

MINUTES

REGULAR MEETING OF FEBRUARY 26, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, February 26, 2020 at 6:00 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

On roll call, present were Trustees Peter Morris, Tim Callicrate, Sara Schmitz (on the telephone), Matthew Dent, and Kendra Wong.

Also present were District Staff Members Director of Public Works Joe Pomroy and Engineering Manager Nathan Chorey.

Members of the public present were Michael Brothers, Steve Dolan, Wayne Ford, Pete Todoroff, Aaron Katz, Judith Miller, Mark Alexander, Linda Newman, John Eppolito, Margaret Martini, Alexandra Profant, and others.

(26 individuals in attendance at the start of the meeting which includes Trustees, Staff, and members of the public.)

Chairman Callicrate made several announcements regarding what this meeting is, protocol, ways to contact Staff, etc.

C. PUBLIC COMMENTS

Alexandra Profant said that she has an update – yesterday, the Washoe County Commissioners did not pass the Short Term Rental (STR) ordinance and that they came back to her to look at what proposed changes she would like to see and noted that there will be further discussion about building and planning codes as well as there may be some directive about compliance. They didn't want to put something in writing but they will try and be helpful and help with community issues to have a guidepost. The State Historic Plan, which is applicable statewide, is being updated. She is not sure if IVGID got a copy but if they did, she would like to have it for the library book shelves. The Washoe County Code has a hard copy

Minutes

Meeting of February 26, 2020

Page 2

on the library book shelves and we are getting a good response to that. Ms. Profant said she spoke at Mr. Todoroff's Citizen Advisory Board meeting and that she asked Washoe County's Karen Mullin to request a copy of the meeting minutes regarding STR's. Finally, she thanked the Board for allowing public comments at this meeting as she is very grateful and if anyone has any questions to offer regarding STR's or District, she is still an applicant for Washoe County Planning Commission, District 1 seat.

Linda Newman read from submitted written statement which is attached hereto.

Wayne Ford read from a submitted written statement which is attached hereto.

Aaron Katz said that requested public comment on General Business Item G.4. and that it doesn't have to be agendaized in order to do so. As we get close to another budget, he started concentrating on wasteful spending and his number one item is EXL Media. There has been \$425,000 wasted on media advertising on recreational assets that are for the benefit of local property owners and not the world's tourists. There is no way that we generated a dollar of revenue on this. He was really interested when Trustee Wong expressed concern, at the last meeting, regarding the Utility Rate Study. He was interested to see what was done with EXL Media and a cost/benefit study. The contract has measurement like clicks on Facebook, how many leads came back to use and how many likes did we get on social media – there is nothing there so it is an absolute waste – kill it. On the District's Strategic Plan, does the Board see what the danger really is. Staff created flowery language in the Strategic Plan that the District should be concerned with sustainability. Staff ceased on that and spent money on environmental stuff. Staff is doing things they have no power to do so kill the Strategic Plan.

Judith Miller said that she doesn't usually talk about Washoe County issues but the reason for it is because STR's have a tremendous impact on this GID and the Washoe County Commissioners didn't approve the language rather they responded to a whole list of objections submitted by the STR operators and not to the list of those who have to deal with those properties. Ms. Miller then went over six items. What does this have to do with IVGID? There are no limits so that means every residence could be used as a rental. The District needs to increase the fees for non-owner/non-resident or those not accompanied by a picture pass holder and that we should charge the fees instead of change the ordinance. Ms. Miller said that she researched a place in South Lake Tahoe and proceeded to go over their charges. She recommends setting the daily beach pass price at thirty dollars per adult and if that price increase causes a few less beach visitors she doesn't think the residents will complain.

Steve Dolan read from a submitted written statement which is attached hereto.

Margaret Martini read from a submitted written statement which is attached hereto.

Mark Alexander said thank you to Staff for responding to his question at the last Board meeting as to how the water got to Crystal Bay and that it was not an engineering document rather it was more of a public relations document. However, it did clarify that the water to Crystal Bay does come from Bunt Cedar beach. He did know that one pump had been removed and he learned that the one near the fire station has been mothballed. In speaking with folks around Crystal Bay who have been there longer than him, it was about thirty years ago that they developed this whole plan and that he would like to take a look at that study. He doesn't know how to describe it. Mr. Alexander then asked if it was okay to pick up the phone and call the Director of Public Works or stop by his office. Items G.1. and G.2. are inconsistent with the Board's direction to IVGID management on how to proceed so he is thoroughly confused on what happened from point A to point B. We don't have the minutes but he thought he heard the direction on the expectation of the outcome and what was to be on the agenda; he will leave to the Board to address.

