferred with TRPA;

Public Works then agendized this matter for hearing before the Board;

Mr. Underwood drafted the staff memorandum and attachments<sup>2</sup>; and,

Mr. Underwood appeared at the May 26, 2022 Board meeting to present the proposal and answer questions.

Several days later, on May 29, 2022, I submitted a public records request to examine records evidencing the internal services/public works staff time billed to other departments associated with this property owner’s proposal<sup>3</sup>. I asked “to examine the records billing out (staff’s) time.” And the time spent preparing Mr. Underwood’s memo. And the time spent actually presenting this agenda item to the Board.

And as you will see, Ms. Herron has refused. To her no such records exist.

**Ms. Herron’s E-Mail of June 6, 2022<sup>3</sup>:** Instead of providing any of the requested records for my examination, Mr. Herron gave a summary based on hearsay secured from staff. This did not comply with NRS 239.0107(1) which states that:

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<sup>1</sup> See pages 365-368 of the packet of materials prepared by staff in anticipation of the Board’s May 26, 2022 meeting [“the 5/26/2022 Board packet” ([https://www.yourtahoeplace.com/uploads/pdf-ivgid/l.1.\\_-\\_General\\_Business\\_-\\_Lot\\_Line\\_Adjustment.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/l.1._-_General_Business_-_Lot_Line_Adjustment.pdf))].

<sup>2</sup> These documents are attached as Exhibit “A” to this written statement.

<sup>3</sup> An e-mail string pertaining to this request is attached as Exhibit “B” to this written statement. The matter alluded to is contained in this e-mail string.

“Not later than the end of the fifth business day after the date on which the person who has legal custody or control of a public book or record of a governmental entity receives a written or oral request from a person to inspect, copy or receive a copy of the public book or record, a governmental entity *shall* do one of the following, as applicable:

(a) Except as otherwise provided in subsection 2, allow the person to inspect or copy the public book or record or, if the request is for the person to receive a copy of the public book or record, provide such a copy to the person.

(b) If the governmental entity does not have legal custody or control of the public book or record, provide to the person, in writing:

(1) Notice of the fact that it does not have legal custody or control of the public book or record; and

(2) The name and address of the governmental entity that has legal custody or control of the public book or record, if known.

(c) Except as otherwise provided in paragraph (d), if the governmental entity is unable to make the public book or record available by the end of the fifth business day after the date on which the person who has legal custody or control of the public book or record received the request:

(1) Provide to the person, in writing, notice of the fact that it is unable to make the public book or record available by that date and the earliest date and time after which the governmental entity reasonably believes the public book or record will be available for the person to inspect or copy or after which a copy of the public book or record will be available to the person. If the public book or record or the copy of the public book or record is not available to the person by that date and time, the governmental entity shall provide to the person, in writing, an explanation of the reason the public book or record is not available and a date and time after which the governmental entity reasonably believes the public book or record will be available for the person to inspect or copy or after which a copy of the public book or record will be available to the person.

(2) Make a reasonable effort to assist the requester to focus the request in such a manner as to maximize the likelihood the requester will be able to inspect, copy or receive a copy of the public book or record as expeditiously as possible.”

**My E-Mail Response of June 6, 2022<sup>3</sup>:** I objected and asked Ms. Herron comply with the Nevada Public Records Act (“NPR”). I specifically made reference to the fact she could redact those portions of the owner’s utility bill to make available the portions which are not confidential, and she could provide the bills prepared by internal services staff given both Mr. Underwood and Ms. Nelson have stated on numerous prior occasions that they actually prepare “bills.” I asked for other matters as well which can be gleaned from the e-mail itself.

**My E-Mail Follow Up of June 7, 2022<sup>3</sup>:** As we approached the time limit that I had given Ms. Herron to produce the requested records for my examination, I sent a follow up e-mail to GM



Winquest and the Board putting both on notice that if they did not intervene to compel Ms. Herron to provide the records requested, I intended to hold both liable as accessories.

**Ms. Herron's E-Mail of June 7, 2022<sup>3</sup>:** at 1:18 P.M. Ms. Herron provided a redacted utility bill which identified a \$135 "inspection/plan" fee<sup>4</sup>.

**My E-Mail Response of June 7, 2022<sup>3</sup>:** at 2:02 P.M. Again I objected. Where were the remaining records I had asked to examine? And where was the portion of Water Ordinance which permits assessment of an inspection/plan fee when there is no request for a water connection?

**Ms. Herron's E-Mail of June 7, 2022<sup>3</sup>:** at 2:22 P.M. Here Ms. Herron refused to provide in any additional records for my examination.

**The District's Water Ordinance<sup>5</sup>:** The only portion of the District's Water Ordinance which provides for "plan check fees" is ¶15.18(E)<sup>6</sup>. This plan check fee applies "at the time of issuing (a) permit for a water connection." Given here the lot line adjustment request had nothing to do with issuing a permit for a water connection, it was and is not an appropriate charge to be included on a District water customer's bill.

Moreover, staff have previously revealed that their unreimbursed time is billed out at \$160/hour for Mr. Underwood. If he spent 1½ hours reviewing this property owner's proposed lot line adjustment plans, the District's cost was \$240. Yet by billing out \$135, the public was shorted.

**Conclusion:** When Mr. Underwood came to the Board and represented that internal services staff time is billed to the department requesting the service, was he not telling the truth? When Ms. Nelson came to the Board and represented that internal services staff time is billed to the department requesting the service, was he not telling the truth? If they were telling the truth, where are the bills? How much was billed to the departments requesting the subject lot line adjustment services? What services were actually provided (where's the description), and by who? To where was it billed? In other words, where are the records of the chart of account numbers where these services were billed? Where in the Water Ordinance is the subject kind of bill authorized (i.e., for non-water connection permit plans)? So isn't Ms. Herron the same type of liar and concealer Mr. Navazio is?

And what do you Board members intend to do about it, if anything? As long as you do nothing, these NPRA violations continue to occur. And at the end of the day Ms. Herron's boss is responsible as an enabler and accessory. And now that I have brought the matter to your attention, unless you do something, each of you is an enabler and accessory as well. Ultimately the Board is responsible for Ms. Herron's employment and retention (see NRS 318.180)/failure to retain. If Indra won't do his job, then the task is on each of you to do it on his behalf.

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<sup>4</sup> That utility bill is attached as Exhibit "C" to this written statement.

<sup>5</sup> Go to [https://www.yourtahoeplace.com/uploads/pdf-ivgid/Ordinance\\_4\\_-\\_04102019\\_Resolution\\_1867.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/Ordinance_4_-_04102019_Resolution_1867.pdf).

<sup>6</sup> This portion of the District's Water Ordinance is attached as Exhibit "D" to this written statement.

And also on tonight's agenda, we have consideration of a merit raise for our GM. Since he refuses to do his job insofar as Mr. Herron is concerned, why would anyone in his/her right mind consider a merit raise? Are you people out of your minds?

And to those asking why their Recreation ("RFF")/Beach ("BFF") Facility Fees are as high as they are, now you have another example.

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

**EXHIBIT "A"**

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Indra Winquest  
District General Manager

**FROM:** Brad Underwood, P.E.  
Director of Public Works

**SUBJECT:** Lot Line Adjustment – Buchholz Trust (APN 126-273-04)  
and IVGID (APN 126-273-02)

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

**DATE:** May 25, 2022

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**I. RECOMMENDATION**

That the Board of Trustees makes a motion to authorize property owner of 775 Fairview Boulevard (APN 126-273-04) to further investigate and refine details of a Lot Line Adjustment (LLA) and return to the Board for formal approval.

**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 venues, facilities and services.

- Maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure, and construct District assets to ensure safe and accessible operations for the public and the District's workforce.

**III. BACKGROUND**

The Buchholz own property adjacent to an IVGID parcel on which a water tank and water line exist. The Buchholz property is approximately 15 acres and has two existing single family homes. The Buchholz have approached Public Works to utilize the IVGID property to perform a Lot Line Adjustment to create a boundary separating the two homes. The Buchholz would then dedicate an exclusive easement back to IVGID for the water tank and water line facilities.

The first home on the property was constructed in 2001. The second home was built in 2009 as an Accessory Dwelling Unit (ADU). Public Works staff conferred

with TRPA who indicated that when the ADU was approved, it was conditioned on a restriction that the parcel could not be divided. Therefore, the only mechanism for the Buchholz to divide their property to create separate parcels for each home is to utilize the LLA process through Washoe County.

Public Works has reviewed this request and has determined that maintenance of the District's water facilities could equally occur whether the parcel is owned by IVGID or accessed through an exclusive easement. As part of the property owner's investigation, Public Works will require a survey of existing IVGID property and, as part of that survey, identification of the actual location of the existing water line.

In authorizing the Buchholz to further investigate and refine the details of the LLA, their representatives would proceed with an appraisal. This appraisal would include the current market value of the IVGID property and the value of an exclusive easement. It is anticipated that IVGID would be paid the difference between these two values in exchange for allowing use of IVGID property for the LLA. Once the appraisal is complete, this information would be brought before the Board of Trustees for their final approval to allow the use of IVGID property for the LLA and accepting the exclusive easement.

#### **IV. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute 332.115.

#### **V. FINANCIAL IMPACT AND BUDGET**

The fiscal impact is unknown at this time. The applicant will be required to perform an appraisal to determine the financial impact of using IVGID property to achieve the Lot Line Adjustment to divide their property and provide IVGID an exclusive easement.

#### **VI. ALTERNATIVES**

Do not allow the applicant to use IVGID property for purposes of achieving a Lot Line Adjustment to divide their property.

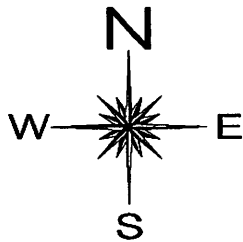
#### **VII. BUSINESS IMPACT**

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

Attachments:

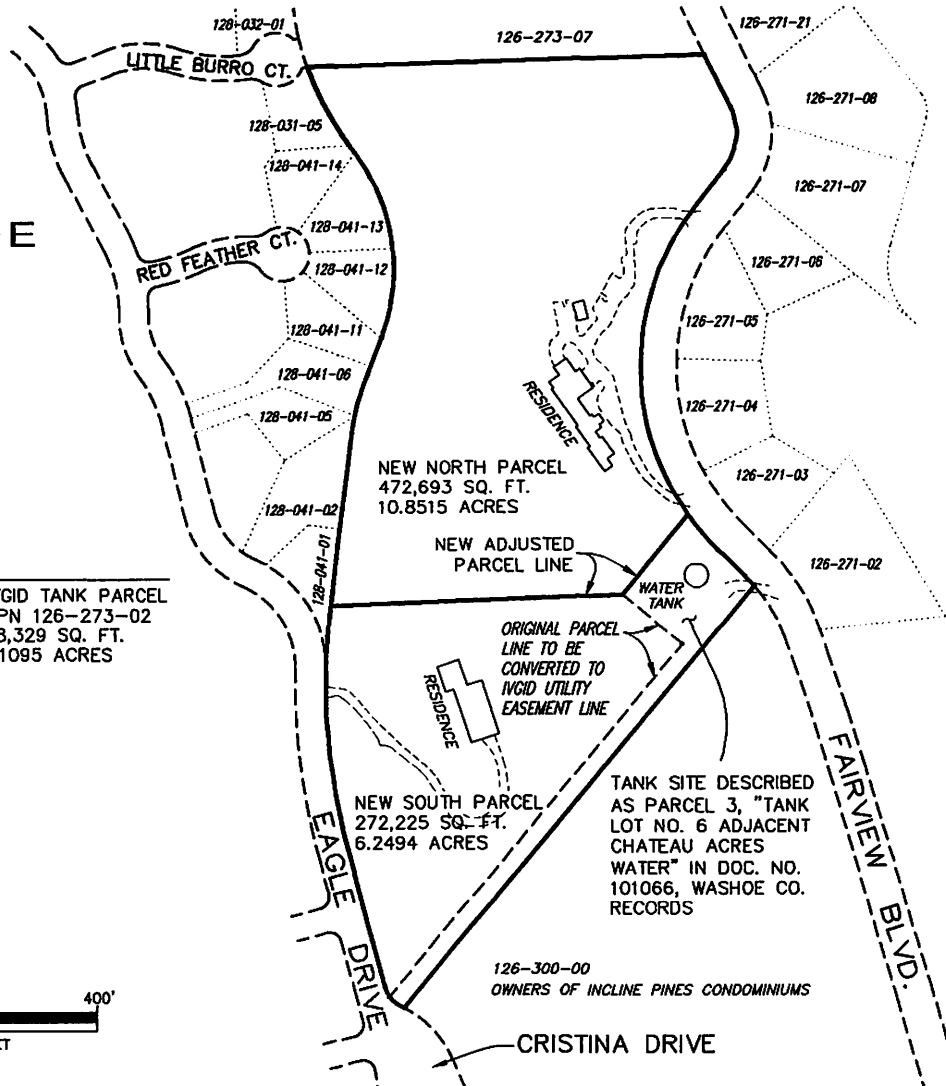
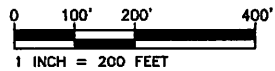
- A – IVGID Parcel Map
- B – Buchholz Site Map





**EXISTING AREAS**

BUCHHOLZ PARCEL APN 126-273-04 696,589 SQ. FT. 15.9915 ACRES	IVGID TANK PARCEL APN 126-273-02 48,329 SQ. FT. 1.1095 ACRES
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NEW NORTH PARCEL  
472,693 SQ. FT.  
10.8515 ACRES

NEW ADJUSTED  
PARCEL LINE

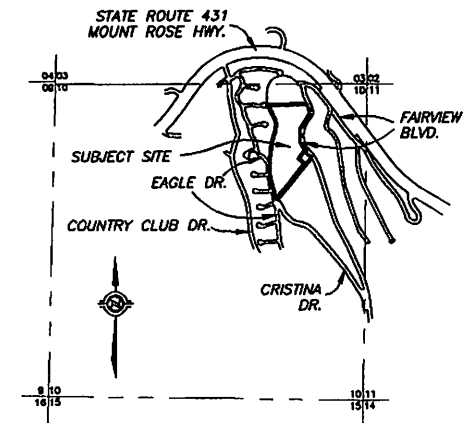
ORIGINAL PARCEL  
LINE TO BE  
CONVERTED TO  
IVGID UTILITY  
EASEMENT LINE

NEW SOUTH PARCEL  
272,225 SQ. FT.  
6.2494 ACRES

TANK SITE DESCRIBED  
AS PARCEL 3, "TANK  
LOT NO. 6 ADJACENT  
CHATEAU ACRES  
WATER" IN DOC. NO.  
101066, WASHOE CO.  
RECORDS

126-300-00  
OWNERS OF INCLINE PINES CONDOMINIUMS

CRISTINA DRIVE



**VICINITY MAP**

POR. OF THE NE 1/4 OF SEC. 10, T16N R18E MDM.  
INCLINE VILLAGE, NV (NO SCALE)

**EXHIBIT PLAT**

PROPOSED BOUNDARY LINE ADJUSTMENT  
PARCEL 2, PARCEL MAP No. 613,  
PER GRANT DEED DOC. No. 2165961,  
APN 126-273-04, 775 FAIRVIEW BOULEVARD, AND  
PARCEL 3, "TANK LOT NO. 6 ADJACENT CHATEAU  
ACRES WATER" PER "GRANT OF EASEMENTS"  
DOC. NO. 101066, APN 126-273-02  
INCLINE VILLAGE, WASHOE COUNTY, NEVADA.

PREPARED BY:  
LANCASTER LAND SURVEYS  
930 TAHOE BLVD 803-118  
INCLINE VILLAGE NV 89451  
(775) 721-3118  
05 FEB 2021

200321\_InitialExhibit-200.dwg

ATTACHMENT B

**EXHIBIT "B"**



## RE: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

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**From:** <s4s@ix.netcom.com>  
**To:** "Susan A. Herron" <Susan\_Herron@ivgid.org>  
**Cc:** "Indra Winquest" <ISW@ivgid.org>, "Tim Callicrate" <callicrate\_trustee@ivgid.org>, "Matthew Dent" <dent\_trustee@ivgid.org>, "Kendra Wong" <Wong\_trustee@ivgid.org>, "Sara Schmitz" <trustee\_schmitz@ivgid.org>, "Michaela Tonking" <tonking\_trustee@ivgid.org>  
**Subject:** RE: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)  
**Date:** Jun 7, 2022 3:30 PM

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Where are the bills from PW/Internal Services to other departments allegedly receiving these services?

Where is the water ordinance provision which calls for the billing staff allegedly made on the Buchholz's utility bill? And BTW, this property owner has TWO DWELLING UNITS. Is there one common utility bill and you only provided one of them?

Where was the cost of the time billed? In other words, the chart of account numbers assigned to the billing?

Where is the breakdown of the work performed and by who and at what rate for the 2.5 hours you disclose were expended?

Where are is job description for PW Director?

Where is the job description for Chief Engineer?

So how can you possibly respond "there are no further public records to provide?"

Board. Got it?

This is an example of the NON-Transparency crap and concealmet the public is put through. Ms. Herron is hiding the staff DIRT that goes on every day insofar as Internal Services is concerned. The Department should be TERMINATED and the FUND eliminated. Because it is a source for much of the fraud in this district. A third party forensic audit should be performed of everything charged to Internal Services. That's the only way we'll get to the truth. Either force Ms Herron to come clean with the requested docs, or schedule a meeting to consider her termination as an IVGID employee (something I have requested several times before), or just do nothing and I'll file my OAG complaint. And against each Board member and Indra as an accessory because you do nothing. Take you pick.

Respectfully, Aaron Katz

—Original Message—

From: Susan A. Herron

Sent: Jun 7, 2022 2:22 PM

To: 's4s@ix.netcom.com'

Cc: Indra Winquest , Tim Callicrate , Matthew Dent , Kendra Wong , Sara Schmitz , Michaela Tonking

Subject: RE: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Mr. Katz,

It is my understanding that the work occurred prior to the billing rates being changed and thus the billing rate was \$90 per hour so 1.5 hours is \$135. As the District General Manager told you, in a separate e-mail, Director of Public Works Underwood interacts with customers as part of his job. There are no further public records to provide to you.

Enjoy the rest of your day.

Susan

—Original Message—

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

Sent: Tuesday, June 7, 2022 2:02 PM

To: Susan A. Herron

Cc: Indra Winquest ; Tim Callicrate ; Matthew Dent ; Kendra Wong ; Sara Schmitz ; Michaela Tonking

Subject: Fw: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Thank you.

But where are the other records Ms Herron?

And for the record, your records don't compute.

The redacted bill provided indicates an inspection/plan fee of \$135 was assessed. Previously Indra informed me that our PW Director's staff time is billed out at \$160/hour. And our Engineer's staff time is billed out at \$130/hour. Below you have represented that "1.5 of those hours were billed to the property owner via their April utility bill per the approved fee schedule." Well that means the property owner should have been billed \$240 or \$195 for his "inspection/plan fee." So the public was shorted. If not, show me where I am wrong.

Let's go to your assertion the billing was "per the approved fee schedule." Did you even look at the fee schedule? Well I did (see page 127 of the 4/27/2022 Board packet). And the billing rate is \$100/hour. So for 1-1/2 hours, again the public was shorted. If not, show me where I am wrong.

But the public was shorted even more! I asked you where in the water/sewer ordinance(s) it is appropriate to bill out consideration of a lot line adjustments? Or a parcel sale? And you never answered. So I found section 5.18(E) of the water ordinance. This is the one which provides for plan check fees. But they only become relevant when a proposed utility customer is seeking a "water connection." The relevant plans are those "affecting water/sewer systems." Here the homeowner's request/plans had NOTHING to do with a water connection. Nor did it have anything to do with something affecting the District's water/sewer systems per se. According to staff it was nothing more than a "lot line adjustment." And according to me it was nothing more than a proposed sale of real property combined with an easement back. There was no authority to in the water ordinance bill the homeowner ANYTHING.

Now if the homeowner doesn't balk and he pays the charge, my only complaint will be that STAFF DIDN'T CHARGE ENOUGH! But if staff had billed me, I wouldn't pay for the reasons noted.

And although I don't believe you when you represent staff only spent 2.5 hours on the subject request, why wasn't the property owner billed the full 2.5 hours? Who was charged the remaining unreimbursed staff time? What was the chart of account number assigned for the remainder of those charges? And how would any of the public know what staff was doing behind closed doors if I were not pressing the subject? And why am I pressing? Because it's everything you and your colleagues do. And then members of our community ask why staff just can't seem to run anything at a financial break even. And it's because of stuff like this.

Which brings me back to staff billing and payment for unreimbursed staff time on this matter. I want to see what work was done, how long it took, who is it that did the work, what was the billing rate, what out of pocket costs were advanced

if any, and to what department(s) this work was charged, what was the chart of account number(s), etc.

And why? Because I don't believe you and your hearsay. Staff represented they bill other departments. So produce the bills. Are they forthcoming and if so when? Or are you going to tell me what I suspect is the case. THERE IS NO BILLING and for this reason, you have no records to make available for examination?

Thank you for your cooperation. Aaron Katz

-----Forwarded Message-----

From: Susan A. Herron

Sent: Jun 7, 2022 1:18 PM

To: s4s@ix.netcom.com

Cc: Tim Callicrate , Matthew Dent , Kendra Wong , Sara Schmitz , Michaela Tonking , Indra Winqest

Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Mr. Katz,

Here is the water bill where the billing occurred.

Susan

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

From: Indra Winqest

Sent: Tuesday, June 7, 2022 1:03 PM

To: s4s@ix.netcom.com; Susan A. Herron

Cc: Tim Callicrate ; Matthew Dent ; Kendra Wong ; Sara Schmitz ; Michaela Tonking

Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Mr. Katz -

Staff is working on this. However, I want to make one thing clear. Mr. Underwood as a Director level staff has the responsibility and requirement to work with our community members/parcel owners at times. This is a component of these positions and a common practice everywhere. If it were you personally were requesting information or anything else on a similar matter, the same courtesy would be extended to you as well.

Indra

Indra Winqest

General Manager

Incline Village General Improvement District

893 Southwood Blvd, Incline Village NV 89451

P: 775-832-1206

F: 775-832-1380

isw@ivgid.org

<http://www.yourtahoepace.com>

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

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]  
Sent: Tuesday, June 7, 2022 9:49 AM  
To: Susan A. Herron  
Cc: Indra Winquest ; Tim Callicrate ; Matthew Dent ; Kendra Wong ; Sara Schmitz ; Michaela Tonking  
Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Indra and IVGID Board members -

So obviously Ms. Herron is being the obstructionist she really is.

As we approach 2 P.M., I am giving both of you the opportunity to step in and compel Ms. Herron to comply with the NPRA. That is, to make the records I have requested available for my examination. Because if you don't, I intend to name all of you as accessories. You both have the opportunity to do something. So I ask you do your jobs!

The issue is straightforward. I have asked to examine public records. Ms. Herron has refused. She admits records exist, and more than five (5) business days have elapsed. Other than Ms. Herron's intentional concealment to protect her public record colleagues, exactly who is driving this bus?

Respectfully, Aaron Katz

—Original Message—

From:  
Sent: Jun 6, 2022 3:54 PM  
To: Susan A. Herron  
Cc: , Callicrate, Tim , Dent, Matthew , Wong, Kendra Trustee , Schmitz, Sara , Tonking, Michaela  
Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Did I ask you for your verbal answers to interrogatories?

I asked for records and I want to examine records. Your fellow staff have represented they bill out. So let's see the bill(s).

And for the record, I don't believe what you have allegedly been informed by staff. So the only way to confirm the truth is to see the records.

And I guess it was just inadvertant that you failed to share to what departments this staff time was billed on the District's financial reporting system..

And I'd like to see where in the water/sewer ordinance authorizes staff time charges for a lot line adjustment requests and at what amounts. This request had nothing to do with water or sewer service per se. event.

And insofar as the property owner's utility bill is concerned, you can legitimately provide the same as a record and redact everything other than the entry you represent was billed to the property owner for this lot line adjustment work which is not confidential. I want to see how it was described and at what rate billed on the bill itself. Why? Because I don't believe you or your staff.

You've got 24 hours to provide the requested records of I'll file a criminal complaint.

And I'm sending this to the Board.

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]  
Sent: Tuesday, June 7, 2022 9:49 AM  
To: Susan A. Herron  
Cc: Indra Winquest ; Tim Callicrate ; Matthew Dent ; Kendra Wong ; Sara Schmitz ; Michaela Tonking  
Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Indra and IVGID Board members -

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From:  
Sent: Jun 6, 2022 3:54 PM  
To: Susan A. Herron  
Cc: , Callicrate, Tim , Dent, Matthew , Wong, Kendra Trustee , Schmitz, Sara , Tonking, Michaela  
Subject: RE: Records Request - Internal Services Staff Time Expended on 5/26/2022 Agenda Item I(1)

Did I ask you for your verbal answers to interrogatories?

I asked for records and I want to examine records. Your fellow staff have represented they bill out. So let's see the bill(s).

And for the record, I don't believe what you have allegedly been informed by staff. So the only way to confirm the truth is to see the records.

And I guess it was just inadvertant that you failed to share to what departments this staff time was billed on the District's financial reporting system..

And I'd like to see where in the water/sewer ordinance authorizes staff time charges for a lot line adjustment requests and at what amounts. This request had nothing to do with water or sewer service per se. event.

And insofar as the property owner's utility bill is concerned, you can legitimately provide the same as a record and redact everything other than the entry you represent was billed to the property owner for this lot line adjustment work which is not confidential. I want to see how it was described and at what rate billed on the bill itself. Why? Because I don't believe you or your staff.

You've got 24 hours to provide the requested records of I'll file a criminal complaint.

And I'm sending this to the Board.

**EXHIBIT "C"**

Last: Buchholz

IVGID Public Works . 1220 Sweetwater . Incline Village NV 89451 . OFFICE HOURS: M-F 8 AM to 4:30 PM  
24 HR P: (775) 832-1203 . F: (775) 832-1260 . EMAIL: PW@IVGID.ORG . WWW.IVGIDPUBLICWORKS.ORG

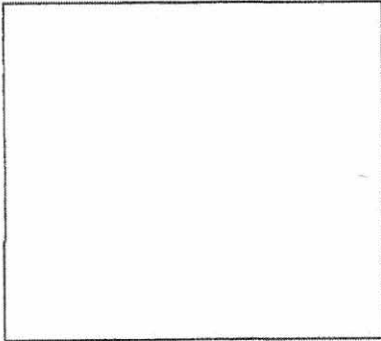
# DRINK TAHOE TAP®

MISCELLANEOUS CHARGES  
Inspection/Plan Fee \$135.00

CONSUMPTION FOR MEDIAN SINGLE FAMILY USER DURING CURRENT MONTH: 1,550

The Board adopted new rates at the April 27, 2022 meeting, which are effective on the May 2022 statement. The 2022 Rate Study and Presentations are available on our website: <https://www.yourtahoeplace.com/public-works/rates-billing/about-rates-billing>.

Service Address	Billing Start Date	Billing End Date
	05/19/2022	06/18/2022



Online Account Access is available on our website! Use it to view your current balance, update your mailing address and contact information, view statements and meter reads, or make payments.

Never forget a payment again! It is FREE to sign up for auto payment of your bill from a checking account. Visit our website or contact our office for more information.

Visit our website for detailed information on rate studies, charge descriptions & how to read your bill.

Delinquent charges shall be subject to a 10 % penalty. Charges become delinquent the day after their due date. Late fees are charged if payment is not received by the last day of the month it was due.

Email addresses which have been provided on accounts will be used to send out courtesy notifications from Public Works. If you wish to add/remove your email please contact our office.

PLEASE KEEP THIS PORTION FOR YOUR RECORDS

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT



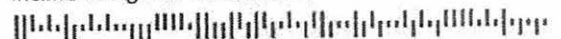
IVGID Public Works  
1220 Sweetwater Rd  
Incline Village NV 89451-9214

Service Address  
Account Number  
Due Date  
Amount Due  
Amount Enclosed

Please, No staples or paperclips

Remit to:

IVGID Public Works  
1220 Sweetwater Rd  
Incline Village NV 89451-9214



03115401020000249553

**EXHIBIT "D"**





to the new connection fee rate. Previously paid connection fees for service are non-refundable in all situations including reversion to acreage. Payment of connection fees constitutes acceptance of a new service connection application by the District. No fees will be refunded after connection.

- A. **Units Inside of District.** Water connection fees shall be charged as shown in the current Schedule of Service Charges. Each dwelling of multiple dwellings on a single parcel shall constitute a separate unit. Mixed use services that has been determined to be billed as residential will be billed one connection charge for each residential unit and each equivalent residential unit per 39 fixture units of commercial service. Fractions will be rounded to nearest whole number, example: 58 fixture units = 1.49 and rounded to 1.0 units, 59 fixture units = 1.51 and rounded to 2.0 units. The minimum equivalent residential unit amount shall be 1.0, (one)
- B. **Fire Protection.** There are no connection fees for fire protection.
- C. **Units Outside of District.** Persons desiring connection of property located outside the District to the water system of the District shall pay to the District a connection charge at the rate of one and one-half (1½) times the minimum charge for a District customer. Nothing in this ordinance shall require the District to serve properties located outside the District.
- D. **Remodeling Connection Charges.** If remodeling necessitates upgrade of the water meter connection fees shall be charged equal to the fee for that meter size as described in Item A above minus the water connection fee for the existing meter size. All existing residential connections are deemed ¾ inch unless a connection fee has been paid to the District for an upgrade.
- E. **Plan Check Fee.** In accordance with the District's most recently adopted revision of the Uniform Plumbing Code, a plan check fee shall be required for all plans requiring the District's approval. Each plan revision requiring rechecking shall necessitate the charge of an additional plan check fee. Plan checking is performed for both water and sewer considerations concurrently. Only one plan check fee is collected per set of drawings, even if both water and sewer systems are affected. Plan check fees shall be invoiced at a rate as shown in the current Fee Schedule, and are subject to change from time to time at the discretion of the Director of Public Works.
- F. **Inspection Fee.** Inspection fees shall be at rate as shown in the current Fee Schedule.

5.19 **Subdivisions**

- A. **Application.** Any person desiring to provide a water system within a tract of land that he proposes to subdivide shall make written application to the District. Such application shall contain streets dedicated and accepted by the County and/or all utility extensions to service the project or subdivision.
- B. **Contents.** The application shall state the number of the tract, the name of the subdivision, and its location. It shall be accompanied by a copy of the final map, and of the plans, profiles and specifications for the street work therein.
- C. **Investigation.** Upon receiving the application, the District Engineer shall make an investigation and survey of the proposed subdivision and shall report his findings to the Board, including a recommendation as to the facilities required and the estimated cost of the proposed water system therefore.



from the date of such possession or the earliest date of occupancy which can be reasonably established. Where services are not metered, the quantity consumed will be estimated. If proper application for water service is not made upon notification to do so by the District, and if accumulated bills for service are not paid immediately, the service may be discontinued by the District without further notice.

**5.15 Connection to System Required Within 540 Days of Application**

Any application that has been accepted by the District shall be considered vacated if the Applicant fails to commence construction and connection to the District's water system within 540 days of such acceptance. The fees collected for such application shall be returned to the Applicant, upon written request, and a new application and payment of fees will be required before service will be provided. Connection fees shall be charged at the rate in effect on the day of application for a Building Permit from Washoe County. Connection(s) not made within 540 days will be subject to the current rates in effect at the time of connection. Previously paid connection fees shall be credited to the new connection fee rate. Payment of connection fees constitutes acceptance of a new service connection application by the District. No fees will be refunded after connection.

**5.16 Changes in Use or Uses of Served Property**

Any changes in the use or uses of properties served by regular water service which may affect the service classification under which it is served or the number of fixture units served must have the prior approval of the District. Examples of such changes would be adding plumbing fixtures not previously approved in applying for service; modifying a residence to accommodate more single family units than were approved, changes to irrigation systems, or such other changes that would similarly change the character of the building and/or grounds. Such changes in use shall be subject to the Connection Charge as contained in Article 5 of this ordinance and payment of such charges shall be made upon application for such change. If such change is made without application, it shall be considered to have been made in conflict with Article 9.09 and subject to the same corrective measures.

Effective on May 1, 2017, all parcels proceeding through a building permit that changes the square footage or the mix of commercial and residential use on the premise will be evaluated as either commercial or domestic service and billed connection fees and water and sewer rates accordingly. Premises that have both residential and commercial use shall be billed as a commercial service if the total square footage of the occupied building space is greater than 50% commercial. Premises that have both residential and commercial use shall be billed as a residential service if the total square footage of the occupied building space is greater than 50% residential. Garages, sheds, and other auxiliary spaces are not used for this calculation.

**5.17 General**

All costs and expenses incident to the installation and connection of any water service or other work for which a permit has been issued shall be borne by the Applicant, and shall be in addition to all fees, service and connection charges provided for in the District Water Ordinance. The Owner shall indemnify District for any loss or damage that may directly or indirectly be occasioned by the work. All work shall be made by or be authorized by the District. Any new construction, addition, remodel, or demolition requiring the issuance of a Washoe County Building permit shall require written approval and final acceptance by a District Inspector.

**5.18 Connection Charge**

The following charges are hereby established and shall be collected at the time of issuing the permit for a water connection. Connection fees shall be charged at the rate in effect on the day of application for a building permit from Washoe County. Connections not made within 540 days will be subject to the current rates in effect at the time of connection. Previously paid connection fees shall be credited



**WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS JUNE 8, 2022 REGULAR IVGID BOARD MEETING – AGENDA ITEM C – PUBLIC COMMENTS – THE DISTRICT’S FINANCE DIRECTOR IS THE SAME LIAR ALL PRIOR FINANCE DIRECTORS HAVE BEEN**

**Introduction:** At the Board’s May 26, 2022 Board meeting I gave public comment alleging that since the District’s Central Services Cost transfers are primarily funded by the District’s Recreation (“RFF”) and Beach (“BFF”) Facility Fees, the costs they subsidize are likewise primarily paid for by the RFF/BFF. And since those costs have nothing to do with the just or reasonable costs the District incurs to make the District’s recreation and beach facilities merely available to be accessed and used by those parcels/dwelling units which are assessed, the RFF/BFF are based upon a bunch of lies! And in response, the District’s Finance Director, Paul Navazio, in essence accused me of lying.

After the Board meeting, on May 28, 2022, I sent the Board an e-mail backing up my accusations with fact calling Mr. Navazio and his GM mentor, Indra Winquest the real liars they both are. I challenged the Board to do something about it and if they didn’t, I stated I would share the truth with the public. And since the Board did nothing, I now submit this written statement.

**My E-Mail of May 28, 2022:** is attached as Exhibit “A” to this written statement. The reader can read it for him/herself to learn of the facts I have relied upon to conclude as I have.

**Staff’s Summary of 2022-23 Budgeted Revenues and Expenses to the General Fund:** is attached as Exhibit “B” to this written statement<sup>1</sup>. There the reader can see in black and white where I got the figures I did.

**Staff’s Central Services Cost Allocation Plan For 2022-23:** is attached as Exhibit “C” to this written statement<sup>2</sup>. There the reader can see in black and white where I got the figures I did.

**This Staff Propaganda Consists of the Same Lies Predecessor Staff Have Advanced For Decades:** Ever since my wife and I moved to Incline Village, the staff narrative has been the same. And it has been a lie.

**Which Means it is Imbedded Into IVGID’s “Culture:”**

**Why Does Staff Continue to Lie to the Public Insofar as the Staff’s Reporting of the District’s Finances Are Concerned?** Because if you the local parcel owner knew the truth, you’d never put up with it! And here’s the truth.

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<sup>1</sup> This summary appears at page 114 of the materials prepared by staff in anticipation of the Board’s May 26, 2022 meeting [“the 5/26/2022 Board packet” ([https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26\\_-\\_Rev\\_1-1.pdf](https://www.yourtahoeplace.com/uploads/pdf-ivgid/05-26_-_Rev_1-1.pdf))].

<sup>2</sup> See page 045 to the 5/26/2022 Board packet.

1. Insofar as staff are concerned, the purpose of IVGID is to provide over paying jobs and excessive benefits (including recreation) for themselves, their public employee colleagues, and their family/household members. Because according to them, they are the District's most important asset.

2. To justify the number of over paying jobs, rather than just administering the District's recreation venues for the benefit of local parcel owners, those venues are marketed to the world's tourists.

3. And because they're marketed to the world's tourists, their capacity must be far larger than that necessary for local parcel owners. Which includes ever expanding recreation venues. Which in turn requires more and more staff.

4. Meanwhile, our staff lack qualification and are incapable of operating these venues at a break even or on a positive cash flow basis. And rather than operating more efficiently or reducing expenses, staff mandate financial subsidies from local parcel owners. And those subsidies are mis-labeled thus hiding the real reasons for subsidization.

5. Understandably, local parcel owners want to see the financial performance of each of the District's recreation venues. They demand transparency and accountability.

6. But it's in staff's interest to downplay the extent of losses at these venues by calling them what they're not. And assigning them to more publicly palatable explanations (like capital infrastructure). In other words, a lack of transparency and deceit.

7. Which is what we have today.

**How Many Thousands of Public Dollars Have Already Been Spent on This Boondoggle That the Board Has Never Approved?** Every time our engineering staff do ANYTHING on matters like this, their time gets billed back to IVGID Departments benefiting from the matter. And the cost is outrageous. \$160/hour for Mr. Underwood's time, and \$130/hour for Ms. Nelson's. Given all the time and effort Mr. Underwood admits have been spent on this matter, the cost to the public has already been thousands of dollars. Plus there will be thousands of dollars in TRPA application and Washoe County fees. And for what? So the public can give up fee title to public lands and trade it for a lesser estate which won't allow the public to access and use this parcel? I have asked Indra for the costs but he has ignored my request. We all know why!

**My E-Mail of May 21, 2022:** On May 21, 2022 I sent an e-mail to Board members asking they remove this matter from the agenda, and that they vote NO! A copy of that e-mail is attached as Exhibit "A" to this written statement. For the reasons stated in the attached e-mail, I hereby reiterate these requests.

**Since Now We Have Evidence That Mr. Buchholz Has Two Homes on a Single Parcel Yet He is Only Paying One Rec/Beach Fee, the Time Has Come to Increase His Assessment Retroactive to 2009 When His Second Home Was Built:** Staff admit on page 365 of the 5/26/2022 Board packet that there

are two homes on a single parcel. Why then isn't this property being assessed multiple dwelling units? Board members. DO YOUR JOB as our fiduciaries!

**Conclusion:** One of the problems this District has is it believes it exists to parse out benefits to select special interests at the expense of the rest of us. And it's not fair. And Mr. Buchholz knows this. He built an ADU and as a condition, he agreed his parcel could never be subdivided. Now he attempts to accomplish through the back door what he can't through the front. Too bad! He knew this 13 years ago. So why does he suggest some foul now? And why is this the public's problem and not his? Why do public funds and time have to be expended on an issue which has nothing to do with the public? Furthermore, if our staff didn't waste their time on extraneous matters such as these, maybe they'd have time to attend to their legitimate jobs? Please summarily deny this application.