John Eppolito said he would thank Staff because both the boys and girls' basketball teams are going to State; we are lucky to have our Interim District General Manager - congratulations.

D. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate said since meeting and approving the agenda, he has been apprised of going out for a project management firm. This Board did not give clear direction and that is why it was not placed on the agenda in that format. We did talk about pulling these two items but instead he would like to leave the agenda as is so we can discuss it as well as those in the public who want to share their comments. We may want to defer it based on prior Board meetings so we can give clear direction and then it can be re-agendized with a scope and monies. He does want to have a robust conversation without it being a shouting match as that doesn't serve any purpose.

Interim District General Manager Winqest said during the last couple of meetings there has been so much information and discussion and that it is Staff's goal to get a clear understanding as his expectation was to bring back a contract for design on the pipeline and the pond lining and that is what he understood. He thought Staff was to go out to design and then we were to hire a project management firm

however he is completely in line with what the Board wants to do and if the Board wants to hire a project review firm who guides us through the process, that is fine and that he wants to walk out of this meeting with clear expectations.

Chairman Callicrate asked for changes to the agenda, none were requested, so he approved the agenda as submitted.

E. DISTRICT STAFF UPDATE (for discussion only)

E.1. Interim District General Manager Indra Winqest

Interim District General Manager Winqest went over his submitted report and added that the District hasn't received the USACE project partnership agreement and that as soon as Staff has new information, he will e-mail the Board as well as making the community aware and noted that Staff is being as pesky as they can.

Chairman Callicrate asked how much has been spent on the construction of the Mountain Golf Course Clubhouse to date. Engineering Manager Nathan Chorey said that he is managing that project and that we have spent about fifty percent or about \$500,000. Drywall has been hung, taped and textured, windows have arrived, and we are projecting opening on time. Trustee Morris asked if we were on budget. Engineering Manager Chorey said that the project is proceeding well and we are working through the issues.

Trustee Wong said, regarding the agreements with the USACE, where is the hold up. Interim District General Manager Winqest said it is in the hands of the USACE's attorneys. Trustee Schmitz said that USACE's Ms. Whitney made the statement within two weeks and it is now four weeks so she is concerned about how it is dragging along – is there anything anyone can do to help facilitate it. Interim District General Manager Winqest said he didn't know of anything else anyone can do and that he can set up a call with Ms. Whitney for himself, Chairman Callicrate and our Director of Public Works however she is well aware of the timing issue. At her level, he doesn't know how much she can do and we don't want to be overly pesky as it is frustrating and he hopes that every morning he will wake up to see an agreement. Trustee Schmitz asked Trustee Wong if in her experience and in the developed relationships with our legislators if there is anything she could do that would be helpful. Trustee Wong said possibly and that she will reach out to Interim District General Manager Winqest and Mr. Faust to see what would be appropriate.

Trustee Schmitz said she is curious about where we are with the land across from the high school and asked if in the draft no smoking policy were we including no vaping. Interim District General Manager Winquest said yes, we have included no vaping, marijuana or tobacco use. Regarding the land, he did meet on site with the USFS and has gotten them information from our Community Services Plan. They will start their evaluation to make sure it meets their mission and he is very confident that it does fit in and that it is just a matter of them getting onboard and then we can start the special use permit process.

Trustee Morris asked how Diamond Peak is doing and how it did over President's Week given that February has been a no snow month. Interim District General Manager Winquest said that he has only seen preliminary financial information and that we did have a better than expected President's Day weekend. It was busy on that Sunday, as he was up there, even though we are having a weak snow winter, our team has done a good job. It is a testament to our Staff and while everyone has an opinion on marketing, our Staff has done a good job and produced a solid season even though it is not going to look like the last two or three years.

G. GENERAL BUSINESS (for possible action)

G.1. Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Export Project - Phase II – 2524SS1010 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc. in the amount of \$256,300 for the Effluent Pond Lining, Surveying and Design Professional Services. (Requesting Staff Member: Director of Public Works Joe Pomroy)

**PUBLIC COMMENTS WILL BE TAKEN AFTER THIS AGENDA ITEM G.1.
Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration**

Chairman Callicrate said that the Board did ask Staff to come back with a contract under the guises of having a professional project management team and asked Staff to proceed with their presentation; Director of Public Works Pomroy briefly went over the submitted materials.