And to those asking why their Recreation ("RFF")/Beach ("BFF") Facility Fees are as high as they are, now you have another example.

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

**EXHIBIT "A"**

## Wake Up and Smell the Coffee Mrs. Bueller. Navazio is the Same Liar Gerry Eick Was!

---

**From:** <s4s@ix.netcom.com>  
**To:** "Callicrate, Tim" <tim\_callicrate2@ivgid.org>  
**Cc:** "Dent, Matthew" <dent\_trustee@ivgid.org>, "Wong, Kendra Trustee" <wong\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>, "Tonking, Michaela" <tonking\_trustee@ivgid.org>, "Schmitz, Sara" <schmitz\_trustee@ivgid.org>  
**Subject:** Wake Up and Smell the Coffee Mrs. Bueller. Navazio is the Same Liar Gerry Eick Was!  
**Date:** May 28, 2022 2:27 PM

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Chairperson Callicrate and Other Honorable Members of the IVGID Board -

No one likes to call his/her President a crook! But if the facts fit the narrative, that's what you do. And here the facts fit the narrative. Except it's IVGID's Finance Director.

Do you recall that Thursday night I represented that the District's central services cost transfers pay for the difference between revenues and ALL expenses assigned to the General Fund but for personnel and capital? And that if those expenses include attorney's fees or auditor fees or Dr. Bill feel good fees or Tri-Strategies lobbyist fees or League of Cities fees or fancy HR software fees, they're paid by central services cost transfers. And since central services cost transfers are funded by the RFF, BFF and the utility rates District water and sewer customers pay, these are really the income sources that pay for the attorney's fees or auditor fees or Dr. Bill feel good fees or Tri-Strategies lobbyist fees or League of Cities fees or HR software fees whose payments are assigned to the General Fund. In other words, insofar as the General Fund is concerned, central services cost transfers are the very same financial subsidy that the RFF is to the community services fund, and the BFF is to the beach fund.

And our Mr. Navazio stated I was wrong. Instead he repeated the same propoganda our staff always spew: that "eighty percent (80%) of...eligible costs of the Accounting budget is allocated based on budgeted non-personnel costs exclusive of capital and debt transfers," and "one-hundred percent (100%) of (the) costs of the Human Resources budget plus twenty percent (20%) of the eligible costs of the Accounting budget are allocated based on...full-time equivalent (FTE) positions" (see page 043 of last night's Board packet).

So here are the facts which I believe prove I was and am right.

Page 114 of Thursday night's Board packet depicts a statement of estimated 2022-23 sources and uses budgeted to the District's General Fund. That is \$4,117,002 of revenue, and \$6,773,405 of expenses. Yes I know the statement evidences only \$4,885,816 of expenses. But this number is deceitful and our Mr. Navazio knows this so well because \$1,887,589 of central services cost revenue is depicted as a negative expense. When this negative is reversed and removed from the equation, we're left with voila...\$6,773,405 of expenses just as I have represented!

Given budgeted personnel costs total \$4,279,462, and budgeted capital improvement costs total \$633,000, all remaining expenses assigned to the District's General Fund total \$1,860,943. And given there are \$1,887,589 of budgeted central services cost transfers, it's clear that this subsidy pays for all remaining operational expenses assigned to the General Fund and not just those assigned to Accounting and Human Resources functions as Mr. Navazio disingenuously represents.

So do those expenses include the District's auditing costs? And the legal fees the District incurs with Josh Nelson's firm

to attend Board meetings? And the legal fees the District incurs to defend litigation such as citizen Mark Smith's public records concealment lawsuit? And Dr. Bill trustee therapy sessions intended to get all of our trustees to work together? And expensive accounting and HR software? And the cost of their annual licensing? And Government Finance Officers Association ("GFOA") membership and conference attendance costs? And the funds necessary to replace the ad valorem tax revenue lost by Washoe County's offset to pay for court ordered tax refunds due to the county's improper assessment methods? And the fuels management/defensible space services which benefit the entire Incline Village/Crystal Bay community, rather than just those who end up funding central services cost?. And on-and-on? You betchem!

So whatever the expense other than personnel and capital, if it is assigned to the General Fund, it is paid from central services cost transfers. And since the majority of those transfers are funded by the RFF/BFF, that's what our RFF/BFF pay for. Got it? Which means each of you lied to the public when you told us these fees pay for the costs the District incurs to merely make recreational and beach facilities available to be accessed and used by those parcels/dwelling units which are assessed. Congratulations!

So how dare you Indra and Mr. Navazio accuse me of being the liar when as you can see it is you.

Now that you know the truth Board members, how about doing something about it? Or should I just put this e-mail in the next Board packet for all to see?

Respectfully, Aaron Katz



**EXHIBIT "B"**

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT  
STATEMENT OF SOURCES AND USES  
BY CLASS  
GENERAL FUND**

**Prior Fiscal Year - Current Fiscal Year - Proposed**

For fiscal year 2023, 07/01/2022 - 06/30/2023

	Actuals FY2019-20	Actuals FY2020-21	Current Budget FY2021-22	Baseline Budget FY2022-23	Tentative FY2022-23	Final FY2022-23
<b>SOURCES</b>						
Ad Valorem Property Tax	1,706,172	1,760,049	1,948,610	2,026,555	2,008,289	2,008,289
Consolidated Taxes	1,736,657	1,941,358	1,901,530	1,977,595	2,092,885	2,092,885
Charges for Services	952	162	2,400	2,520	2,520	2,520
Intergovernmental - Operating Grants	-	1,440	-	-	-	-
Central Services Revenue	1,367,400	-	-	-	-	-
Non Operating Income/Leases	-	251,712	-	-	-	-
Investment Earnings	432,643	68,488	65,700	13,308	13,308	13,308
Proceeds from Capital Asset Dispositions	(10,079)	-	-	-	-	-
<b>TOTAL SOURCES</b>	<b>5,233,745</b>	<b>4,023,209</b>	<b>3,918,240</b>	<b>4,019,978</b>	<b>4,117,002</b>	<b>4,117,002</b>
<b>USES</b>						
Salaries and Wages	1,976,630	2,047,726	2,327,299	2,600,512	2,831,440	2,842,293
Employee Fringe	903,646	957,723	1,154,282	1,246,483	1,419,834	1,437,169
<b>Total Personnel Cost</b>	<b>2,880,277</b>	<b>3,005,449</b>	<b>3,481,581</b>	<b>3,846,995</b>	<b>4,251,274</b>	<b>4,279,462</b>
Professional Services	294,601	285,670	472,799	472,799	441,475	461,475
Services and Supplies	472,959	440,793	1,331,733	1,216,609	1,124,677	1,124,356
Insurance	48,241	51,394	55,000	57,900	57,900	57,900
Utilities	103,758	109,363	108,000	116,055	117,212	117,212
Central Services Cost	-	(1,335,748)	(1,546,624)	(1,748,196)	(1,859,661)	(1,887,589)
Capital Improvements	279,424	365,878	329,085	454,000	418,000	633,000
Extraordinary	1,359,736	-	53,000	100,000	100,000	100,000
Transfers Out	300,000	-	-	-	100,000	-
<b>TOTAL USES</b>	<b>5,738,995</b>	<b>2,922,799</b>	<b>4,284,574</b>	<b>4,516,162</b>	<b>4,750,877</b>	<b>4,885,816</b>
<b>SOURCES(USES)</b>	<b>(505,250)</b>	<b>1,100,409</b>	<b>(366,334)</b>	<b>(496,184)</b>	<b>(633,875)</b>	<b>(768,814)</b>

**EXHIBIT "C"**

**Incline Village General Improvement District  
Central Services Cost Allocation Plan  
For the Fiscal Year Ending June 30, 2023**

	General	Utility	Championship Golf	Mountain Golf	Facilities	Ski	Recreation Center	Parks	Tennis	Comm. Services Admin	Beach	Internal Services	Total District
Base Cost													
Budgeted FTE by Fund Allocation	26.9 9.88%	40.2 14.77%	31.1 11.41%	11.6 4.26%	9.2 3.37%	76.9 28.25%	22.7 8.34%	8.4 3.07%	2.2 0.81%	3.8 1.39%	24.0 8.80%	15.4 5.65%	272.4 100%
Budgeted Wages by Fund Allocation	\$ 2,834,422 15.93%	\$ 3,762,672 21.15%	\$ 1,517,656 8.53%	\$ 499,315 2.81%	\$ 513,736 2.89%	\$ 3,903,992 21.94%	\$ 1,298,284 7.30%	\$ 416,383 2.34%	\$ 131,667 0.74%	\$ 207,744 1.17%	\$ 1,086,308 6.11%	\$ 1,620,492 9.11%	\$ 17,792,671 100%
Budgeted Benefits by Fund Allocation	\$ 1,433,729 19.84%	\$ 1,891,017 26.17%	\$ 447,749 6.20%	\$ 162,201 2.24%	\$ 241,571 3.34%	\$ 1,331,762 18.43%	\$ 391,562 5.42%	\$ 115,788 1.60%	\$ 31,804 0.44%	\$ 80,217 1.11%	\$ 279,551 3.87%	\$ 819,935 11.35%	\$ 7,226,886 100%
Budgeted Services & Supplies by Fund Allocation	\$ 1,741,643 9.83%	\$ 4,982,010 28.11%	\$ 1,967,473 11.10%	\$ 614,972 3.47%	\$ 1,084,774 6.12%	\$ 3,783,438 21.35%	\$ 845,287 4.77%	\$ 506,553 2.86%	\$ 114,803 0.65%	\$ 79,986 0.45%	\$ 998,451 5.63%	\$ 1,001,422 5.65%	\$ 17,720,812 100%
Budgeted Accounting - Invest. Int.	\$ 1,335,992												
Percentage of Costs Allocated	80%												
Allocation based on Services & Supplies	105,044	300,479	118,664	37,091	65,426	228,190	50,982	30,552	6,924	4,824	60,219	60,399	\$ 1,068,794
Blended Allocation	15%	21%	9%	3%	3%	23%	7%	2%	1%	1%	6%	9%	100%
Budgeted Human Resources	\$ 1,026,449												
HR + 20% Accounting	\$ 1,293,647												
Based on Wages, Benefits & FTE	196,831	267,709	112,684	40,145	41,381	295,883	90,806	30,258	8,572	15,825	80,975	112,579	\$ 1,293,647
<b>Central Services Cost Allocation</b>	<b>\$ 474,852</b>	<b>\$ 568,189</b>	<b>\$ 231,348</b>	<b>\$ 77,236</b>	<b>\$ 106,807</b>	<b>\$ 524,073</b>	<b>\$ 141,787</b>	<b>\$ 60,810</b>	<b>\$ 15,496</b>	<b>\$ 20,649</b>	<b>\$ 141,194</b>		<b>\$ 2,362,441</b>
<b>Annual Billing for Adopted Budget</b>		<b>\$ 568,189</b>	<b>\$ 231,348</b>	<b>\$ 77,236</b>	<b>\$ 106,807</b>	<b>\$ 524,073</b>	<b>\$ 141,787</b>	<b>\$ 60,810</b>	<b>\$ 15,496</b>	<b>\$ 20,649</b>	<b>\$ 141,194</b>		<b>\$ 1,887,589</b>
Baseline budget													\$ 42,740,369
<b>Overhead Rate for Charging vs Actuals</b>		5.3%	5.9%	6.1%	5.8%	5.8%	5.6%	5.9%	5.6%	5.6%	6.0%		6.0%

Prepared and calculated in accordance with NRS 354.613 Subsection 1c and IVGID Board Policy 18.1.0

By: Paul Navazio, Director of Finance

## Susan A. Herron

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**From:** Frank Wright <alpinesportss@gmail.com>  
**Sent:** Thursday, June 9, 2022 10:30 AM  
**To:** Indra Winquest; Sara Schmitz; Matthew Dent; Michaela Tonking; Susan A. Herron; Tim Callicrate  
**Subject:** public comments?

Please add this to the next board packet:

Members of the Board:

After watching the board meeting last night it is quite apparent that Peter Morris was recruited to attend the board meeting with the sole purpose of tearing into Trustee Sara Schmitz.

Not that I am opposed to calling out a board member when they have done something really stupid like Mr. Morris constantly did during his tenure as a board member. What I am opposed to is someone actually recruiting Mr. Morris to be the mouthpiece for stupidity. Then feeding him the substance of his pathetic public comments. My guess is Kendra Wong, Tim Callicrate or Indra Winquest. It is imperative to find out what Mr. Morris received as payment to show up and spout his mindless rhetoric, were public funds or public property used? If so, that would be a criminal act by a public official. It would be the misappropriation of public funds.

Similar to Mr. Callicrate committing felony perjury by signing an affidavit attesting to his ability to seek a fourth term. I think Mr. Abel was completely accurate calling Mr. Callicrate an unindicted felon.

Peter Morris was without a doubt the most challenged board member to ever get elected to the Board, followed closely by Kendra Wong and Tim Callicrate (In no particular order). Those responsible for getting Morris to speak should be censured and removed from the board or their employment. I would suggest this board open an investigation into who recruited Mr. Morris, and find out who brought this lunatic out into a public forum to bash the only fully engaged board member currently serving on the board. The culture of this community is to marginalize those who ask for ethical behavior and condemn those board members who try to do what is best for the community. Mr. Morris has brought this malfunctioning government to an all time low, supported by some of the most incompetent people on earth.

Frank Wright  
Crystal Bay

## **MINUTES**

### **REGULAR MEETING OF JUNE 29, 2022** Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Board Chairman Tim Callicrate on Wednesday, June 29, 2022 at 6:00 p.m. at the Boardroom, 893 Southwood Boulevard, Incline Village, Nevada.

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

The pledge of allegiance was recited.

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

On roll call, present were Trustees Tim Callicrate, Matthew Dent, Sara Schmitz, and Michaela Tonking. Trustee Kendra Wong joined the meeting at 6:44 p.m.

Members of Staff present were District Project Manager Bree Water, Engineering Manager Kate Nelson, Parks and Recreation Superintendent Shelia Leijon, Director of Public Works Brad Underwood. Members of the public physically present were Gail Krolick, Jack Dalton, Joe Schulz, Bradley Mindlin, Paul Smith, Linda Smith, Ray Tulloch, Patrick Schmitz, Dave Noble, Andy Whyman, Barbara Perlman-Whyman, and others.

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

Kari Michael read from a prepared statement which is attached hereto.

Joe Schulz read from a prepared statement which is attached hereto.

Diane Heirshberg read from a prepared statement which is attached hereto.

Yolanda Knaak said that she is an IVGID candidate and that there is a really important survey on the transportation plan that the County has for us and that our community really needs to get on it and give our opinions. Ms. Knaak encouraged everyone to go to the website as we might end up with surprises that we are not aware of. Spending over \$300,000 on advertising – she wanted to mention that a lot of companies that have phone conversations with someone, verify your e-mail address, then they have Constant Contact and then when an important thing happens, they put an e-mail out to keep people informed. Use that for advertising because you are only writing something one time and can send it out to 100's of people.

Stan Heirshberg read from a prepared statement which is attached hereto.

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

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

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

Cheri Kratka read from a prepared statement which is attached hereto.

Nancy Carlson read from a prepared statement which is attached hereto.

Brad Johnson said thank you for the opportunity to speak in favor of H.1. He is the father of 3 young children who utilize the Boys and Girls Club. The summer programming is absolutely essential to their family living here. There is a considerable gap for programming and what is proposed tonight will make an improvement. He is a Board member for the Boys and Girls Club and he has 25 years of contracting experience so, as you consider that contract, and we talk a lot about dollar multiplier, they multiple dollars via grants, etc. therefore there is a lower cost to provide the services as well as there are the economics of scope and skill that we don't have in our District organization. As to the value of services generated – IVGID has the potential to achieve that so please vote to approve the proposal tonight. He is also in favor of Item H.3., as it has been a long term partnership and, again, think about the concept of dollar multiplication and how DPSEF can expand on that. Thank you.

Gail Krolick said full time, year round resident for the past 32 years. Thank you for the incredible pool opening and thank you Trustee Schmitz for being a good sport in dunking. Ms. Krolick said that she is fact finder and that she likes to learn facts and that she doesn't like rumors, she wants facts. She was asked if she would participate in a meeting for Pacasa. She knew nothing except what she hears about them so she thought it would be a great opportunity. She then pulled up the information of the websites of IVGID and IV Community First and she read everything inside and out. She was alarmed about the eligibility of passes and that she read two articles that talked about the ordinance that was changed. She doesn't know who the author is but she would urge the Trustees to appoint a Staff member as there is erroneous information out there. She is here tonight asking the Board to have this information corrected as a lot of people look at this. The only reason she is here is to say let's get facts before we start talking.

Bradley Mindlin said he lives full time in Incline Village and that he was running for IVGID. He wants to thank everyone for running and to congratulate the people who

made it through the primary. He had a great opportunity as he met a lot of people, he met all but one of the candidates, and that he felt very honored and privileged. Learned there is a lot of passion in our community as well as smart people who care about Incline Village. He also found a lot of anger which disappointed him. Look at the sign behind the Board member – it says “One District – One Team”. We need to turn the anger into passion, work together, and use our different ideas to be productive instead of destructive. We live in paradise, we have different views, everyone works hard, and everyone cares. Candidates worked hard. Embrace differences and even though he didn’t win, he made a commitment that the best candidates should go forward. Mr. Mindlin concluded by stating that he would like to be on any committee or Board to help this community.

John Eppolito said thank you to the Board and that he doesn’t want to be in your seat and that’s the truth. General Manager Winquest, thank you for what you have done with basketball and that he wishes you were here one more year – thank you. He watched the June 8 meeting, he too was surprised at Mr. Mathis’ behavior. In fact, he said that didn’t just happen, so he rewound and he was very surprised and thought it was totally inappropriate what he did. He appreciates what Trustee Schmitz does. He is also a former Math teacher so he is kind of on the same wavelength with Trustee Schmitz. He too doesn’t trust Mr. Mathis. Regarding the survey, it is the Washoe County Transportation Survey and it is about the transportation hub. Carole Black said there is no research that we need it. His opinion is that he worries about a kid going around the bus; the ambulance gets called often as that is one of the worst places in town. The survey is totally skewed as you have to answer every question. Their next meeting is July 25 at 5:30 p.m. at the library.

Ray Tulloch said there are a lot of things on the agenda so he will keep his comments short. He echoes all the comments made previously about the complete train wreck that we saw on June 8. The Trustees have one employee to evaluate and they can’t seem to find the time to do that without contracting it out and quite frankly and if that is the process that the Trustees want to adopt, he thinks the community needs to look very carefully at the next election and support candidates who will actually do the job themselves without any contracting out. If a Trustee can’t do that and just want to phone it in, he doesn’t think they deserve to be a Trustee. Thank all the voters for the support they provided in the primary and thank all the candidates for running a very fair race. DPSEF contract – congratulate Staff and DPSEF for revising the contract, it levels the playing field, properly supports Incline Village picture pass residents and not outsiders and Staff has done a very good job so thank you for that. He is staggered that Staff is coming back with a \$300,000 bro contract with EXL Media. There is a current contract that can be extended by another \$50,000. by the General Manager. There are no metrics, no



objectives, and there is no identification for ROI or check points. The Board should reject this contract until it comes back with these metrics.