Trustee Wong asked if the Board goes the route of hiring a project management firm in front of this action or delays in making this decision on

the design phase and start by going out to look for a project management firm, does this push us into a different construction season.

Director of Public Works Pomroy said that Staff would like to get the design teams working on the design phase and then bring in a construction management team who would guide us through eighty percent of the work and help with bidding, etc. The design would kick off at sixty percent and if we wanted to bring on a construction management team that would occur between sixty percent and eighty percent so as to do their review and that has been Staff's assumption. It would be a different direction that would definitely change the schedule and if it is a project oversight team that would review documents, etc. that would be inserted prior to going into design.

Trustee Wong said that she is on the same page as Staff and it appears that this is not the understanding of the full Board. She understands the implications on the timeline if we do go a different route and in knowing that this is a capital project that all the pieces need to fall into place at the right time otherwise we will be delayed for another construction season.

Trustee Morris said that it is his feelings on this agenda item is that Staff was following the direction given. He too is concerned about timing. It was his thoughts that our team was doing the design so the external consultant would be running the project on the overarching project and that getting down into the detail would be our team but that the design was ours; he would therefore like to clarify that with the Board.

Trustee Dent asked if the Engineering Department was fully staffed. Director of Public Works Pomroy said it has one vacancy for an engineer. Trustee Dent said if that individual was hired, could we handle this project. Director of Public Works Pomroy said they are staffed right now to handle the design and construction project. Trustee Dent asked if Staff was at sixty percent on the design on the effluent pipeline. Director of Public Works Pomroy said Staff was at fifty percent. Trustee Dent asked if ten percent would be the right place to bring in a project manager to manage that project. Director of Public Works Pomroy said that Staff would definitely use a construction management team and that we would bring them on when we were finishing the design; at the sixty percent level. Trustee Dent said by going in this direction, getting a consultant to manage this project and the next, and having one person report to you and take on that day to day task, would that take this project off your plate. Director of Public Works Pomroy said if the Board wants to do that.

Trustee Schmitz said, at the last meeting, when we discussed this, we directed Staff to open a new project for the pond lining; that was not done as the project number is the same as the effluent pipeline so we need to establish a new project, have the expenses tracked, and the scope of work (SOW) written specifically. The Board had a discussion about engineering services and we agreed to disagree. In the Jacobs recommendation, combining options two and three will give us the best benefit for the life span. Staff did say it was going to be evaluated but the SOW wasn't written that way. Trustee Schmitz continued that she really dials in so the SOW is clearly defined so there are no missteps occurring along the way. The Board did recommend that the SOW be updated to more accurately define what we are asking them to do, it needs its own project number and the SOW needs clarification.

Interim District General Manager Winqest said that he agrees with Trustee Schmitz that it should be a separate project however there was not clear direction at the last meeting for us to separate it out and that the Board went back and forth with no decision to make it a separate project. We had public comment to keep it as one project and that was not the direction given to Staff. However, we are more on the same page than people think we are and we agree how that should be handled. Staff doesn't object to hiring a project consultant going forward and partly what the Board is asking for is a project review all the way back to Phase I on all the work that has already been done to make sure the project we are putting out to design is the right project. If the Board is heading in a different direction, we can support that. His understanding is, based on his conversations with Board members, is that before we walk out of this meeting tonight, Staff must have strict direction on what we are going to do. Staff can hire a consultant for a full project review to make sure we have the appropriate design scope. We can stop there, hire a design firm to work on that design. Simultaneously Staff can go hire a construction management firm who manages from there. Staff can hire a firm that can do all of that for us and take us through all the phases. Staff needs to know what the Board wants Staff to do as we are trying to create a clear path to rebuild trust and what we are putting out to design is the right project.

Chairman Callicrate thanked Interim District General Manager Winqest and Staff. This project is nearly seventeen years old and it is his feeling, to dispel rumors and fact from fiction, that he wants to move more towards the direction of an independent third party who takes this over and validates the

bulk of what we have done in-house. What happens in government is that Boards change, people change, and the community changes. There is so much rancor about this project that he would like to see us bring in an independent person, which is no offense to anyone on Staff, to elevate the concerns within the community, and bring in an independent firm that validates what we have done to date. There is a lot included in this project and bringing in the independent firm is a step back and a statement of the Board saying that it still has control of the purse strings. He would like to go in that direction.