Andy Whyman said he is a long term resident of Incline Village most of the time. Begin with a quote from Mr. Baldwin "I think all theories are suspect that the first principles may have to modify or may even be pulverized by the demands of life. Freedom, justice, democracy are not common concepts; on the contrary they are rare. It takes individual effort to arrive at respect for other people." So that leads him to a story - once upon a time, on the north shore of Lake Tahoe, there was a magical place called Incline Village. And because it was a magical place and one of the most glorious places in the world. Many people were attracted to the village; many successful people were attracted to the village as you had to be able to pay for it for one thing. Many successful people are also smart people; that's how you get ahead in life for the most part. A lot of smart people felt, because they are smart people, that they knew a lot about life and about how to run meetings and how to participate in the community. A group of these smart people came to many Board meetings and thought they were smarter than people who ran the Board. They made many denigratory and demonstrative false comments about individuals on the Board. They also made a number of reasonable comments at times, but these were, as usually happens, drowned out by that kind of denigratory behavior. That has infected the Board and the community and he bears witness to that as he saw some of that tonight as well. We are not here to take sides with the good people and the bad people and the smart people and the ignorant people. The sense that he gets tonight, in listening to many of these comments, is that the smart people denigrate the other people who they know aren't as smart as there. In fact, he doesn't think that Dr. Bill did a good job at all, he thinks he did a poor job. What he thinks he did was he just inflamed underlying tensions and disagreements that were already there. They were not newly acquainted to the people who came to that meeting or on the Board but that's the way it sounds.

Jack Dalton said he has been here 6 years. Moved here when he knew there were no tax issues. Came here because it was a delightful place. Then there is a June 8 meeting, that was a tragedy. He is a doctor too, that's way he wears the mask and we should wear the mask here as it's a small room and we need more space and more ventilation but he doesn't practice either. It was an insult to anybody's intelligence the behavior of certain people on the Board and certain people on how Trustee Schmitz was attacked. This has been going on for a long time, not just on June 8, this has happened before. Have some other questions – don't need the room here, he has asked to Board Chairman Callicrate to move to a Zoom meeting which is not expensive and with Livestream you miss things, you had to listen, and he has complained several times and it is not expensive and he doesn't know why we have Zoom and he hates Zoom but he has been to a lot of Zoom meetings and

we should have that and not Livestream. The pool – is the pool totally open for the public now – yes or no? He has heard that it wasn't quite functioning it, we had a contract and who is the expert? Cart path – is the cart path working on not and what's the story on that one? Board Chairman Callicrate said that Staff will get you an answer during the break.

Kelly Thompson said she is full time resident for 18 years and that her family has been here for 26 years, 4 of her siblings gone through all of Incline public schools. She has 2 adult children who went through all the Incline public schools and she has 2 kids currently in our schools. She has coached all the youth sports in Incline and she has coached at the high school for about 10 years. The need for more indoor space for these kids is incredible. We live in a community where so many people have so much and so many kids that have so little. Our kids go down to Reno to use their incredible facilities and they come back here and we don't even have enough space for them to do what they need to do. At the high school, in the winter, we are sharing space with 4 different teams in one tiny gym. Sometimes we going to Reno and either borrow space or are paying for space by parents. She feels it is so important for our kids to have this new center and hope you approve it.

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

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

Judith Miller said that there have been many IVGID activities that have pushed the limits of the law but the events leading up to the GM's supposed performance review and the Board action on June 8, 2022, were over the limit not just in their lack of transparency and lack of compliance with the Open Meeting Law but in their lack of respectful behavior. We have often heard about citizens whose remarks are less than civil when referring to IVGID Staff and certain Board members but here, we had a consultant, Dr. Mathis, who is supposed to be working on helping the Board to become more cohesive. His remarks did nothing to foster that. Instead, he made personal attacks on Trustee Schmitz who more than any other as exemplified the traits of restraint and civility. After his inane remarks during the performance evaluation, even if there is no change in the outcome, this item needs to be reconsidered. We need a fair and thoughtful evaluation as attempted by Trustee Schmitz not one influenced by a consultant from California who has no understanding of Nevada law. Dr. Mathis wasn't chosen through a competitive process and she thinks this highlights the need that we do go through a competitive process especially for professional services of this nature. He was clearly not up to the task and his proposal was not even coherent. He should be informed that his services are no longer needed. Any future request for payment, should be

denied. But here we go again with another contract that was not put to bid – the one for media buys. It hasn't been out to bid in about 3 years and of course here we are again giving away to the DPSEF, essentially a private club, exclusive use of much of our facilities. At least negotiate some kind of a discount for picture pass holders and perhaps a minimum number of scholarships and outreach to some low income members of the community. Otherwise we might as well go to Palisades. Public recreation is supposed to provide opportunities for all income levels. And with that, she does want to express support for the Boys and Girls Club. Her children used them when they were young and they have really been in this effort for a long, long time and they do deserve support however she does have one request – that we take care of the deed restriction that is on the property where the Recreation Center is located. That property is supposed to be for recreation only.

Kathy Julian said this is her first comment to the Board at a Board meeting and she simply wants to say that she did listen to the June 8 meeting and she was very disappointed with the performance of Dr. Mathis. She was amazed that the Board would turn over the performance evaluation to a consultant to prepare. She found it highly misleading that he wrote something that the Board of Trustee would say I don't subscribe to this, I don't support this and that this is not my evaluation of the General Manager. Ms. Julian continued that she thinks that the entire process should be rethought and she hopes the Board reconsiders hiring Dr. Mathis for any further work because it truly did not support the goal of this consultant hire which was to bring the Board together and work to collaboratively. He obviously brought some issues to his evaluation of the Board that she thought were inappropriate. Finally, she would like to thank Trustee Schmitz for the research she does at every meeting and the questions that she asks. It is not a problem, in her view as a resident here, to have a Board member who asks questions and does research and seeks clarification as that is what she expects of her Board of Trustees. Thank you very much.

4299 – no response.

Cara Schuessler said she and her husband are raising their two children in Incline Village and they are joining today to show support for the Rec Center expansion, they are super appreciative of the Duffield Foundation, excited to hear the update today and they attended one of the previous meetings where the next steps got approved and they hope the next step gets approved as well.

Charley Miller said to follow on to Ms. Schuessler's comment, he is grateful to the Duffield's and what they do for this community and for everything they have done for this community.

Ali Warner said thank you for all you do and echo the last two commenters and we joined tonight to support the Rec Center expansion recommendations and commend the thoughtful efforts put forth to date. Also want to support the DPSEF item, have two kids in the program, and he recently joined the masters. Support the recommendations offered in the Board packet on both of these items.

Ronda Tycer read from a prepared statement which is attached hereto.

Jessica Norbee passed on her opportunity to comment.

Helen Neff said her comment is in reference to the June 8 Board meeting and she would like to add her voice to the termination of Dr. Mathis contract for his conduct. Her support is fully behind the work of Trustee Schmitz. She works tirelessly for us.

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

Board Chairman Callicrate thanked the public for making their comments and keeping it civil as we are all neighbors.

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

Board Chairman Callicrate asked for any changes to the agenda; Trustee Schmitz requested a flexible agenda in the event it gets too late and we might defer an item? District General Counsel Nelson said yes, absolutely. Trustee Schmitz said it is important to conduct our businesses while we are still alert and that she is thinking about the Purchasing Policy and/or Policy 15.1.0. District General Counsel Nelson said we can keep the agenda as is or do it right now? Trustee Tonking said let's move those two policies to the end and have flexible agenda; move General Business Item H.7. to the end of the agenda. Trustee Schmitz said she would like to move Consent Calendar Item G.1 to after General Business Item H.4. Board Chairman Callicrate approved the agenda as revised. District General Counsel Nelson said it is ok to move forward with consensus unless there is objection; Board Chairman Callicrate said the agenda is approved as revised.

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

**E.1. North Lake Tahoe Fire Protection District Fire Chief Sommers - Verbal Update regarding defensible space and other related topics relevant to the community**

North Lake Tahoe Fire Protection District Fire Chief Sommers gave an update on the fuels work that they have completed for IVGID. In 2004, we entered into a contract with IVGID which is still in force today and it has worked out very, very well. That is the land that is protecting the rest of the community and improving forest health. In 2021 and 2022, we have burned 302 acres of piles on IVGID lands, and we have thinned 246 acres. We have also entered into SNPLMA and gotten those funds and used those funds to lower that cost on IVGID lands. All IVGID lands, 1,000 plus acres, have had an initial treatment of some type which is a lot of work done since 2004. There is a fiscal responsibility from IVGID of \$200,000 which is appreciated and we are in constant communication with the IVGID team. Moving onto another topic, there has been some discussion about the Crystal Bay Water Pump, we don't need it and yes, it would be a nice to have it. It would be up to the Board if they want to bring back to life. Remind everyone NLTFPD received an ISO Rating of 1 and that couldn't have been done without the improvement of water infrastructure by IVGID – we have a lot of water in a time of need. Trustee Schmitz said thank you to you and the entire Fire District for keeping our community safe and that the halo will help us in our time of need.

At 7:26 p.m., Board Chairman Callicrate called for a break, the Board reconvened at 7:32 p.m.

## **E.2. District General Manager's Report**

District General Manager Winquest said that the Burnt Cedar pool is open and we did have a mechanical issue that required us to close for 2 days and that the pool has been opened since 12 noon yesterday. Mountain Cart path – opened and operational for the entire golf season. District General Manager Winquest then went over the two items included in the Board packet. Trustee Schmitz said she has two questions – heard from someone on Staff that the beach fee is no longer \$15 and that it is \$16. District General Manager Winquest said when we gave you the rates that increase was included in the key rates and pointed out when it increases. Trustee Schmitz asked about verified occupancy and requested that they are verified occupants of the hotel/motel. District General Manager Winquest read from the process and said they will come down and have the card and if that registration document says 2, that's all we will sell. Trustee Schmitz said so they will have the card with them? District General Manager Winquest said yes and Staff is asking them to show photo identification as verification. We have put a lot of work back on the Parkside Inn and if we find any gaps, we

will make adjustments. Mr. Warner has been cooperative and easy to work with. Trustee Dent said thanks for including the document in your report as it is a work in progress and we can make changes.

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

District General Manager Winquest went over the submitted long range calendar and said that he will go over the parking lot items next meeting. Trustee Dent asked that on July 27, he would like to add Trustee Schmitz' item which is to discuss our contract with Dr. Bill Mathis. Trustee Schmitz said, on the Parking Lot list, Item G, – September 2, 2021 is the requested date and that she has been having e-mail communications with District General Counsel and the Board Clerk and that our December 16, 2021 meeting minutes have never come before the Board for approval. She was expecting them to be on tonight's agenda but it didn't seem like it made it but we have not reviewed those meeting minutes. Board Chairman Callicrate said for all transparency, the Board needs to agendize a situation on the back and forth between Dr. Mathis and all the Trustees as it is important to get all the information out there. He doesn't know when but thinks the sooner the better, get all the information out, clear the air, and move forward as a special meeting with the one topic, get it out, discussed and move on. Board Chairman Callicrate then asked the District Clerk to contact each of us to set up a meeting that puts that issue to rest and move forward. Trustee Wong said that she has the same request and if we are going to discuss Dr. Mathis' contract, this discussion should precede. Board Chairman Callicrate asked District Clerk Herron to find a date and time for a special meeting.

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

- G.1. SUBJECT: Approve an agreement for media buying services for Fiscal Year 2022/23; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$215,250 in paid media spending, \$40,000 in trade media spending, and up to \$53,000 in agency fees – a grand total of up to \$308,250. (Requesting Staff Member: Marketing Manager Paul Raymore) *(moved to General Business Item H.4A)***
  
- G.2. SUBJECT: Approve a Change Order to the contract with CORE Construction (Burnt Cedar Swimming Pool and Site Improvements Project) in the amount of \$44,872 and authorize the reallocation of \$44,872 of available funding within the Burnt Cedar Pool and Site Improvements Project (CIP3972BD1301) to**

**the Aquatics Fund 390-39-850-7415 for the purchase of new pool furniture. (Requesting Staff Member: Director of Public Works Brad Underwood)**

- G.3. SUBJECT: Approve Amendment No. 5 for the Effluent Pond Lining Project in the amount of \$216,000 – 2599SS2010 - Fund: Utilities; Division: Sewer; Vendor: Jacobs Engineering Group Inc. (Jacobs) and authorize Staff to execute the Amendment (Requesting Staff Member: Director of Public Works Brad Underwood)**

Trustee Tonking made a motion to approve the revised Consent Calendar. Trustee Dent seconded the motion. Board Chairman Callicrate called the question and the motion was passed unanimously.

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

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

District General Manager Winqest gave an overview of the submitted material. Boys and Girls Club Executive Director Mindy Carbajal gave a verbal overview of what the Boys and Girls Club does for kids as well as the services that they provide. Board Chairman Callicrate thanked Ms. Carbajal for her presentation and said that this is a golden opportunity to work together which will alleviate the stress on our team. Trustee Schmitz said, as your very first volunteer, it was a pleasure to get to know you and that this is a great opportunity for this community. Trustee Schmitz then asked if Washoe County will be providing the busing for the kids? Ms. Carbajal said we will need to look at that to see what works. Trustee Tonking said, as a point of clarification, Washoe County is trying to cut busing services in the village. District General Manager Winqest said that Washoe County has used the Recreation Center as a drop off point and we would work with Washoe County and Ms. Carbajal to solve this problem. Regarding the agreement, he wanted to get the approval first from the Board and we will

work through a Memorandum of Understanding and Staff is hoping to bring back the Progressive Grant Agreement on July 27 for approval. Engineering Manager Kate Nelson and District Project Manager Bree Waters gave an overview of the submitted materials. CORE (Mr. Coombs) and H&K Architects (Mr. Jeff Klippenstein) representatives gave their presentation which was included in the packet. Trustee Schmitz said upstairs, the plans show increasing the size of the fitness area and at the furthest area to the left, there is a breakroom. There is another one up in front so could that space be used to expand the fitness area thus having that entire space which would be wonderful? Where the massage room is there was a coffee station that looks like it is being removed and that there will still be a beautiful fireplace so what is the plan for the existing space? Mr. Klippenstein said leave it alone. Trustee Schmitz said so it would be more of a community gathering area? District General Manager Winqest said yes, within the tenant improvements on agenda packet page 50. That will be required tenant improvements and yes, the lobby will be a larger space for the community. Massage area will move upstairs which is a better area. Existing child care area is being looked at. We don't have a break room for our Staff but we are looking at it. Trustee Schmitz said she knows that we have a demand for a larger fitness area and that a lot of people will want to know where the coffee station is going. District General Manager Winqest said we aren't getting rid of that station as we understand the importance. Mr. Coombs of CORE gave his presentation. District General Manager Winqest gave an overview of tenant improvements and we believe that a walking track will be valuable and it is just an opportunity and not a requirement. To get that information, we will have to spend that money, as a District, to bring back those options. Board Chairman Callicrate said he appreciates all the presentations and that this is an exciting opportunity for all of us. Trustee Dent said his only concern is the timeline associated with it and he would be surprised if we finish in that time as it is a very optimistic schedule. District General Manager Winqest said we understand and we know we can do it. Trustee Schmitz said let's have a deliverable timeline that we can live with and get it done. On agenda packet page 154, it says we do a 50% design. As an engineer herself, she knows that changes after the fact, and Staff doesn't have a check in with the Board until 100%, could cause us to back up and is that a milestone check in we can have? Project Manager Waters said we discussed this specific question and that when we get to 60% design and have a better idea of costs, we will come back to the Board and that will probably be in October. At that time, we will have a better idea of tenant improvements, etc. and will have a better discussion then. We know when we will be submitting with other agencies. Trustee Schmitz said she thinks that the walking path is great and that people were asking if it was



going to be oval but she understands that is not feasible. Mr. Klippenstein said we will round as much as we can but that it starts to interfere with the courts. Trustee Tonking said she has been part of the process and is proud of the work done so far. She is all for looking at tenant improvements and working through those and is happy to be working with H&K and CORE. Thank you to the Duffield Foundation, Boys and Girls Club and IVGID Staff, Staff. District General Counsel Nelson said there will be a couple of contract changes – Exline – we received a request to modify some insurance requirements, Risk is comfortable with that, and that would be updated. CORE contract – there’s a formatting issue where the attached is referred to as an exhibit; that will be updated. In addition, that amendment should include the specific tasks that CORE will be performing which are actually set forth on page 131 of their proposal but not included as part of the attachment; that will be updated if the Board decides to move forward tonight and thus he requests the flexibility for Staff to make those changes.

Trustee Tonking made a motion to (1) approve the 30% Schematic Design for the Recreation Center Expansion Project; (2) approve the contract with H+K Architects for Recreation Center Expansion for 100% Construction Documents through permitting and bidding for \$2,025,000; (3) approve the contract with H+K Architects for the Recreation Center Tenant Improvements, which are non-reimbursed, for 100% Construction Documents through permitting and bidding, for \$110,000; (4) approve Exline & Company’s contract for entitlement and environmental permitting for an amount not to exceed \$150,000; (5) approve CORE West, Inc. as the Construction Manager at Risk (CMAR), for a contract including the fixed fee pre-construction services of \$125,000 and (6) direct Staff to proceed with the development of a Progressive Grant Agreement through the design and bid process with the David and Cheryl Duffield Foundation, which will be brought to the July 27 Board of Trustees meeting for approval with the amendments made by Nelson. Trustee Dent seconded the motion. Board Chairman Callicrate asked for any further comments; receiving none, he called the question and the motion was passed unanimously.

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

Engineering Manager Kate Nelson gave an overview of the submitted materials. Trustee Dent asked if this was typical – 50/50? Engineering Manager Nelson said when you are paying 100% it is for an extension

because you don't have service. It is our responsibility to provide adequate water service in this area.

Trustee Tonking made a motion to approve a Reimbursement Agreement for replacement of a section of waterline within Ponderosa Ranch Road; Fund: 200 Utility; Vendor: Nevada Pacific Consulting, in the amount of \$47,702.50, plus a \$2,000 contingency; authorize amending the current FY 21-22 CIP budget, establishment of a new project within Fund: 200 Utility in the amount of \$49,702.50; and authorize Staff to execute the Reimbursement Agreement based on a review by General Counsel. Trustee Wong seconded the motion. Board Chairman Callicrate asked for any further comments; receiving none, he called the question and the motion was passed unanimously.

**H.3. SUBJECT: Diamond Peak Ski Education Foundation – District Agreement (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)**

General Manager Diamond Peak Ski Resort Bandelin gave an overview of the submitted materials. Trustee Schmitz said Staff did a great job of putting this together and that she appreciates the cooperative cooperation of DPSEF. On agenda packet pages 225, 226, and 227, the words "minimum price" is used and she doesn't understand what it means or how it ties back to the pricing policy? General Manager Diamond Peak Ski Resort Bandelin said we could have used the words "direct costs" and that's what minimum price means. District General Counsel Nelson said it is specifically defined above and it is consistent with the pricing policy. Trustee Schmitz asked if we could use that terminology? District General Counsel Nelson said it is defined by definition of the practice. Trustee Tonking said she thinks the issue is arising because it is Diamond Peak. Trustee Schmitz asked if it could be more specific to the policy? Andy Wolf, DPSEF, said in his initial attempt he tried to incorporate the actual language and he realized that this might change over time i.e. the setting of the price year to year will change so he thought it was better to make that reference and wholly incorporate everything in that practice rather than try to pick through the practice and then sorting through the exceptions as well. This was the clearest and will always be accurate. It is sufficient to refer to the practice and that it must adhere to the practice. Trustee Tonking said thank you, this is a great opportunity and thank you for working together on this.

Trustee Tonking made a motion to approve an agreement between the Incline Village General Improvement District and the Diamond

Peak Ski Education Foundation to operate ski education programs at the Districts Diamond Peak Ski Resort for the period beginning July 1, 2022 through June 30, 2027 and authorize Staff to execute all agreement documents based on a review by General Counsel. Trustee Wong seconded the motion. Board Chairman Callicrate asked for any further comments; receiving none, he called the question and the motion was passed unanimously.

**H.4. SUBJECT: Consideration of Draft Purchasing Policy (Management Partners) (Requesting Staff Member: Director of Finance Paul Navazio)**

Director of Finance Paul Navazio and Pete Gonda from Management Partners gave an overview of the submitted materials. Trustee Schmitz said she thinks it is a good start and that one of the things that Moss Adams pointed out, and that we have a challenge with, are single transactions. It is her understanding it is a cumulative overall budget and that authority and review should be based on the overall project so we don't have the ability to slice and dice pieces and parts so some of the language should be based on the cumulative project amount. Board Chairman Callicrate said is that best management practice or standards? Director of Finance Navazio said it is the intent, of this context, this is focused on the value of the contract as opposed to a contract that is part of a larger project. The purchasing policy does not permit contract splitting; we look at those on a cumulative basis. If you have a \$2.5 million capital project, hiring a design contract for X dollars and management for Y dollars, this looks at each contract. Mr. Gonda said this is about awarding individual contracts to a vendor. The project goes through its own approval and you are going to be awarding contracts and here is how you do a single transaction. A one-time purchase that is discreet that would be the transaction. One would estimate the contract for the duration on a multiple year contract. Trustee Schmitz said that the issue she is bringing forward will be on the next agenda item – purchasing policy? Mr. Gonda said it would be for awarding a contract. Director of Finance Navazio said that the next item does address the awarding of capital projects and that is which and at what levels; it is covered in the Practice 13.2 section. Trustee Schmitz said what problem are we having with the \$50,000 limit as she thinks it is working well so she doesn't understand the problem that we are trying to solve by doubling it? Director of Finance Navazio said this is not a problem we are trying to solve and that previously the District General Manager had the authority to award any contract that didn't require competitive bids, the Nevada Revised Statutes stated up to \$100,000, and that the Board of Trustees discussed it and kept it at the \$50,000 level which

was perfectly reasonable. We looked at the current thresholds and this is among the lowest threshold among the agencies in Nevada and elsewhere. It would be more efficient to be able to have the District General Manager authorize contracts that are budgeted and included in the budget with no problem and to keep things moving along quicker. However, this is at the Board's prerogative. Trustee Dent asked how many fewer projects would we be approving at the Board level? Director of Finance Navazio said he doesn't have that number but we have items that the District General Manager has brought before the Board and they were items that were under the \$50,000 and that they were brought forth because of their importance. He would have to do that research to give an answer. Trustee Dent asked that this information be provided. District General Manager Winquest said, with the level of inflation we have seen, \$50,000 isn't a lot of money anymore. There is a handful that Staff wouldn't have had to bring to the Board. His concern is with Public Works contracts as there is an efficiency level there but that it is up to the Board. Trustee Tonking asked if the Nevada Revised Statutes have increased it from \$100,000? Mr. Gonda said, regarding contract authority, the Nevada Revised Statutes are flexible, there isn't threshold as it is a Board or its authorized representative and they establish the amount. Board Chairman Callicrate said he wanted Staff to come back with the number of contracts between \$50,000 and \$100,000. and that he has no worries as he likes both of the draft policies. He appreciates the work that has been done. Trustee Schmitz said she would like to work with whomever to do minor enhancements on language consistencies. Trustee Tonking said she is fine with that as long as it is minor changes. Trustee Wong said she would like to see a redline of what Trustee Schmitz does. District General Counsel Nelson said there will also be a few legal tweaks. Board Chairman Callicrate said he is sure that they will be minor changes. Director of Finance Navazio said that when this comes back, it will mirror our Board policy formatting.

**H.4A. SUBJECT: Approve an agreement for media buying services for Fiscal Year 2022/23; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$215,250 in paid media spending, \$40,000 in trade media spending, and up to \$53,000 in agency fees – a grand total of up to \$308,250. (Requesting Staff Member: Marketing Manager Paul Raymore) *(was Consent Calendar Item G.1.)***

Marketing Manager Paul Raymore gave an overview of the submitted materials. Trustee Dent asked about what he said about the golf courses?

Marketing Manager Raymore said we will spend \$17,000 less than what was budgeted between the two golf courses. Trustee Dent said why is that? Marketing Manager Raymore said we look at the amount of play at the courses and are in touch with Golf Staff and we are seeing a higher level of play and based on that, we didn't need as much advertisement. Trustee Schmitz said would that indicate that we don't need this amount of budget? Marketing Manager Raymore said we never know what we need i.e. pandemic, smoke, etc. and some may have a positive impact and some may have a negative impact. It is nice to have a minimum level as a contingency. We are always conservative, adjust and save money where we can without a sacrifice to revenues and yields. Trustee Schmitz said are these budgeted amounts for Diamond Peak and are they the same as was budgeted for last year? Marketing Manager Raymore said pretty similar and that it went up by \$14,000 with most of the increase for Diamond Peak and we did cut it back significantly for 2020/2021 and got it closer to normal this current fiscal year. We are trying to market Diamond Peak in the niche that we found which works very well. We are spending wisely and had a number of very good years up there thus we are on the right track. Advertising costs are going up and this is trying to keep us level with the exposure. Trustee Schmitz said it would helpful to provide some historical and financial analysis as well as return on investment information as it would be helpful information.

Trustee Dent made a motion to approve an agreement for media buying services for Fiscal Year 2022/23; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount – a grand total of up to \$291,000. This motion died for a lack of a second.

District General Manager Winquest said we significantly cut our marketing dollars and noted that we are not talking about a lot of money for two golf courses. He understands the motion at a reduction; we don't want to get into a season without flexibility. We are asking for a level of trust because we have proven ourselves and an allowance for some buffer. Marketing Manager Raymore said regarding the \$17,000, the projected revenue for Champ this year is around \$700,000, and the cost equals about 3%; Mountain Course is 5%, comparing that to others, it is very low in a competitive environment and it is not a given that we will get a lot of play. We appreciate the flexibility that these amounts give us. Trustee Tonking said her fear in getting rid of it is that we talk constantly about how we want our golf courses to be sustainable, etc. thus we are being hypocritical. Trustee Dent said his concern is that our golf courses are subsidized by \$2 million and that we can't market our way out of that. Trustee Schmitz said

she is not opposed to marketing at Diamond Peak and that her request is the same as last year, she thinks, we do need to advertise. As to the golf courses, the focus on the golf courses is to be the residents and with that focus, we are spending money for non picture pass players which is \$5.93 per round. She is in favor of marketing and advertising and agrees with Trustee Dent about the focus on sustainability and reducing the costs. She would like to some return on investment analysis. Trustee Tonking said isn't it supposed to help those unfilled slots and those that aren't filled by others? Marketing Manager Raymore said yes, media buys are in the shoulder seasons when we know we have open tee times. The reason we are targeting non picture pass holders is because of the rates they pay which gets us over in the numbers. We need some of those plays to make the golf courses sustainable and if we lose those rounds, we will be \$4 million in the hole. Our goal is to bring those high revenue rounds here and we have processes in place to allow our residents to have the pick of the tee times. If we lose those rounds, we will be further in the hole. There are plenty of tee times available, if you look closely, the Mountain Course always has room. Tournaments do take up times and he is looking at the tee sheets every other day to ensure that the creative is matching up. There is availability and that is what he is trying to fill in order to make it sustainable for our residents and offer these rates.

Trustee Wong made a motion to approve an agreement for media buying services for Fiscal Year 2022/23; Venues: Diamond Peak, Championship Golf Course, Mountain Golf Course, Facilities; Vendor: EXL Media; Agreement Amount: Up to \$215,250 in paid media spending, \$40,000 in trade media spending, and up to \$53,000 in agency fees – a grand total of up to \$308,250. Trustee Tonking seconded the motion. Board Chairman Callicrate asked for further comments, none were received so he called the question - Trustees Wong, Tonking, and Callicrate voted in favor; Trustees Dent and Schmitz opposed. The motion was passed.

Board Chairman Callicrate called for a break at 9:40 p.m. – the Board reconvened at 9:45 p.m.

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

Director of Finance Navazio gave an overview of the submitted materials. Trustee Dent said that he has a concern, which he explained, about the General Manager authority and that he wants absolutely clarity on spending authority especially on projects. Further, he wants to make sure there is an example in here as the wording in here sucks and before this it was even worse. He asked that Staff take the opportunity to improve and include an example so there is clarity – it is confusing. Director of Finance Navazio said he concurs and what might be helpful is if we tighten it up and when we bring it back, we can identify areas where we have brought more clarity and how do you want this to work. Staff understands the direction is to finalize the policy with specific direction provided by the Board tonight.

Trustee Schmitz left the meeting at 9:57 p.m. as she had an emergency and that she sends her apologies and regrets. District General Manager Winquest said Trustee Schmitz provided her comments to him prior to her departure.

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

Director of Finance Navazio said Staff will bring back this item back to the Board on July 27 in its final form. The Board concurred that they are ok with this action.

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

District General Counsel Nelson gave an overview of the submitted materials. The Board had a discussion.

Trustee Tonking made a motion to modify Policy 15.1.0, term of Audit Committee appointments, to expire the last day in February instead of June. Trustee Wong seconded. Board Chairman Callicrate asked for further comments, none were received so he called the question - Trustees Dent, Wong, Tonking, and Callicrate voted in favor; Trustee Schmitz was absent. The motion was passed.

*[To record for the record the following term expirations for the appointments previously made and as revised above are as follows:*

*Raymond Tulloch – At Large Member – Term Expires February 28, 2023  
Vito Brandle – At Large Member – Term Expires February 28, 2025  
Nick Holman – At Large Member – Term Expires February 28, 2025  
Kendra Wong – Trustee – Term Expires February 28, 2025  
Michaela Tonking – Trustee – Term Expires February 28, 2025]*

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

District General Counsel Nelson gave an overview of the submitted materials. Trustee Schmitz asked that the special master costs be included and that those be included when we bring it back with Mr. Beko's amounts. Trustee Wong said she was originally a defendant, was released, and therefore she has no conflict on voting on this item at this time.

Trustee Dent made a motion to approve the settlement agreement with the plaintiff in Mark E. Smith v. IVGID, Case No. CV18-01564. Trustee Tonking seconded the motion. Board Chairman Callicrate asked for any further comments; receiving none, he called the question and the motion was passed with Trustees Dent, Wong, Tonking, and Callicrate voting in favor; Trustee Schmitz was absent.

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

Trustee Tonking made a motion to approve Resolution No. 1896 repealing Resolution No. 1575/Policy and Procedure No. 120. Trustee Wong seconded the motion. Board Chairman Callicrate asked for any further comments; receiving none, he called the question and the motion was passed with Trustees Dent, Wong, Tonking, and Callicrate voting in favor; Trustee Schmitz was absent

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

**I.1. Meeting of May 26, 2022**



District Clerk Herron stated that Trustee Schmitz has asked that her entire statement, that she read, under Item 1.2., be included so that is a change that she will make. Once it is made, she will share that section with the Board of Trustees; she asked that the minutes be approved with this addition.

Board Chairman Callicrate said that the meeting minutes of May 26, 2022 were approved as revised.

**J. FINAL PUBLIC COMMENTS\***

Denise Davis said first, to the Trustees who commented the Board packet had too much information and they already knew what was going on, she would like to remind them that Board packets are also where the community gets its information. We don't get phone or email updates, so we don't always know what's going on, or we've received unreliable information from the community grapevine. We depend on the Board packet. She'd also like to address the comments made by the IVGID consultant. This comment is about WHAT was said, not who it was said about. To hear a licensed psychologist, discuss a person's mental health in a public meeting was chilling. The lack of admonishment by the Trustees or General Manager was extremely concerning. Those words have implications outside this room. She doesn't know what mental health assistance is offered to IVGID employees, but who will be willing to use it after watching the Trustees and General Manager allow it to be weaponized? A few months ago, a member of her extended family ended his life at age 19. There are no words to describe how horrible that experience is. She hopes that no one who was considering getting help changed their mind after witnessing the events at the last Board meeting.

Charley Miller said that he would echo the last person's comments. There was a lot of content to take in and that the General Manager's and Dr. Mathis' and his comments towards Trustee Schmitz was completely unacceptable. Mental health is a serious issue worldwide; he thought he was supposed to bring the Board together and it is unacceptable how he treated her.

Yolanda Knaak said that she is a candidate for the Board and that she just wanted to let you know that she couldn't be there because she is still packing. Good discussion tonight.

Ronda Tycker said that her husband wanted to talk to you about the evaluations of the General Manager and he has looked up the law but he has gone to bed so you don't have to listen to him. Good night.

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

The meeting was adjourned at 10:22 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.

Submitted by Kari Michael

Submitted by Joseph Schulz

Submitted by Diane Becker

Submitted by Stan Heirshberg

Submitted by Paul E. Smith

Submitted by Linda L. Smith

Submitted by Patrick McBurnett

Submitted by Cheri Kratka

Submitted by Nancy Carlson

Submitted by Iljosa Dobler

Submitted by Clifford F. Dobler

Submitted by Ronda Tycker, PhD

Submitted by Sara Schmitz

*Kari Michael*

**Proud principal of INCLINE MIDDLE SCHOOL and I am also a Board Member for BGCNLT.**

**Speaking in favor of a partnership with BGC for Teen Programming.**

**One of the largest challenges we face at the middle school is a lack of extracurricular options for our students, especially those who are not involved in sports.**

**Often the biggest barrier for youth in participating in enrichment activities is transportation and cost. This proposal places a youth facility within walking distance to our school and a partnership between the Club and IVGID ensures accessibility to ALL youth including those in the most vulnerable situations.**

**Many IMS students attended Boys & Girls Club programs as elementary students in Incline or Kings Beach but now there are no comparable options in their own community.**

**Currently Incline Village youth comprise 21% of the Clubs 1600 student members. Many Incline Youth and Teens participate in KB programs such as performing or culinary arts and summer day camps- because these types of enrichment programs do not currently exist locally. Sadly, students who do not have transportation to Kings Beach are unable to participate.**

**IMS would be excited to partner with the Club to increase support for students in mental health, career development, academic support and more.**

**Boys and Girls Club of North Lake Tahoe is a trusted, consistent, reliable, and well managed organization ready to hit the ground running - on a mission to provide accessible programming to ALL youth in our community. A partnership between Club and IVGID is a win win collaboration!**

**I think that we can all agree that we would rather our teens congregate at a youth facility than at Starbucks or Raleys.**

**Thank you -**

## Regarding the Board of Trustee's Meeting of June 8, 2022

While I have only been a resident of Incline Village since 2017, observing the Board of Trustee meetings have been enlightening, informative, entertaining (at times) and extremely disappointing.

The meeting of June 8<sup>th</sup> was particularly disappointing and discouraging for the following reasons:

A diatribe by a former trustee kicked off the debacle. While his venom contributed nothing except to demonstrate how shallow and disrespectful he is. During his tenure as a Trustee, he had to endure attacks from others and so it is incredulous that he has such a lack of humanity to spew his profound "insights" in a public forum. Sadly, his initial criticisms were based on an evaluation not even authored by the target of his verbal assault. To reinforce what a fool he is, he returned later to add further groundless insults based on Dr. Mathis' careless comment.

Given the affluence of Incline Village, it is often difficult to accept the pettiness and lengths to which (too) many will go to display their ignorance and lack of civility. Too many of these "public comment opportunities" are as productive as a professional wrestling event.

Dr. Mathis' might be a respected member of his profession but I was left disappointed by his personal attacks. He described a way (his way) of creating the evaluations of the general manager but when told that his method was unfamiliar and not preferred, he proceeded in spite of those reservations instead of working around those concerns. Further, he did not bother to get "acquiescence" for his version of his end product. When confronted during the BOT meeting, he proceeded to try to justify his product and attempt to prove that he was "right." All he accomplished was to antagonize the trustees, insult the GM with his version of an evaluation and stun the public. Further it is outrageous of him to reveal any information about someone's alleged "mental health status" without factual basis. Perhaps the comment may have been just an admission of heightened stress.

(Unfortunately, Dr. Mathis' hearsay provided ammunition for the shallow former trustee to continue his insults later in the evening.)

I would ask each of the Trustees, Dr. Mathis, the former Trustee and the general manager to reflect on exactly who benefitted from the BOT meeting of June 8<sup>th</sup>.

Joseph Schulz

To: Dr. Mathis

From: Diane Becker, Full-time Incline Village Resident

Re: ACCOMPLISHMENTS OF TRUSTEE SARA SCHMITZ

Date: June 28, 2022

Dear Dr. Mathis,

I believe that your attacks on Trustee Schmitz at the June 8, 2022 Board of Trustee meeting were improper, unfounded and based on your lack of knowledge of what Trustee Schmitz has accomplished for the benefit of the District and the public. The following is a list of some, but by no means all, of the accomplishments of Trustee Schmitz over the last two years, based on my recollections/observations of her contributions during the Audit Committee and Board of Trustee meetings which I have viewed.

1. **Remade the current Audit Committee into a true Audit Committee.** The Audit Committee before Trustee Schmitz became a Trustee met only once a year (contrary to the Government Finance Officers Association ("GFOA") standard of meeting at least four times per year). As Board Treasurer and a Member of the Audit Committee, Trustee Schmitz revised Policy 15.1 which govern the Audit Committee. Her revised Policy 15.1 follows the guidelines from the GFOA and the templates provided by leading independent accounting organizations. These comprehensive changes, which were approved by the IVGID Board and supported by the General Manager and Director of Finance, enable the Audit Committee to effectively assist the Board with oversight of the District's financial statements, its systems of internal controls, internal audit plans and the independent external auditor's assessment of the annual District financial statements. Among the notable changes is that the composition of the Committee was changed from three Trustees, to a Committee of two Trustees and three Board appointed at large members. Throughout the process, Trustee Schmitz worked collaboratively with the General Manager, Director of Finance and members of the community to obtain their input and buy-in. After working tirelessly on the Audit Committee, identifying accounting errors and required compliance with Board policies (or required changed in Board policies to conform to actual practices), she was not appointed to the Audit Committee as of July 1, 2022, as the Chair nominated two other Trustees, one of whom will only be a Trustee for another six months as she will no longer be a Trustee in 2023.
2. **Operating, maintaining and improving our recreational and beach venues for the benefit and safety of our property owners and residents is of paramount importance to our community.** Trustee Schmitz has constantly impressed upon the Board the need to commit the fees the District has collected to specific capital projects, thereby ensuring the improvements and projects the public supports are funded and completed in a timely manner.
3. **After years of unanswered questions, the District hired Moss Adams as an independent expert reviewing the issues to formulate recommendations, which strengthened the District's foundation and improved the District's accounting and reporting policies and practices.** Trustee Schmitz led the effort to conduct an independent review of the District's current use of Special Revenue Fund accounting for the activities of the Community Services and Beach Funds; the practice of contra revenue accounting for punch card utilization at our Recreational venues and our Beaches; the policies and practices for capitalizing consultant studies and staff time;

the review of the District's practice of central services cost allocations, the review of District contracts, etc. Although many of these issues and concerns were brought to the attention of the former Audit Committee before the Audit Committee was remade into the current format, they were not addressed in the past. She also spearheaded the District's hiring of external consultants to guide the District with "Best practices" for contract management.