Trustee Schmitz said that she would like to go back to a comment that the Interim District General Manager made and Trustee Dent also touched upon, Staff is pretty taxed right now and that is in no way saying Staff is not doing the right thing, not at all, but that this is a situation that is such a critical project and Staff is taxed with so many projects that this was a good direction to go. If we move too quickly, we offend others like getting reimbursements from the USACE. In understanding the construction season, if we move too quickly, we are risking losing money from the USACE.

Trustee Dent said he agrees and thinks we can handle it in-house and that he too is worried about the money from USACE however we have been unsuccessful in hiring that individual so take a load off of Staff on this project and on the next general business item.

Chairman Callicrate said we have the Burnt Cedar pool project coming up, the Incline Beach facility coming up, beaches master plan, and the continuation of the Mountain Golf Course Clubhouse and cart paths so we have a lot coming up. He commends the Interim District General Manager and his Staff for always being ready to do more.

Trustee Morris said he is trying to be respectful to both parties and that the commentary to our Staff is a backhanded non-comment – don't know that our Engineering Team hasn't delivered all that they have said they would. They know those projects are coming and they continue to manage and sit there and say yes, we can do this or at times say no, that would be too much to take on. He hasn't heard no, we can't do this. Rather he is hearing you are a great guy so we don't trust you so get someone else – that is an element of what he is hearing. We have incredible people doing incredible work that have a track record of doing great work. If we want to do other things, let's put it that they are good enough, and let's call it out. But, to do it in other terms, is not good.

Trustee Dent asked Trustee Morris if he was in support in moving forward with this item tonight. Trustee Morris said he is on the fence about as he doesn't want to delay something that the entire community has been beating us up on and that we can't wait on. His concern is if we can get all this done. He understands the costs and the same time scale and then he gets less concerned about if this delays us and pushes out the schedule along with the costs going up and up; he doesn't mean to be wishy-washy.

Trustee Dent said so Trustee Morris is not sure if he is ready to move forward but it is critical that we may not move forward. Trustee Morris said he is very happy to move forward on this and in not moving forward on this if it doesn't delay the project to get the pond lining done in the time scale proposed as he thinks that is a bad decision. He wants to get it done on this timeline.

Trustee Dent asked if Trustee Morris was not willing to move forward because we still didn't have a letter from the USACE. Trustee Morris asked what was the amount for the pond lining. Director of Public Works Pomroy said that the request was for \$2.7 million total and that he got this scope of work to the USACE as well as the cost and asked that this would be part of the project as Staff submitted everything that could fall under the project.

Trustee Morris said if we did this project for \$256,300 and we let the contract now with Jacobs Engineering, we would not get any of this money back from USACE and if we waited, we could get it back. Director of Public Works Pomroy said something USACE includes past costs so this is would be completely at risk. Trustee Morris followed up by stating so if we start this, we are at risk because we don't know what the USACE could do and then asked how long could we delay this phase and still meet the current timeline. Director of Public Works Pomrov said if you authorize this contract, the contract will have a start date of April 1 so we can bid it in February 2021; so a kick off on April 1. Trustee Morris said if we delay this, which is very likely, until we have an overall Project Manager, how long to get that firm hired and to start on it and put this project out to bid. Director of Public Works Pomroy said he didn't now the timing of the initial part of the process but for the project management consultant he would estimate that it goes out for twenty one to thirty days, then an interview is done, back to the Board for award, and then eight to ten weeks or longer which is a total of between one and four months and then it is up to the consultant on how fast they proceed and it depends on restraints and then they go through the full design schedule.

Trustee Wong said we use consultants and bring in external consultant when we don't have the expertise in house and/or gain efficiencies and Staff time is better spent somewhere else. She is concerned when the Interim District General Manager says evaluate from Phase I going forward as Phase I is done and we are in Phase 2. She would not look at Phase I except as it relates to Phase 2 and what we are about to embark upon. She is not a fan of spending more money where we don't need to. Our Staff has done a great job of getting us to where we are. If it helps us to gain efficiencies and helps us to manage the project, that is one thing to evaluate. It is something else to evaluate the work our Staff has already done as that is waste of resources and time. It is probably in our best interests to not approve this until we have a Project Partnership Agreement (PPA) with the USACE. We need to carefully plan on when we execute this project. If we wait for that PPA in exchange for us spending fifty to one hundred thousand dollars and it jeopardizes that schedule, then we evaluate that cost over a multi-million dollar project. In Staff's mind, what is the ideal timelines and if everything is executed perfectly for both projects, what would be our ideal. Director of Public Works Pomroy said included in both of the memorandums are the perfect schedules.