4. **As Board Treasurer, Trustee Schmitz worked with the Director of Finance to modify the District's monthly financial reports to include ALL revenues and ALL expenditures.** Prior to this change, all revenue and operational expenses were included while all capital improvement costs were omitted. **These efforts were a firm step forward in improving Board and Citizen oversight of our District's Monthly Financial Performance.**
5. **To improve existing Board policies and Handbooks, Trustee Schmitz revised Policy 3.1 "Conduct Meetings of the Board of Trustees."** Significant changes included **clarifying the spending authority of the General Manager and the General Manager and Board's role in matters involving litigation.** The Conduct of Public Meetings and the Roles and Responsibilities of Trustees are of vital importance to ensuring the best government practices for our District. In addition, her revisions to the Trustee Handbook to better define the roles and responsibilities of Trustees was approved by the Board of Trustees in June.
6. Trustee Schmitz worked collaboratively with the General Manager and the Director of Finance on the drafting of the **new District Pricing Policy.**
7. Trustee Schmitz was instrumental in **facilitating standardized District contract forms** and standard language for greater consistency with District contracts and as a cost savings measure.
8. Trustee Schmitz consistently **reviews Board of Trustee meeting minutes** to assure they are correct and to cause items left for future action to be retained as future follow-up items.
9. Trustee Schmitz follows up on general questions/comments from members of the public to assure proper District compliance with procedures. The following are examples, all of which resulted in more accurate and transparent financial and accounting reports and better contracts for the public. For example,
  - a. She worked to initiate the Moss Adams #1 consulting contract. As a result, Moss Adams gave management internal control improvements to be made.
  - b. She researched and identified numerous capitalized items that impacts the financial statements, and urged a consistent practice in conformance with Board policies on capitalization and expensing items. Where practices were not in conformance with Board policies, she urged compliance with Board policies or a request from the operating departments to change the Board policies.
  - c. Trustee Schmitz spends countless hours reviewing the accuracy of Board packets, including the financial documents and draft proposed policies and Ordinances. During the Board and Audit Committee meetings, she has repeatedly identified numerical errors in financial documents provided, for the benefit of the public and the District, including identifying a \$4+ million error in a draft of the State Tentative Budget presented to the Board at a Board meeting. While it would be best if there were no such errors, I assume that the accounting department appreciates the corrections. She spends countless hours reviewing proposed contracts in Board Packets and makes comments to improve and correct the contracts for the benefit of the District.

- d. In her role as Treasurer, she identified that the District had multiple memberships to Sam's Club, and identified similar issues which resulted in significant changes being made to the procurement card procedures, for the benefit of the District. In her role as Treasurer she also regularly reviewed and reported on bill pay and reported any discrepancies which she identified. For example, when she found something in expenses that should have been treated as a capital improvement, she reported this in her bill pay reports so that the Board was aware of the abnormalities and to bring it to the attention of Director of Finance. These were her part of her responsibilities as Treasurer, and a Member of the Audit Committee, and were not micromanaging.
  - e. Trustee Schmitz has worked tirelessly to review the community concerns on the District's authority and Dillon's Rule, and a number of District policies have been modified and improved.
10. Trustee Schmitz was assigned by the Board as Trustee to collaborate with Staff on the design and renovation of the locker rooms and worked with Staff to refine the locker rooms and to identify potential cost savings.
11. The recent amendment to Ordinance 7 was a huge effort by the General Manager and the Ordinance 7 Committee, of which I was a member. When the draft of Ordinance 7 went to the public for comment, many members of the public had no idea what was in it. Trustee Schmitz prepared a detailed summary which she published in Incline Village Crystal Bay Community 1<sup>st</sup>, a 501(c)3 which she formed in 2019 (which lists all upcoming public hearings at Washoe County, IVGID, TRPA, TTD, etc. related to Incline Village Crystal Bay. The summary was fully accurate since she had the General Manager review it and then I reviewed and edited it as well. Later when the final version of Ordinance 7 came out before the final Board of Trustee hearing, she updated the summary, and I edited that version for accuracy as well, and it was published on Incline Village Community 1st. It really helped the public understand the Ordinance and enabled the public to make public comment, and I believe eliminated a lot of public questions. Later, when the District passed the Amended Ordinance 7 and a summary was needed by the District, the District basically used that summary...saved time and expense of creating the summary and I know that it was accurate!



My name is Stan Heirshberg and I am a full time local resident. The IVGID Trustees and General Manager should terminate all consulting services with Dr. Mathis.

In my career I conducted numerous performance reviews. I believe Dr. Mathis's process was deficient and preempted the Trustee's individual fiduciary duties to oversight and review of the General Manager.

Dr. Mathis' conduct at the June 8<sup>th</sup> meeting was one of the most unprofessional displays which I have ever witnessed and it should never have been allowed to occur. He arrogantly took over the review process and made himself the star of his own show which appeared to be designed to encourage IVGID to engage him for additional services. He attacked and made accusations against a specific Trustee and made comments far outside of the Agenda and therefore violated the open meeting laws. In so doing Dr. Mathis has sown animosity, divisiveness, distrust, and anger between the Trustees and at least one of the Trustees and the General Manager. This is the exact opposite of what he was hired to do. He has completely and entirely failed in his mission and his services must be immediately terminated and the product of his so-called GM performance review should be thrown out and completely redone.

The review process was flawed in many ways:

1. Dr. Mathis wrote up, reviews attributed to each Trustee, based on a faulty and inadequate review outline that consisted of incomprehensible notes and incomplete thoughts using his sole discretion of what to include, and then submitted and published these purported reviews under the names of the individual Trustees without their review. His review outline had almost no examples for the General Manager to learn from, either positively or negatively. The General Manager and the District deserve better. Where, when and why was the review of the General Manager delegated to Dr. Mathis as this was never agendaized, discussed or debated in a public forum or voted on by the Trustees. The review was the responsibility of the Trustees who should have met with the GM for his input and to discuss the review before the review was finalized.
2. Dr. Mathis fraudulently attributed Trustee Schmitz's name to an incompetent and semi illiterate review that he wrote, in what was a transparent move intended to cause embarrassment to her, divisiveness among the Trustees and anger and upset to the General Manager, as support for Dr. Mathis's diatribe and unjustified verbal attack against Trustee Schmitz at the Meeting. This was clearly designed to justify his bid for his further consulting services.
3. The worst part of Dr. Mathis' outrageous performance was his expressed anger when Trustee Schmitz made a statement that she had not authorized him to write the review on her behalf and she disavowed the review and criticized the review process. Dr. Mathis then relentlessly resumed his attack on Trustee Schmitz and falsely accused her of sending him an email stating that she had mental illness, which email he did not produce and does not exist. He lied or at best made a vile and false statement against a Trustee and violated HPPA laws which cannot be excused and must not be sanctioned by the Board.

I urge the Board and General Manager to listen to the outrage from the public and terminate the services of Dr. Mathis and to give some serious thought as the damage that was done and the animosity shown to Trustee Schmitz. at the June 8<sup>th</sup> meeting who a great many in this community recognize as a well meaning, knowledgeable and hardworking Trustee and member of our community.

## **IVGID BOARD OF TRUSTEE'S MEETING JUNE 29, 2022 – comments by resident**

### **ITEM: INITIAL PUBLIC COMMENTS**

First, the public comment period prior to and after each meeting is a valuable part of running a public organization. I commend and am thankful for the extensive work and research by many regular commentators who add substantially to public information about IVGID operations.

On the other hand, I give no thanks to the commentators who focus on personal character assaults that add nothing to the conversation. The last meeting had such useless, insulting, and disgraceful comments by a former trustee.

Unless a trustee or a staff member is specifically on the agenda e.g. for an appointment or performance review; the Chair should rule any individual named and/or directed comments as "off topic" i.e. not on the agenda and promptly turn off the microphone of the speaker. To fail to enforce this limitation suggests the Chair supports the comments; for why else would a Chair allow off agenda comments?

### **ITEM: CONSENT CALENDAR G 1**

Second, I find it astounding that after years of discussion regarding the media buy contracts and their value to the community; that the "consent" proposal for tonight contains zero measures or comments on results – historical or projected.

Contracting to spend \$308,000 for the coming year without any historical or projected measures and/or anticipated results; is simply wrong.

Please do not consent to this expenditure until proper results and targeted objectives are provided to the Trustee's by staff.

### **ITEM: GENERAL BUSINESS DRAFT PURCHASING POLICY H 4**

Authorizing the General Manager to spend up to \$100,000 betrays the public trust. We live in a time when Trustees are easily contacted around the world electronically by word or voice. All such urgent expenditures can then be confirmed by Board action at the next meeting.

Refuse to increase the current \$50,000 limit while adding that even for that amount; prior electronic approval by at least three trustees be required.

### **ITEM: GENERAL BUSINESS POLICY 15.1.0 AUDIT COMMITTEE TERM DATE CHANGES**

I support these date changes. They make sense.

What is noteworthy and for the public to understand; is that two Trustee's voted in their personal interest by appointing themselves while the Chair, whatever his motives, voted contrary to this policy when he failed to support Trustee Schmitz for one of the positions.

If one reads the policy being amended tonight, it states:

"Appointing Trustees to serve successive years increases continuity and allows for knowledge retention."

I strongly recommend that to enhance continuity and knowledge retention that this policy be amended by adding this sentence in the appropriate paragraph:

In accordance with GFOA recommendations, Trustees considered for appointment to the Committee shall not be exercising managerial responsibilities that fall within the scope of the audit of the District. **IN ADDITION, TRUSTEE'S APPOINTED TO THE COMMITTEE MUST BE APPOINTED BY A MAJORITY OF THE TRUSTEE'S LESS THE TRUSTEE BEING APPOINTED WHO IS NOT ALLOWED TO VOTE ON THEIR APPOINTMENT.**

**Testimony submitted in writing and given in person by:**

**Paul E Smith**

**1437 Tirol Dr**

**Incline Village, NV 89451**

**775.833.2509 res.**

**STATEMENT TO THE INCLINE VILLAGE  
GENERAL IMPROVEMENT DISTRICT  
BOARD OF TRUSTEES**

**June 29, 2022**

Submitted by Linda L. Smith  
1437 Tirol Drive

I have been a property owner in this community for over 24 years and am speaking tonight to ask you to remove from the minutes of the June 8, 2022, meeting the statements made by Mr. Peter Morris during the public comment period at the beginning and the end of that meeting.

Mr. Morris's comments were repugnant, false, and a disservice to this community. They do not belong in an official record and should be stricken as inappropriate and possibly slanderous. On June 8<sup>th</sup>, the Chairman of the Board should have called an immediate recess and dismissed Mr. Morris, who should be barred from speaking before this body for the foreseeable future.

Mr. Morris impugned the character of Trustee Schmitz, and all of us who support what she is doing to improve this community. Trustee Schmitz has diligently carried out the duties of her office which is to both oversee and question the manner in which IVGID is operating. We applaud her persistent efforts to delve into management flaws, inappropriate spending, and contracting issues. She is doing exactly what she was selected to do. She is not an agitator but an advocate for all of us who live and pay taxes in Incline Village.

I am also deeply concerned that a contractor hired to evaluate the performance of the General Manager would instead question the rankings of Trustee Schmitz about the GM's performance. Like the old folktale the *Emperor's New Clothes*, Sara is the only Trustee who honestly said, "the emperor has no clothes." Instead of squandering our IVGID fees on a so-called performance consultant, the Trustees should step up and conduct the performance review themselves. This is one of the core functions of your position.

On behalf of all of us who call Incline Village home, I want to thank Trustee Schmitz for putting up with these vicious attacks. I again ask that the minutes be revised to expunge the slanderous statements made on June 8<sup>th</sup>, the contract with Dr. Mathis be terminated, and the Trustees refocus on addressing the numerous fiscal and operational problems facing our improvement district. Thank you.

Patrick McBurnett

I moved my aerospace engineering company to Incline 29 years ago, and I have been a full-time resident ever since. In that time, I have seen the good the bad and the ugly. Lately I have felt things were going pretty well. Ordnance 7 changes worked out well, recently there was a problem at the Pickleball court where the previous manager signed a contract allowing commercial use of the courts when residents wanted them. Sheila Lejon stepped in and fixed the problem. Good work Sheila. Little did I know what was going on at the board level. One of my friends said you really need to listen to the tapes of the last board meeting. I was appalled and disgusted. The consultant psychologist who was supposed to bring the board together, did the exactly opposite. Tim, you have done many good things but bringing this guy turned out to be a major mistake. Having him write the reviews was ridiculous and against all common HR practice. Prior to starting my engineering company, I was vice president/ Gm of a large aerospace company which designed and manufactured rocket engines. I had approximately 1000 people working for me, I have written many reviews and my directors and managers wrote their own reviews, not some psychologist. Reviews are very personal. Listening to the personal attacks from the audience and between trustees was sickening. Tim and Indra know how these insults feel. The personal attacks on Sara Schmitz were vindictive and uncalled for.

A little history lesson. When Kendra Wong was the chair, she had two trustees who voted lock step with her and gave Pinkerton (who we now know was a very bad GM) everything he wanted. Morris and Horan were the trustees. When Horan left town, the board was tasked with seating a new trustee. Sara Schmitz had a lot of community support, but Wong and Morris refused to vote for her. The county supervisors unanimously supported Sara and said IVGID needed to get their financial house in order. Wong lost her chair and has been mad at Sara ever since. Tim took over the chair and the healing began. Peter Morris's vindictive untrue personal attacks at the last meeting were truly disgusting. Wong's attacks have no creditability.

IMO two things need to happen. The psychologist needs to be fired instantly and the personal attacks have to stop. Sara is going to be a trustee and Indra is going to be the GM; they need to learn to work together. Indra is doing a very good job, I supported him heavily, and Sara works hard. Neither of them is perfect, and we all make mistakes.

We need find a way for them to work together without causing dissention. Indra and Sara are both good people. We don't need a self-promoting psychologist with a big ego to help.

HE PUBLICLY ACUSED  
ME OF BEING NORMAL 12

PUBLIC RECORDS REQUEST

CONTRACT + PAY

BILL MATIHS

IVGID

CONSULTANT

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**Fwd: Responsibilities of IVGID Board members**

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**Cheri Kratka** <cakzinn@gmail.com>

Wed, Jun 29, 4:18 PM

To: Cheri Kratka &lt;cakzinn@gmail.com&gt;

IVGID Board members are in place to represent the entire community and to ensure the community is running efficiently

The citizens of IVGID should have trust in the Board to optimize the monies received and being spent on different projects. It is important for the Board to be transparent to their community on the sources of monies received and how the monies are being spent. Transparency with open discussion reduces mistrust.

It appears that there is contention among IVGID Board members because one board member, Sara Schmidt, has asked for clarifications on financial matters. Her digging into situations and asking multiple questions has brought to light information that is important for the community to understand on how we are using our money and the scheduling of projects for the benefit of the community.

For example

Sara identified a \$4 million error in the draft of the State Tentative Budget that had been presented to the Board by the IVGID finance department

I feel that we should be looking for all IVGID Board members to ask questions not just assume that everything is ok.

I feel that Sara's digging has helped this community and we need to thank her for her time and efforts.

Cheri Kratka  
768 Tyner Way  
Incline Village, NV

## **Public Comment to the Board of Trustees, IVGID**

**June 29, 2022**

**Nancy Carlson – Incline Village Resident**

I am here to voice my support for Trustee Schmitz and my concern for the behavior of several Board members and a hired consultant, Dr. Bill Mathis, at the June 8<sup>th</sup> BOT meeting.

Sitting Chair Callicrate has not followed his responsibilities stated both in Robert's Rules of Order and in his own "Draft Code of Conduct" which he wrote on January 4, 2021. Trustee Wong has also failed to follow these rules. A hired consultant, Dr. Bill Mathis, deviated from his contractual responsibilities and publicly criticized a Trustee at a public meeting. As a result:

1. Chair Callicrate should step down from his position as Chair,
2. Trustee Wong should be reprimanded, and
3. Dr. Mathis should be removed from his role as consultant.

Chair Callicrate began a recent meeting by asking that "we be respectful of one another". In the June 8<sup>th</sup> meeting it was apparent that these instructions were not followed. The verbal attacks against Trustee Schmitz by both the consultant Dr. Mathis and by Trustee Wong were inappropriate and unprofessional. Trustee Callicrate, in his role as chair, did not take action to curb these attacks.

When Ray Tulloch was hired as a consultant to evaluate IVGID's financial reporting practices, his audit committee voted 4 to 0 against approving IVGID's year-end financial reports. Mr. Tulloch and the committee did an excellent job of providing recommendations to the Board. 3 Board members overruled the audit committee's recommendations - Trustees Callicrate, Wong and Tonkin.

The BOT hired Dr. Bill Mathis as a consultant to conduct training and improve the effectiveness of the team. He was not hired to evaluate the performance of the GM, he was not hired to evaluate the Trustees.

Trustee Schmitz was personally attacked by this Dr. Mathis in a public forum because she is an independent thinker. She insists on obtaining answers to

reasonable questions dealing with IVGID spending and project management. This does not make her an agitator. A competent consultant would acknowledge that differences make for more effective team outcomes. The process promoted by this consultant was unconventional, counter-productive, and divisive.


Dr. Mathis states he can solve the Board's problems with more work, more time (and obviously more of our dollars). His contract should be terminated immediately for failure to do the job he was hired to do, for encouraging division and conflict, and for his egregious lack of professionalism.

In the last BOT meeting Trustee Schmitz was accused of "not performing her duties" by Trustee Wong because she refused to accept the inaccurate appraisal written for her by Dr. Mathis. The statement of "failure to perform duties" by Trustee Wong who hasn't graced this board with her live appearance for years, and even when on Zoom is generally absent from the screen, is hypocritical.

The public bullying of a Trustee who is doing an excellent job fulfilling her fiduciary responsibilities to the community must stop.

The end of 2022 will see the departure of 2 Trustees, this change promises to create a significant improvement in the team.

Thank you.

  
6/29/2022



Iljosa Dobler, 995 Fairway Blvd. Incline Vlg. NV. Public Comment IVGID BOT Meeting 6/29/22  
Please include in the minutes of this meeting.

In regards to the BOT Meeting of June 8<sup>th</sup>, 2022, I found it odd that you would go all the way to Napa, CA to get a psychologist, Dr. Bill Mathis,(probably recommended by Pinkerton or Navazio) to help with the Trustee's team building.

I also found it odd that a "Team Builder" would single out one Trustee, Sara Schmitz, and berate her for doing her job in asking the GM Indra Winquest questions about agenda items, also her requesting more time to do his evaluation. Does he not realize that the GM works for the trustees and not the other way around? They are entitled to ask questions. They are in turn responsible to the citizens they represent. When did Dr. Mathis's assignment become evaluating the GM anyway? He proceeded to praise the other trustees for completing their evaluations in less than an hour. I'm surprised it even took that long when the coalition of 3 (Calcrate, Tonking and Wong) mostly agree with what management have to say and do. They know they have the majority and can steamroll the other 2. They could care less as to what their comments (speaking of Dent and Schmitz) or opinions are. This is obvious when a motion is made and the Chairman goes right to the vote, without debate. Then gets reprimanded by general counsel for skipping the discussion. This has happened on more than 1 occasion.

When it came to the question of merit increase, of course the motion was for a 4% increase. In the discussion, Ms. Tonking failed to mention that in her evaluation of the GM she suggested only a 2% increase. Just do what the coalition wants.

Just watch the steamrolling begin with this evening's board agenda. Millions will be committed without clear and complete contracts. But let's berate the trustees that ask questions and are concerned about the citizens they represent.

Do you wonder why the audit committee is under attack and Sara removed from it. "Let's kill the messenger" I'm sure Ms Wong will do her best to dissolve it in the 6 mo. that she is on it. By the way Ms. Wong. If public record request were given in a timely manner. The request for the same records would not have to be made multiple times. For example, Cliff requested the CIP report (Construction in Progress) 3 or 4 times since April until he finally got it in June (3 mo. later)

Finally, I will say, Dr. Mathis, you should hone in on your team building skills, I find you very divisive and biased.

That's enough for tonight, I am mentally drained. And no Dr. Mathis, I am not mentally ill. I just have an injured husband, a friend that just passed away, another on chemo., contractors, etc. and don't wish to say another thing tonight.