Trustee Dent asked how long as this been on our radar and we know we have been waiting for the funds and now we know we are about to get them and now we want to start before we get that piece of paper. Director of Public Works Pomroy said the pond lining was removed from our Nevada Department of Environmental Protection permit in 2014 and we got our new one in 2015 and it was not included so that is when the need was included.

Hearing no further Board comments, Chairman Callicrate opened this item for public comment.

Margaret Martini said that the District has been kicking the can down the road and that the past information is that the project would cost \$23 million and completed by now and now we are being told that it is \$38 million and may or may not be concluded until 2031. All of this has happened under the direct supervision of the current Public Works Department. Talk about trust and no name calling, the past actions have been woefully inadequate and very costly. This is unacceptable and this is what we want changed. We can't go on like this. We are looking to getting the monies from the USACE and do we trust our Public Works Department based on their past

performances – she would say a big no. We need to get someone who can manage and perform and that is not the current Public Works Department.

Linda Newman said that she would agree with Ms. Martini and that she covered most of her points. Add in that in 2017/2018, we were told the pond liner was budgeted for one million dollars and the Jacobs report gave a range. Staff came up with a \$2.7 million estimate and she has no idea where that came from. If we are working with USACE, who has done projects all over the country, might they have some suggestions on the design. Jacobs may or may not be the best contractor. Ms. Newman continued that she also believes we need a complete project review because at the last meeting, Public Works wanted to make this a system and include everything on the twenty mile pipeline as well as the Carson Valley area and include not just this pond but the other pond that hasn't been lined since 2014. It is a great idea to have a complete review of this project so we have a careful and considerate review and have an understanding on how we are going to fund it.

Patrick McBurnett said he wasn't planning on commenting but that as he listens to this conversation, and he being a forty-year aerospace engineer who owned his own company, he thought Chairman Callicrate stated the proper position. To take the design and separate it from the manufacturing of the component is not good. Give the whole project to one person and get it down and they will be responsible. They make sure the design is able to be manufactured and inspected. As to we got to get a rush on this thing, how long has it been going on. Just nonsense, do it right the first time. If you do the design and then the construction, he really thinks you are making a mistake if you don't give it a professional who can do it as they will then be responsible.

Mark Alexander said what is of interest to him and he checked his calendar is that he was making a reference as the Board meeting was on February 12, at night, which left February 13 and 14, and the date of the document is February 14 so this whole paper was prepared, signed off, went through the process, and they received the direction from the Board. That was two weeks ago so what has happened since then. He found easily a couple of very exceptional firms in Reno that are in this business and he hopes that we have started that dialogue, gotten things moving and started introductory conversations to gain a variety of information and if we haven't, shame on us. There is neither harm nor foul in having an initial conversation to help us move this forward. Yes, we have a failing effluent pipeline and time is

becoming of the essence so we need to move it forward and we need to have the pond lined to transfer the effluent down to Carson while the line is being worked on.

Alexandra Profant said that she agrees with the prior two gentlemen and look at the Administrative Code for the architect as they own the work product and that she would suggest not having an architect being a project manager because of the liability. It creates an enormity of liability that could be passed on. Also any Federal dollars you accept, have Federal mandates so that needs to be mentioned so you are aware of that. There are point source pollutants that the State of Nevada doesn't consider and California and Lahontan oversee the water quality of the lake. They govern the various water sources and the point source also allows corporations to take responsibility.

Hearing no further public comment, Chairman Callicrate closed public comment.

Trustee Wong asked Interim District General Manager Winqest if he had what he need to move forward. Interim District General Manager Winqest said no, he needed more clarification and that there will be a similar discussion on General Business Item G.2. And one question he wants to ask is if a SOW is prepared, who is going to prepare that SOW. His recommendation is to have one or two Board members work on this as he is not qualified and that the Director of Public Works is but the Board has to decide if they want to have that happen thus he needs Board input. Also, he has reached out and called a lot of other agencies. Who is going to write the SOW and who is going to approve the SOW are his questions because he does not want to be back here having this same discussion at a point in the future. He gives the Board huge respect to their understanding of this project and to those that he has talked to that have put a lot of time and effort into their understanding. Whatever the consultant says, that is what we are doing so Staff wants Board oversight but add that into the discussion as we move to General Business Item G.2.

Chairman Callicrate said he agrees that it is critical important as we don't want to lose three months and then asked District General Counsel Menchetti his thoughts.

District General Counsel Menchetti said that General Business Item G.2. is redundant to General Business Item G.1. and that you can blend these two

and get all the public comment. You will have difficulty with what exactly we are directing our Staff to proceed with and come back with.

Chairman Callicrate said there were a lot of moving parts at the last two meeting.

Chairman Callicrate called for a break at 7:35 p.m.; the Board reconvened at 7:45 p.m.

G.2. Review, Discuss, and Possibly Authorize a Professional Services Agreement for the Effluent Export Project - Phase II – 2524SS1010 – Fund: Utility; Division: Sewer; Vendor: HDR Engineering, Inc. in the amount of \$161,634 for design services for the Effluent Export Pipeline Priority Project (Requesting Staff Member: Director of Public Works Joe Pomroy)

**PUBLIC COMMENTS WILL BE TAKEN AFTER THIS AGENDA ITEM G.2.
Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and
limited to a maximum of three (3) minutes in duration**

Chairman Callicrate said that the Board was now moving on to General Business Item G.2.

Trustee Morris said one of the members who made public comment and then a following member agreed with them said that this project has been going on for forever and then bad things about Public Works who works under the District General Manager and that he works for the Board so it has been the Board that has made those decisions and to besmirch the reputation of the Public Works Department shows them to be very uninformed. This rolls into the overall discussion of two professionals who came up and spoke and made either end comments of what is another delay and then the other is time is of the essence; that is the dilemma and he really hopes that whatever we agree to we get a clear timeline as the Interim District General Manager needs very clear direction so that the public knows and gets along with the Board.

Chairman Callicrate said Trustee Morris' comments are duly noted. Board's made decision that they thought were appropriate as did our prior General Manager. We are here tonight to make decisions that are appropriate at this period of time. It has been quite a process to this point and he has a lot of respect for our Director of Public Works and his team who had a lot on their plate and who has been thrown a lot of curves as this project has gone to

some unforeseen areas. He is hopeful that we can nail this down tonight for our Staff.

Trustee Schmitz said that she apologizes for not asking this previously but if you go to the diagram on agenda packet page 27, there is about a one thousand linear feet of a gap between Segment 3. Director of Public Works Pomroy said yes, there is a gap. Trustee Schmitz said if this design phase is going to take ten months, what is your best guess of what would be the incremental cost to include that one thousand linear feet in the design phase and that can be a ballpark number or is it significant or insignificant. Director of Public Works Pomroy said it is not substantial in the design phase as it is two more drawings and roughly ten to thirty thousand dollars. Trustee Schmitz said because this process is going to take ten months and is for construction next summer, we should include that design work. We could always change our minds if co-location is viable and in ten months we will know more information. If in ten months, it is not viable, then we have done the initial design work and include the additional one thousand linear feet at that time. Director of Public Works Pomroy said that does make sense and you could have that done through alternative design options. Trustee Schmitz said that we would be a step ahead and a go/no go decision could be made at a later date in time but we would have the design work all cued up. Trustee Wong asked what was the reason for excluding the one thousand linear feet. Director of Public Works Pomroy said because it has the potential to be co-located with TTD and the 5,067 linear feet is the one that could or could not be co-located.

Hearing no further Board comments, Chairman Callicrate opened this matter for public comments.

Margaret Martini passed on her opportunity to speak

Linda Newman said, in response to Trustee Morris, that the Board can't make decisions on information that don't have. The Board was unaware that it was decommissioned in 2014 and that the NDEPT was waiting for information from Public Works. The Board didn't give direction because they didn't have the information. If the 5,067 linear feet plus the 1,000 linear feet was replaced, you would not need to have the pond lined for that project because the existing pipeline would be in effect and the new pipeline would be done in parallel and that you just have to have a joint to connect with the existing pipeline. When the thirteen breaks occurred after the catastrophic failure, the Board was never notified. You could have been creating new

pipeline in the highway instead of have a million plus dollar Band-Aid. The Board can't give direction without information.

Derrick Aaron said that he is an IT consultant and project management for household names you are familiar with. Hiring neutral project management, in his experience, sometimes undervalues an excellent consultant – pay me now or pay me later. He has been hired to restore at risk projects and stated that it is really important to get good project management and one that is neutral and one that is not associated with a construction firm to represent the District so the evaluations and analysis are going to be fair. They don't report to the construction company rather they report to IVGID. On timing, if you do hire a consultant, when do you bring them onboard. As to validating scope, he has been on projects after the fact and after everything is done and then he comes on and says it doesn't make sense. This is a factor of the budget and how much the District can spend and that it how you determine how far in advance you can bring them on board.