Once the AC got going two years ago, Trustee Schmitz was able to engage Moss Adams, LLC to provide recommendations on several accounting issues that had been highly questionable. The largest were the aggressive approach used to capitalize predevelopment stage activities and repairs and maintenance.

In 2020, management made the decision to expense \$830K of predevelopment costs for the Incline High School field and the Community Services master plan. The expenses were considered "Prior Period Adjustment" as the costs were expended in prior years.

In 2021, management decided to expense \$3.3 million mainly for predevelopment costs for the Effluent Pipeline and Pond. The expenses were again considered a "Prior Period Adjustment" since the costs were expended in prior years.

In June, 2021, the AC prepared a report indicating that \$1.2 million of predevelopment costs on the 6 projects **Burnt Cedar Pool, the Incline Beach Building, the Mountain Golf Course Clubhouse, the Tennis Center, the Incline Ball Fields and the Diamond Peak Master plan** should also be expensed as a "Prior Period Adjustment". However, when the 2021 AFCR was issued "prior period adjustments" were NOT made but instead were buried by a journal entry increasing current year expenses and reducing current year capital expenditures. According to GAAP, current year expenditures cannot include prior period expenditures.

In accounting, **consistency requires that a company's financial statements follow the same accounting principles, methods, practices and procedures from one accounting period to the next. This allows the readers of the financial statements to make meaningful comparisons between years.**

The AC reviewed the \$1.2 million capitalized over seven years for tees, greens and bunkers at the two golf courses. We found charges for sand and sod and felt that most costs should have been expensed. We found it odd that ONLY the 2021 expenditures were expensed.

We also found that \$348K to adjust Utilities in the NDOT/Washoe Count Right of Way had to be expensed as the amounts did not meet minimum thresholds. Again only 2021 expenditures were expensed.

We reviewed the \$2.9 million stuffed into four "catch all" capital project accounts. The different type of costs were extensive but we did not see any expenditure for a "kitchen sink". It became apparent that several projects existed and should be better defined. We are awaiting receipt of additional public records. The "catch all" projects were.

- Water **Disinfection** Plant,
- Waste Water Treatment Plant
- 13 Water Pump Stations
- 18 Sewer Pump Stations

Lastly, we found that during 2020 and 2021 an additional \$172K was spent on the Pipeline and Storage Pond which should have been expensed as "a prior period adjustment". During that time period only assessment were being accomplished. A lot of work yet to do and almost \$10 Million in potential charge offs or 6.3% of total net position.

## Susan A. Herron

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**From:** rondatycer@aol.com  
**Sent:** Wednesday, June 29, 2022 5:03 PM  
**To:** Susan A. Herron  
**Subject:** Please include this as public input for meeting 6-29-22.

**TO: IVGID TRUSTEES**

**FROM: RONDA TYCER, PHD**

As a psychologist by training, but a research and evaluation analyst by profession, I recommend that Trustees reconsider IVGID's current contract with Bill Mathis, PhD. My reasons are as follows:

**1 – Dr. Mathis's contract is not specific enough to know what Trustees intend him to do, how Trustees intend he do it, or how what he does will be evaluated.** He combined the General Manager's performance review with a psychological intervention to improve working relationships among Trustees and between Trustees and the GM. Although this novel methodology may have been appropriate and workable in some settings, it proved inappropriate for our General Improvement District. **Mathis's approach (a) invalidated the performance review, (b) marginalized Trustee Schmitz, and (c) created even more dissension among Board members.**

**2 – Dr. Mathis's novel methodology invalidated the GM's performance review.** Although the questions asked were appropriate, the responses were not recorded and cannot be reproduced. Mathis jotted down what he heard Trustees say. Three of the Trustees mentioned that he did not write down exactly what they said. If Dr. Mathis did not record answers, he has no way to validate Trustees' responses. Some of the answers written on the evaluation sheets don't make sense, so it's unclear what the trustees actually said. Interjecting himself in the performance review as he did invalidated it.

**3 – Dr. Mathis improperly and unprofessionally made a false statement in the meeting when he said, "I received a note from Sara who said, 'My mental health is in danger... I can't do anymore. Can you just give me more time?'"** In fact, her exact words were:  
"Thursday evening's Board packet contents are once again so troublesome to me that my health is being impacted. I apologize, but feel it best to reschedule our meeting for the next week so that I can focus on this packet and my health. I appreciate your understanding."

The relationship between Trustee Schmitz finding the contents of Mathis's recording of her statements troubling—and her physical problem with her hearing—was not made clear. But what is clear is that she never wrote, as Dr. Mathis stated, "...my mental health is in danger." Not only was that statement false, but even had it been true, he as a professional psychologist should never have said in a public forum what she said privately about her health. It was an ethical breach.

**4. – Dr. Mathis chastised Trustee Schmitz's rightful concerns with his methodology, and indicated her refusal to accept his methodology was the problem that needed fixing.** He said, "...I covered it with Sara very clearly, and she wasn't in agreement. I acknowledge that, and that's fine.... So we still have the opportunity to fix this. And I think the most important thing coming out of here is—if she wants to continue doing things her way, without adjusting to some different methodologies, then she's going to continue having the same problems. Right now we have some desperate issues internally which are created by us not addressing those."

Dr. Mathis created a "different methodology," and then made Trustee Schmitz wrong for not accepting it. In my opinion, the methodology Trustee Schmitz outlined in her recorded statement was the correct one, with initial evaluation discussions of pluses and minuses conducted in private between each Trustee and the GM. Dr. Mathis's process of combining the GM's performance review with a public management intervention **did not work**—as evidenced by the pervasive negativity felt by Trustees, the GM, the speakers who gave input, and most everyone in the room during the meeting.

**In conclusion, the GM's performance review was corrupted and invalidated by Dr. Mathis's attempt to combine it with a psychological management intervention that failed.** Dr. Mathis continued throughout to mention ways he

**intended to “fix things,” but there is no evidence that he is able to do so. At this point—regardless of the impact on Board decisions—Dr. Mathis has lost the confidence of much of the Incline Village community and, I suspect, of some IVGID Trustees. For this reason I believe the IVGID Board needs to reconsider his role and his contract.**

**Thank you Trustee Schmitz.**

**Respectfully submitted,**

**Ronda Davé Tycer, PhD (UC Berkeley, Cognitive Psychology)  
Institute for Professional Development: Research & Statistics Curriculum Writer and Instructor, In-house Student  
Research Advisor  
University of San Francisco, Instructor, Statistics  
American Center for Research and Evaluation, President  
Association for Support of Graduate Students, Director  
ASGS Thesis News Bulletin for Graduate Students, Author  
John Schneider PhD, Bionian Therapist: Personal Editor**

6-29-2022

Sara Schmitz

First, I would like to thank community members for speaking up in support of my efforts as a Trustee and for expressing their disappointment on how the meeting on June 8<sup>th</sup> was conducted. Know that I will continue to serve our community in the same manner for which I have served the past 2 ½ years. Bullying will not deter me, thanks to your support.

In my career as a software engineer and information technology executive, I had the privilege to be employed by an organization that valued my leadership skills. The CIO and CEO selected me to attend Emery University's Executive Management "boot camp". I was honored and learned a great deal. After that, they appointed me to work with the Center for Creative Leadership to develop curriculum for a course we called "Coaching for Business Results". I am sharing this background information only so you can understand my perspective related to my following comments.

Based on my experience, Dr. Bill Mathis has demonstrated no skills on how to coach for business results. I feel his performance at our meeting on June 8<sup>th</sup> was unprofessional and divisive. As a licensed psychologist, for him to have stated on the public record that I cancelled our scheduled meeting for May 26<sup>th</sup>, the day of the Board's Ordinance 7 meeting, due to my "mental health", I feel was unethical and unprofessional. I have a copy of the email he mentions and will include it as part of the public record. In the email I reference "my health". Many of you know I have been having challenges with my hearing for over a year. I am doing everything possible to take care of myself and to minimize the impacts caused by my disease. This has NOTHING to do with "mental health" and I therefore insist on a written apology for the record.

In addition, Dr. Mathis' process for conducting and writing performance reviews was not industry best practice. Best practice for reviews includes the writing of the review by the supervisor, discussing the content of the review the employee, making potential revisions and employee comments as appropriate and then it is to be signed by both parties. In the case of the GM, only then would the review be made public. This is not at all the process used by Dr. Mathis.

Because of the reasons mentioned, I am requesting the Board terminate the contract with Dr. Mathis at our meeting in July.

I feel the conduct exhibited at the meeting was in violation of the Board approved Code of Conduct. Additionally, it was a violation of Nevada Open Meeting Law due to the review of the Board members and myself by Dr. Mathis, which was not on the publicly noticed meeting agenda.

I look forward to the day the Board transforms itself into a highly effective and collaborative group.

I have a written transcript  
I am also requesting <sup>a</sup> written to the public  
record related to the "Dr. Mathis"  
agenda item

6/12/22, 3:26 PM

Could we please reschedule? - Sara Schmitz

Could we please reschedule?

Email #1

Sara Schmitz

Tue 5/24/2022 12:28 PM

To: dr.bill@mathisgroup.net <dr.bill@mathisgroup.net>;

Dr. Bill,

Thursday evening's Board packet contents are once again so troublesome to me that my health is being impacted. I apologize, but feel it best to reschedule our meeting for next week so that I can focus on this packet and my health.

I appreciate your understanding.

Sara

↳ on 5/26, the day of the Board meeting

**Sara Schmitz**

Incline Village General Improvement District Trustee and Secretary

893 Southwood Blvd.

Incline Village, NV 89451

**925-858-4384**



**June 8, 2022**  
**Incline Village General Improvement District (IVGID) Board of Trustees Meeting**  
**Excerpts from the live broadcast of the meeting**

**Board Of Trustee Members:**

Tim Callicrate (Chairman)  
Kendra Wong (trustee)  
Michaela Tonking (Treasurer)  
Matthew Dent (Vice Chairman)  
Sara Schmitz (Secretary)

**IVGID General Manager**

Indra Winquist

**Consultant:**

Dr Bill Mathis

Note: the time stamp is the running time of the meeting and correlates back to the live broadcast of the meeting.

16:35 Meeting called to order

17:09 Roll Call:

Present at the meeting: Tim C., Michaela T., Matthew D., Sara S.

Absent: Kendra W

Public Comment

40:34 Peter Morris, former IVGID Trustee served from \_\_\_\_ to \_\_\_\_

Peter Morris, Incline Village. It's a pleasure to be sitting on this side of the table. I've enjoyed my time off that's for sure and I appreciate the opportunity to address you all and specifically though I really want to speak to Trustee Schmitz. I hope that's some soothing music that you are listening to in your earphones (Sara develop a hearing issue and requires a special ear device to hear during the meeting) cause I have some things to make to say. I am very concerned about well about all your activity on the board and of course what I would consider lack of intellectual capability, capacity to be on the board. I think you are a very good community agitator but these they're not the notable motivations needed by a Trustee who has, should have the good of the entire community and the assets of IVGID totally in their minds at all times and I feel that one very good demonstration of your inability to have an original thought if you look at your report on the GM section c, subsection c, one of the questions was asking you to make recommendations what you would like to see happen next year. It was interesting you couldn't even think of one item that might be addressed next year and I think that sort of rather typical of how you operate, and it would probably be to your advantage of you to stop getting all of your advice from Mr. Cliff Dobbler and that cartwright of people that don't really have the interest of Incline Village General Improvement District at heart. So, I'm really concerned about your abilities to be a Trustee. I know you've got two more years to go and we need to suffer through that but hopefully you'll start to learn some of these things you really ought to be doing as member. Then I think that your essentially personal attacks on the General Manager in your review really demonstrate the lack of professionalism on your part. If you spoke about specifics rather than generalities, I think it would be good and comment here on section 1b that the General Manager is not visible in the community, I would say that he is one of the most visible

members of all six of you Trustees, excuse me, five of you Trustees as it was demonstrated tonight by all the work he does with the schools for example. So, I would say he is very active in the community unlike yourself who is very much an agitator in the community, and it was very interesting that your self grand guizement saying about your paper was the only one published, really, you shouldn't be so....

36:32 Gail Krolige – Close Personal friend to Tim C.

One of the reasons I am up here, I did read the packet thoroughly and I was quite surprised at the General Managers review. It ranged from a 9 to a 7 to a 9+ to a 2.1. Trying to figure out the discrepancy here. I think there just might be a personality conflict. It just doesn't make sense to me at all and I'm hoping that'll be explained at some point during the tonight's meeting. It just doesn't make sense.

44:15 Public comment concludes

44:16 – 1:16:00 General meeting business discussion

Trustee Kendra W. was not present for the for the general meeting business discussion

1:16:00 Tim Callicrate (Chairman)

Asked if Trustee Wong was on the live stream. Tim was informed that Trustee Wong was not present

1:16:01 Tim Callicrate

Asked to take a break then we will come back then we will come back and go to the next item under general business, the General Manager's performance review

During the break, Trustee Wong was contacted to join the meeting

The meeting resumed at 7:20 pm

1:23:58 Tim Callicrate

Welcome Trustee Wong. We know that you had a conflict so I'm glad you are on with us so all 5 of us are here for the next item, which is going to be item H, general business 2 subject review, discuss and conduct Incline Village General Improvement District General Manager Indra S. Winquest performance evaluation to include a possible salary increase. This will be conducted by Dr. Bill Mathis. Dr. Mathis – welcome

1:24:43 Dr. Bill Mathis

I must comment Mr. chair on how well behaved your group is all across the board. My goodness, this is bot what I'd be looking at as performance

1:24:47 Tim Callicrate

I'm glad, thanks you for that oversight. I think that everybody has been making a concrete effort to remember we all are trying to conduct business of the district as appropriate. We have our disagreements, but we will be agreeable hopefully. We are now with item 2 under general business. Our General Managers performance evaluation. So, I think I can pass out to my fellow board members what the kind of plan of attack is going to be during the board meeting. Is that what you recommend?

1:25:56 Dr. Bill Mathis

Yes, it is my note and we'll go down through the list

1:26:15 Tim Callicrate

OK, we are all set. Dr Mathis, please continue

1:26:18 Dr. Bill Mathis



Thank you very much. There is so much to put together. Some of the observations I think that are going to be helpful. I look at the current roster of board members and I have to say it is an all-star list. Contrary to some of the comments that were made by some of the citizens, I guess, and some other persons. I look at a combination of 5 current board members as quality being able to think through problems, solve problems. In the 5 or 6 Zoom calls I've had with all of them, I would say they are like racehorses, ready to go and just need some guidelines of how to stay in their lanes and not run over each other. So given that, I think that, I am pretty optimistic that, we are looking at an opportunity to come to some new agreements that are going to be necessary before the General Manager can be successful. Some of these are going to be board norms, some are going to be best practices that this group already displayed if they were paying attention to some of those and we can work some of those out and I have a couple examples I want to give you but 1<sup>st</sup> of all the discussions with the Trustees about the evaluation. About November of last year, the board commissioned me to put together an evaluation process that was a little more pulled together and better and what they've been experiencing. So, I put together kinda very much with consultation of all 5 board members with their ideas about what is important, how to measure a General Manager and sure enough, I found in California, I found in Florida and other places that I work where I think that the coverage of items on the General Manager's evaluation are pretty thorough. So, the importance of discovering board norms we haven't covered yet and best practices are going to be critical, because without them, some of the behaviors that are going on or have gone on in the past are going to be detrimental to the individuals on the board's ability to work together. There's not a team attitude or a team sport about cutting each other into ribbons and sometimes we find that that behavior is not helpful to working together. In fact, creates animosity and problems in the community that we should not have. So, just in summary, I found that everyone is quite able to think through problems, they do so in very different ways, but I'm excited we get to work on some of these new agreements we come to work with. So the comment I would have for you is here is the classic example where we have four Trustees who come up to measure the General Manager's performance where they score between 7 & 10 and in most scoring opportunities, that four giving such high marks that there is a pretty good evaluation of Indra until you get to the fifth one and that was a 2.1 or below which suggest to me as an outside evaluator where I do 100s a year of these evaluations that it unusual to find this type of discrepancy. Usually, they are more nuance. But here we have on that is suggesting I am totally or unhappy with his performance. It suggests he is not capable or able in fact it is accompanied with comments that he doesn't even know how to do finance, or he has no finance understanding. So, there are some disagreements and differences of opinion that have resulted from working relationship with one Trustee that needs to be worked out and I would propose to you that in a few minutes we have I would certainly be open to working with you and Indra and any board member that wants individual coaching for working some of these issue out, we can do that. So, I think that as we look at going into this next year, I want to point out something that need to be remedied that is that we need to approve the goals we set for the General Manager so if we are evaluating last, past year his performance based on goals that have not been approved. So, I really recommend that one of the activities that we get together and schedule over the summer and at least by the end of July that the GM has an opportunity to get started on what is really important. The goals should cover not more than four or five major expenditures and I think kinda now the outline he has provided to us about internal controls, I'm thinking about some of the things that contracts and project management. I've gone back and looked at your material and this I've heard over and over and over again there's never an end. They are brought back over and over and over again so one of the good tenants of project management have someone assigned, have a date when

they're suppose to be completed and it seems to me that Indra's team is working towards that so the list that was developed by him, I recommend that the board approve that and in terms of history, yep that's the one we want to do but we have to be totally clear of the four to five goals and being able to hold him accountable for something very much more specific and we share them in concert with the clerk and anybody else who is going to take interest working with Indra to make things better, to make it work. So, I would hope as a result tonight that in fact we would begin that process and do it. Now we've had some setbacks have been we've had some people on vacation on the board, we've had COVID in three or four of us, we've had AFIB, and a whole variety of other things but we overcome it and are getting some of these other things fixed and worked on. Results of a scoring from 1 to 10 in any bodies book is and can be arbitrary but we specifically talked about 1 to 3 being unsatisfactory performance, that the distance between 4 and 7 covers the wider span are used for satisfactory or more satisfactory and finally the 8,9,10 which is exceptional and for you folks to use that as a discussion as to what type of merit if you choose to do that if you should choose to offer one. I think more importantly, in talking to the General Manager, he is interested in seeing the conflict and let's just say the unresolved issues managed so he move on and continue to work with the current group in a satisfactory way would be his biggest desire and successful with that and I agree 100% that alienating or pushing somebody out is not the answer, a group of all-stars could be potentially a very, very reward. So, I would hope that that one of the results you offer as board chair you are offering what we already designed to do and are ready to d it or change. So, the one of the key tenants in this has got to be that your board meetings are very excessive. This comes from 48 years of experience in streamlining and getting to board agendas where we've gotten into bad habits or poor habits as a group. This variety many of you don't have to read much detail in order to understand because you've been around it in your business, you've been a number of years here, so I think what we have is that we have some very smart quick people who learn and talk in different strategies. We need to have some agreements about how does the GM work with the board. The board is doing fairly well obviously with 4 and is not doing well with the 5<sup>th</sup> one. And I think that there is plenty of room for improvement and if I have to make a guess, sort of an educated guess, I would say that neither one of them is happy or having fun to this current approach of working with each other. An example I would use is very clear, to me it is very clear, when a board member needs to call a person 10x a day to get comments or to get information that there is something wrong with that system. So, I look at it as a system problem, system breakdown because the issues when you take a look at any of the issues that crop up are really important to that individual, but they are not necessarily important to making decisions. So, the board has gotten into a habit of dealing with half policy and half to do things, half of assignments to do. Obviously, "to do" is not in their per view, that is what staff does. When we see a leakage happening, coming from board members, leaking over their influence on staff and getting into their territory. So, when I use the words "stay in your lane" that means we are scooting into their territory to much. Not only are we scooting into there area to much but we're finding fault with them, making it personal. Now Josh is going to cringe when I say this because it brings up legal issues. Any of the issues we are discovering or disagreements that we look at between trying to discover "to do" items which is backwards verses policy which is the board work. We're mixing them up so badly that we are creating turmoil between staff and the Trustees. That's a terrible way to lead this environment. This is the finding we have coming from the GM evaluation. All fixable, I think there is an attitude of good will that could come out of this and I would highly recommend that that would be a success for this whole board pulling that around and getting it together. There is no reason, no reason why a board member needs to go to the GM 10x in a day's time with phone calls, information teasing, getting their