Mark Alexander said what he looked at the item, he was quite inflamed as it was not representative of the direction of the Board to Staff and then by change he looked at the date on the document and also February 10 with the cover sheet dated February 11. The meeting was on February 12 so unless everyone was quite psychic, it didn't address the issues that came up in the meeting. It is rather concerning to him that we are looking at a document for consideration for General Manager that is not representative of the information given. No disrespect intended, as a member of the public, he would expect the document would be represented and consider the direction and discussion that took place at the Board meeting. For instance, no other remedial action on reworking the pipeline was included and he thought that had a pretty clear conversation on replacement. There are other firms in Reno that are able to perform work on the effluent pipeline and pipeline systems using alternative methods. There are alternative methods out there and he asks that they be given their due consideration.

Chairman Callicrate, hearing no further public comment, brought the matter back to the Board.

Trustee Wong said the Board discussed it on January 29 and there was nothing on the agenda of February 12 for the pond lining or the effluent export pipeline. Chairman Callicrate said duly noted.

Chairman Callicrate said that the Board has had quite a spirited discussion and that he would like to ask District General Counsel for his recommendation.

District General Counsel Menchetti said you have two different items and the Board could address each one separately if that is the desire of the Board. Because they are General Business, the Board can probably make one motion as long as it addresses both agenda items. It is up to the Board as to do you want to make a motion or to direct Staff to do something. Please do so as clearly as possible so that Staff understands their marching orders; do it either way as one or two motions or address both items at the same time. Trustee Wong asked for clarifying direction – does the Board have to make a motion. District General Counsel Menchetti said the Board can take no action on these two items; that is fine and then go forward with whatever you want to do with your Staff. Chairman Callicrate said he agrees with Trustee Wong and that by not taking action but giving specific direction, we accomplish what we are trying to do without running afoul of the Open Meeting Law.

Trustee Dent asked when did the Board give direction to our Staff as far as project management – we need to give direction to hire project management consultants, go the CMAR route, or leave it with Staff.

Chairman Callicrate said that the direction we are giving is for the Interim District General Manager to work with two Trustees to flesh out a SOW for hiring a professional project manager.

Interim District General Manager Winquest said that there was public comment made about not identifying other methods; he would draw attention to agenda packet page 28, Exhibit A. where it speaks to an evaluation of trenchless methodology and that he wanted to make this point of clarification. We are asking the consultant to look at all different ways and that he is assuring the public that we are going to make that the consultant does that task as it is already in the SOW. So, how does the Board intend to provide oversight; we could have our Director of Public Works and his team do a draft SOW and then sit down with Trustees Dent and Wong to go through it and get their thoughts and this Board can select the two Trustees. Then he will come back to the full Board and say that the team has provided to him this SOW and ask for their approval to do the hire. We need to know that information and this consultant would tell us that and the Board will get this answered by the consultant and such things as adding the one thousand

linear feet to the design and should we create a separate capital project for the pond lining, and should we transfer the money from the effluent export pipeline project to that new capital project; all that will get clarified. When we hire what consultant, the Interim District General Manager will manage this hire and there will be a dotted line to the Director of Public Works. We understand that this is no knock on our Staff's expertise but that this is based on the history of this project.

Chairman Callicrate thanked Interim District General Manager Winqest for spelling it out pretty effectively with one direction to move forward and he would tend to move in that direction.

Trustee Morris said regarding creating the separate project for the pond lining project, he is worried whether we decide that tonight will Staff have to come back to the Board. District General Counsel Menchetti said that the Board can direct Staff to proceed with certain items. Trustee Morris said he understands that but that he doesn't want the Board to go wrong. He is in favor of having the two Trustees meet with Staff and working on the SOW and that if Trustees Dent and Wong are in favor of that then we can move quickly on that matter. He would like to understand what it is going to cost but that he can see that move pretty quickly and having that go forward.

Interim District General Manager Winqest said that we can create a separate project for the pond lining and funds can remain where they are and then we can do the transfer at a time in the future. We have estimated it will cost a couple of hundred thousand dollars but that it will all be based on the SOW and it won't be cheap.

Trustee Schmitz said that she reviewed a draft of the meeting minutes and the Board did request the Staff to create a project for the pond lining and the pipeline and we didn't allocate funds but in the motion we did create the project.

Chairman Callicrate said thank you and is everything good with having two Trustees work with our Interim General Manager and Staff taking into account everything to sort out what we need.

Trustee Schmitz said that having been a project manager and a designer of a project, getting the design right from the design to the end of the project and that if we move forward with a project manager, she would like them engaged from the beginning and not after the design phases are completed

because you have to go back and rework so she would like to get them engaged earlier.