attention. All it takes is for two people sitting down and saying, OK what are the rules we're going to operate in, and I've done this a number of times and so I think there is going to be a lot of success on that. The board only needs to deal with district policies, and we need to shape up on some of our agenda issues, so it is really easy to find what the policy is, and a decision needs to be made using the past example of Jacobs work and looking at past projects is a classic example of doing it right. So, whether it's by mistake or whether its not, that example covers it and make decision was wonderful. So, it is possible to cover very complex material. We have very smart people as Trustees who can figure this out but not put our issues out on the table so other board members have to go and go with her and her style so they can use their own style and I think that is going to release a lot of frustration. Mr. Chair, I would also say that whether you're the chair or the next chair, you have to get things worked out as to the role of the chair. In fact, we can talk about roles for both chairs that are really critical in terms of one topic at a time and not over-push the problem with having bright people, Intrapreneurial people still out working in the work place or creating work they don't just turn their brain off so what we are finding is they're bright, they want to cover the how to, because they want to see the project finished because we haven't shown enough project management which says here is the timeline, here is what we've gotten done, and we need to get back to that project and clarify these things. It seems to me that the Public Works Director is really moving rapidly but I don't have a timeline and there ought to be something that Indra has on major projects that I would call that part of internal controls. But it really is critical for this group that you guys are really bent on getting things done and the frustration is only going to get worse if you don't. So, I would say that working with the chair and setting up a whole set of guidelines and managing that meeting would really work very well and that would not have to go back to Tim because he is not running again, that said, I would have recommended that anyway. So, the chair is responsible for resolving some of the issues involving board conflict. In fact, the board chair is usually the one that takes on the responsibility of solving the problem. One would say well, why if he is part of the problem? You have a Vice Chair to take over that responsibility. The elephant is sitting in the middle of the room. But we want to sit down, we want to work this out. In some ways, I feel like I'm the good family doctor, trying to deliver some good castral oil here. You didn't pay me to come in and not have an opinion. We have some folks that are so frustrated that they are being levered their opinions coming from the board that we are already in some danger of having a legal problem within the staff. In fact because they are not being respectful. Maybe some of them are not being respectful back but we certainly have gained the reputation in the area for not being very kind to our employees. In fact, we're having some problems recently because of the reputation of the district being negative from the board about staff. We don't even have a guideline. Criticizing staff has become a sport which is absolute non-sense because they are your team. So, one of the things I hope we can turn around for the summer is alternative ways to address and solve some of these internal issues that we have because board members are not making this stuff up. They are finding this that are of concern, but we need to handle one problem Indra. We need to have one problem Sara, but we don't need 14 from Sara. I want to appeal to you to have 1<sup>st</sup> say in Tim in the time he is here, and Indra has to make some sense about it. If you ask Indra right now how he feels about working at the job, I think you might not like the answer, and I think he is quite capable. So, you didn't ask me for my opinion, but four of you said he is doing pretty dam well. You have eight major businesses you are running. Talk about entrepreneurial. The only one I can think of even like this id Beverly Hills where they have ten businesses they run. And so, I think that it can be done. They did it there, we can do it here if we want to. So, the chair is responsible for not solving the problem that is created between the board members but setting up a process for getting these things

1:46:29

solved. For example, we want to have Sara and Indra working magnificently together, not at odds with each other and certainly not thinking the thing they are thinking about. We also want people to enjoy their work and look forward to talking, but not when they are going to be threatened when they walk in the door and that's the feeling some of them have. So, the concern Joshua has is legally he has a board that maybe participating in that kind of activity. So, I think we need to move very carefully, very forthrightly and solve some of these individual problems and make way for 2022 or 2023 when we make change, so things are already in place. I think we need to put some limits on the time that board members have with a district. I used to think that a board member should get most of their issues solved in a good enough way that they don't have to require a lot of attention. Unfortunately, we have some board members who think at a very fast rate and get over involved and expand themselves into areas they should not get on-to or in-to because they are so frustrated. So, we end up micro-managing potentially the GMs time which is really totally unacceptable. But when we come down with agreements, we should be able to accomplish this in two weeks and manage what is the amount of time a board member needs that varies from project to project but there has to be a limit. There has got to be a time where enough is enough. Time management is an issue for Indra and we're doing some things to strengthen the internal baily wig the internal office out there because being the social guy he is, you don't want to lose that ability to connect with the community but also you all want to have someone who produces project management, manage projects in a very clean way financially and otherwise. You want to pay attention to that. We want to have a certain guarantee that quality is there. So in summary Mr. chair, I am suggesting we now go back and I would think we aught to take five minutes per person and you aught to allow me to do work with out loud starting with one board member and say you have up to five minutes and since Kendra just joined us, I would suggest Kendra and I have that conversation and you can talk about your overall impression of giving a rating to the GM or she can comment on other kinds of things she wants to but we want to do it in a respectful way, that's all I'm going to be asking you to do.

1:51:35 End of Dr. Bill Mathis's opening statement.

1:51:35 – 1:53:59 Procedural organization for conducting the GNs review

1:53:59 Matthew Dent fist to verbally present his review

Summary: Accomplishment – Ordinance 7

Development Area – Delegating

Matthew made a statement that the comments in the public review were not his actual comments

1:57:19 Kendra Wong verbally presented her review

Summary: Accomplishment – Ordinance 7, Flexibility, Audit committee Management

Development area – Spend more time in the community and with staff

- Ignore the noise, a lot of things distract Indra, try to find the middle ground, but most of the time, it's just noise
- Delegate to staff more
- More budget for additional staff
  - o One to manage the public request volume
  - o One to support the audit committee – Maybe this was the fault of the audit committee, we'll see
  - o Additional staff in Manager's office

2:03:04 Dr. Bill Mathis

That's very thorough. I appreciate your comments. By the way, we are full tilt heading in that direction of getting the public records requests into a program. Josh has his team ready to go but he tells me in the next two to three months we ought to be up & running.

2:03:32 Kendra Wong

Great, that is great progress.

2:03:40 Michaela Tonking verbally presented her review

Summary: Accomplishments – Generalist, Ordinance 7, Affluent pipeline, Recreation center  
Development Area – Delegating to staff, Firefighting

2:06:55 Dr. Bill Mathis

I don't think we have anything to add to that one

2:07:11 Sara Schmitz

For the record, I did NOT write the review contained in tonight's Board packet that has my name attached. I will NOT agree with it nor will I defend it. It was NEVER reviewed or approved by me prior to being published. In my many years of writing performance reviews, I have never delegated what I deem to be my responsibility to another person. It appears that this is exactly what was done this year without me understanding Dr. Mathis was intending to write my review of Indra for me.

In reading what is supposedly my review, I don't understand some of the statements and would never write a review in such a manner. I find it unfair and hurtful to GM Winqest and to the community to have allowed another person to write a review on my behalf.

When I learned, just weeks ago that Dr. Mathis was intending to interview us all and write Indra's performance evaluation, I objected. I have never in my career ever delegated the writing of a performance review. When I expressed this concern, I was told by that the 3 Trustees had no issue with it. To be a "team player", I went along with the interview. The outcome, for which I never reviewed nor approved, is in this packet for which I find highly disappointing.

Over the many years of my career, I have always written a draft review, sat down and reviewed it with my staff member and potentially revised it. This is exactly what I did last year with GM Winqest. This process allows the opportunity to ensure there's understanding and agreement along with a path forward. This was NOT done as part of this process, and I feel the results are disappointing and not helpful.

I will not defend this document but instead offer to GM Winqest my time and effort in writing him a complete and accurate review for which I will review with him before it is shared with the Board and the public. If he prefers this NOT to take place, then my only comment tonight is to state for the record I did not write this review and do not support what has been written.

In January my feedback to the Board was that the contract with the Mathis Group lacked clear deliverables. In hindsight, my concerns were justified. In it is states 'beginning a new General Manager evaluation program'. When this was discussed with Dr. Mathis, he explained how all the Trustees need to be trained and consistent in doing a performance evaluation. This process, of having another person write reviews, to me, isn't training for a consistent performance evaluation.

2:09:56 Dr. Bill Mathis

2:12:14

Mr. Chair, I have a response. The process that we outlined here, seeking materials from board members, and writing it is a time offered opportunity because we want to cut back the amount of time it took to generate a document. **In fact, I received a note from Sara who said my mental health is in danger** and I have that document and it says I can't do this work can you give me more time. I said of course. In fact, what we talked about the choices between me writing her comment down and having a speedy effort in doing that she still preferred to write her own and I said well, what I actually said was the other board members are going to do it this way when we did and if you do it differently you can certainly do that but I'm not condoning it because we're trying to shorten it up. Everybody with an exception of one were able to complete the evaluation in one hour in a very thorough way and the ideas that come across for Indra are clear enough where he knows who wrote what ever\_\_\_\_So, I'm not in a contest who's right or wrong on this, it was jut a different process. **So, I covered it with Sara very clearly and she wasn't in agreement, I acknowledge that, and that's fine.** So, we still have the opportunity to fix that **and I think the most important thing coming out of here is if she wants to continue doing things her way without adjusting to some different methodologies, she is going to continue having the same problems and right now we have festering issues internally that are created by not addressing those.** So, Mr. Chair, I'm back to you with your comments

2:12:33 Tim Callicrate verbally presented his review

Summary: Accomplishments – Enterprise fund accounting, getting financial hose in order, affluent pipeline, Ordinance 7, Duffield Foundation Contribution  
Development areas: Time Management, Delegating

I will add that I am guilty of reaching out to the General Manager everyday but as the chair it's kind of important, but I also know he has a very, very tight schedule so I'll usually send a text saying when you have a chance, give me a call. I think because longevity in the community and having been on the board before, I am very comfortable with not that less is more but I don't need as much as maybe some others do and that's a personal choice of the individual Trustee of what he or she feels comfortable with and think that going back to the weekly or bi-weekly meeting is probably a very productive opportunity for all of us and **I'm not singling anybody out.** I just think there is an opportunity for all five of us to get on to that same page and move forward. I thin that the team he has assembled around him in the 37 years I have been here it's probably one of the better if not the best. It's easy to forget some of the things that took place way back when but we're in this here and now. I think that Mr. Navasio contrary to some comments that are continually made almost in a hectoring situation he took the city of Woodlands from a I believe \$2.0 million to a positive \$10 million or something close to that. That's tremendous and his first day here was the was starting of the first day of the shutdown due to the pandemic. So, the comments made by some towards Mr. Winqest his youth and inexperience what not. We've had two quote/un-quote professional managers in the past and they would not have been able to handle the pandemic even remotely as well as somebody who has worked their way up 19 years in the district. There are differences in opinion, but we don't need to be disagreeable about that. Indra was hired by this board to surround himself with a team he felt necessary, he has done that. He still has additional people he needs to bring in for his own personal support in the administration and the general managers office to assist Ms. Heron as she transitions positions and I think he has to make a conscious effort to recognize where his short comings are and bring in the people, he needs to help him accomplish these goals. We have had an inordinate amount of crisis that we had to oversee as a board and our General Manager had to manage also management by crisis and that's not always a good way to

be but that's what we've been delt and I think that he has been able to maintain a level head, he has been able to give information and time to those individuals not only at the board level but with his staff and in the community and I think tonight before the meeting started shows what a close knit community we are and how it truly involved Mr. Winqest has been, two back to back state championships is pretty amazing and that's just in his off time. So, I think that he has done a great job steering this ship but sometimes people call it the Titanic and other times they call it the Queen Mary it just depends on where you sit, I guess and what waters you're in, but I believe that our General Manager has done an exemplary job. He has areas for improvement that we have all marked in our reviews. I felt very comfortable after reviewing the information that was put down, some of the syntax, perhaps a couple of the words here or there. Dr. Mathis, you and I may differ on how we write things and because I tend to be fairly particular and I know you are as well, but the overall intent of what I had in my interview with you is spot on throughout my particular review. So, I'm going to leave it at that and get some feedback from you and how we progress to the next step.

2:18:134 Dr. Bill Mathis

I think that one of the things that is really important is to finish the process of the board review and it's usually not done until the board decides if there is going to be a status quo, what the merit is, whether it is a minimal merit, whether it is two, or whatever it is going to be. I feel that finishing that job and leaving it is important. Secondary, is the offer to work out some agreements with Indra and whomever board member, certainly the chair & write them down for posterity and for the next person coming in in that chair as well as anybody else that is interested in following up and making this a better relationship, and making it work, and I would think that would be the next step that we can do following this meeting.

2:20:04 Michaela Tonking

Trustee Schmitz, I just have a question, are you willing to kinda give us your thoughts because I fell like all four of us have gone and I know that you did give a number which I maybe wonder what is written isn't accurate but I'm guessing the number isn't accurate but I think it would be helpful before we get into a merit conversation to kinda understand where you are coming from so we can all have a discussion at the board if you feel comfortable.

2:20:28 Sara Schmitz

I would prefer to just abstain from the merit discussion and the merit discussion because I don't feel that this is an accurate reflection so I'm going to abstain from it.

2:20:42 Michaela Tonking

Is the 2 accurate or no, you don't think so

2:20:46 Sara Schmitz

No.

2:20:52 Tim Callicrate

OK so then I guess (Interrupted by Dr. Bill Mathis)

2:20:55 Dr. Bill Mathis

I would only tell you that the 2, the 2 offered up by the trustee are in writing and she wrote them to me

2:21:13 Tim Callicrate

Well, I don't want to get into a back and forth at this meeting (Interrupted by Dr. Bill Mathis)

2:21:14 Dr. Bill Mathis

But that's what I'm saying, I'm not really sure it is important

2:21:19 Tim Callicrate

Yah, at this point, what we need to do is move forward and we need to realize that these are issues that need to be worked out, some obviously quite critical with the communications with

our General Manager with the staff some time constraints as we go through this process we can figure out what best management practices throughout other districts how we can apply those and have a definite delineated set of goals and Objectives for our General Manager that is approved by the board so that when his next evaluation is given it is cut and dried, here they are as I see. Trustee Wong, I see your hand up.

2:22:05 Kendra Wong

I'm really not sure how to approach this because as a board and as a Trustee, one of our main responsibilities is to give the General Manager an evaluation and I heard what Sara said, I heard what Dr. Mathis said, but I feel like Sara, you are kinda shirking your responsibility and in the process right now and I mean the four of us can absolutely get it done and we will, but I feel like somebody needs to say on the record that Sara is not fulfilling her responsibility as a Trustee right now and participating in this

2:22:55 Tim Callicrate

Thank you, Trustee Wong, OK, we need to, I guess, entertain a motion. Is that correct?

2:23:04 Michaela Tonking

Should we talk about it first?

2:23:05 Tim Callicrate

OK, let me reach out to Dr. Mathis first, I don't want to jump ahead

2:23:53 – 2:27:25 Discussion related to Indra's final performance rating

Based on the four scores from the four Trustees, Indra's performance score was 8.12 which is considered outstanding. Outstanding performance review rating passed by a vote of 3 to 1. Trustee Schmitz abstained

2:27:26 – 2:35:16 Merit Increase Discussion

1% to 5% increase potential. 3% increase approved by a vote of 4 -0. Trustee Schmitz abstained

2:35:18 Indra Winquest

Thank you chair for I'll be brief. First of all, I want to thank the Trustees for going through this process. I know it was different, but I know the Trustee's asked for something different process from last year. I want to take this opportunity to thank the four Trustees that took the time to evaluate me, provide constructive feedback. I always have room for improvement, and I acknowledge that. I am a young GM and there are areas I need to improve in, improve upon. I truly do appreciate the feedback and trust me; I fully understand the areas that you all kinda mentioned. I need to improve are areas like delegation and time management, but I do need to improve in those areas, so I appreciate it. Trustee Wong – Thank You, Trustee Tonking – Thank You, Trustee Callicrate – Thank You, Thank you Trustee Dent. And by the way, I have no issues with anything as far as you not being agreeable to a higher merit. We are good. Thank you so much for our working relationship over the years.

Trustee Schmitz, I understand your sensitivity to the process, and I understand, and I understand that you show your comments and I respect the fact that you don't feel your comments reflect the fact and I do, I am completely comfortable with working with you on improving our relationship. I will say that the fact that you gave me a 2 out of 10 can not be denied. That number is there, the number is out in the public. I do find that unacceptable based on the fact that I invest a tremendous amount of my time working with you over the last two years. I've worked with you twice as much as the other four Trustees combined and that's OK, that's completely fine but based on the amount of time I invested, I really would appreciate a better, as we work together through this process, a better understanding of some of the things that were stated in here because in my opinion they are very insulting and some of the things that were said here, actually in my opinion, were absolutely false. So, I really hope that you and I



could work together moving forward. I clearly have the support of the other four board members and so I relish the opportunity.

So again, thank you. Dr. Bill, thank you for all your time you put into this, and I look forward continuing to work with you on executive mentoring and everything else we will be working together. So, I appreciate it, thank you, thank you chair

2:38:19 Tim Callicrate

Yah, you are welcome and thank you Dr. Bill, I just wanted to say thank you. there are areas obviously that we need to work on and we as a board, all five of us a board acknowledge that and we will just, I as the chair am going to buckle down six months that I'm left on here hopefully whoever sits in this chair after me and the new Trustees are elected will have good guidelines and a template to work with from. So, and thank you very much for the time that you put in and the time you will be putting in the future. We're going to let you go. It's 8:35 and you don't need to stay on unless you want to watch the public comment section which is coming up next.

2:39:10 – 2:42 :19 Meeting closeout

2:41:22 Public Comment Initiated

2:49:19 Mr. Peter Morris

Thank you, members of the board. I want to comment and compliment the board and Dr. Mathison that process that you just undertook for the review. I was really astounded in a positive way by the way Dr. Mathis gave that feedback, so I really hope, I don't know what the plans are in the works, but I really hope that you continue to work with him. Sounds like someone who could really help the board and I think that two things really strike me. I think it is really important that you do set decisive goals that it becomes much less a general but a specific review next year. So, please do work on that and also, I would really recommend that you get some money in the budget for an executive coach for the GM whether the GM is for Indra at the moment, I think that that would be of value for anyone coming in. There isn't anybody that acts as a coach to the GM, and I think that is an outstanding idea and I would recommend to the board that you get that in the budget.

As for negative Sara, I'm sorry to hear about your health issues and I hope you are better soon. I think that I would recommend, I'm not a counselor so what do I know, but I would recommend that as that as well as the coaching, there seems to be an offer between you and Indra that maybe some personal coaching or counseling, I think might help you as well. I am not qualified in the capacity to say but I really wish that you would because I think that you are back pedaling on what you had to say to Dr Mathis in the way that he recorded it and not having the, dare I say while not trying to be too emotional, the guts to say OK, that was all wrong, but this was important, here is my view of how Indra performed last year, I really think you should have stepped up to the plate and said that tonight and that would have made more definitive no you didn't agree with what Dr. Mathis recorded. But given that Dr Mathis did make the comments a couple of times that the information he gave to the board was in writing and there for it surely becomes a public record, I shall be making a public records request to get a copy of all the comments that were sent to and from Dr. Mathis on this review so I can see exactly what was really said and what wasn't said. My time is up but please Sara, get some help.