Chairman Callicrate said that there is a semi-consensus of the Board to bring them in sooner rather than later and we are talking about the SOW and getting that hammered out with a price tag and then we can vote. He wants to have crystal clear direction so that we don't have any more discrepancies. We have hashed it out to make sure that our Interim District General Manager has the exact information on what he is moving forward on.

Trustee Wong said that the original statement laid out different options that could effect that SOW and that in setting down each of those type of contracts to come up with the best recommendations is opening a very giant can of worms.

Trustee Schmitz said we start with the major scope and then have interim checkpoints and say that deliverables are this and that and then the next phase we further define and clarify as the project unfolds.

Trustee Morris said that we are still at the stage of putting it in simple terms – site or build – where in the process is this going to start; go back to the very beginning and review every phase or start from today – that is the big decision for him.

Trustee Dent said we could go back to 1999 and work on what we have done. If he is hearing it correctly, there is a lot of information out there and a lot of that has come to light. There has been a lot of stuff with the PICA report. Evaluating all that stuff is a good thing but he has no desire to go back to 1999.

Chairman Callicrate said he would like a cursory review to say here is where we are at so perhaps that is a last couple of years' review and that others can figure out what is making sense and how that is fitting into the hiring of project management as he has no clue so he will defer to Trustee Dent for his expertise and Trustee Wong for her relationships and history with the USACE. Put together a SOW and a timeline which includes the direction you want to take and then based on all the criteria, come back to the Board sometime in the next month or so to vet out the opportunities.

Interim District General Manager Winqest said that Staff is in the middle of budget creation and we have a lot going on in the District. Once this task is

complete, we will need the Board's direction on our next step(s) and he will go and create a new capital project for the pond lining.

Trustee Wong said if we are combining these two projects or creating two SOW's then does it make sense to set up a separate capital project. Interim District General Manager Winquest said it is just a way of accounting for the pond lining so that it doesn't get jumbled up with the larger project which he wants to avoid and keep it clean.

Chairman Callicrate asked Interim District General Manager Winquest if he has clear direction. Interim District General Manager Winquest said he is to set up a preliminary meeting with Staff and Trustees Dent and Wong to discuss the SOW. Staff will draft a SOW and then reconvene to fine tune it and then it will come back to the Board, from him, so that all the Board members can sign off on it and then Staff will go out to either RFP or RFQ and as the Board direction.

Chairman Callicrate asked District General Counsel Menchetti if he had any clarification on the process. District General Counsel Menchetti said that you may need to notice the meeting; no problem with what has been described.

Chairman Callicrate confirmed that the Interim District General Manager has clear direction.

G.3. Fiscal Year 2020 IVGID Utility Rate Study (Requesting Staff Member: Director of Public Works Joe Pomroy)

[INFORMATIONAL NOTATION: This is NOT the independent consultant presentation authorized by the Board of Trustees at their February 12, 2020 Board of Trustees meeting]

- a. **Review, discuss and take action to establish, the Fiscal Year 2020 IVGID Utility Rate Study, a one year average percent utility rate increase in the range of zero percent (0%) to fifteen percent (15%) of which the percentage in excess of five point five percent (5.5%) would go to the Unrestricted Net Position in the Utility Fund.**
- b. **Review, discuss and possibly set the date/time for April 14, 2020 at 6:00 p.m. for the public hearing on the proposed amendments to Sewer Ordinance #2 "An Ordinance Establishing Rates, Rules**

and Regulations for Sewer Service by the Incline Village General Improvement District” and Water Ordinance #4 “An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District” that Includes the Utility Rate Increase and to publish the notice in accordance with the NRS 318.199.

**PUBLIC COMMENTS WILL BE TAKEN AFTER THIS AGENDA ITEM G.3.
Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and
limited to a maximum of three (3) minutes in duration**

Director of Public Works Pomroy gave an overview of the submitted materials.

Chairman Callicrate said that item b. is routine and that for a. we clearly recognize that our unrestricted net position is woefully below \$19.1 million and that he put this in here as the 5.5% would maintain our current operational standards and anything over and above is to get our reserves in order. He does understand that we are going out to a neutral third party for a reserve study. Our reserves have become woefully low and we need to put money in our reserves until we have an independent study. We need to get our reserves in order and this is why it is on because we need to build up our reserves. He does understand about the monies that are becoming available from USACE and that we have \$9.6 million for the pipeline and that we need much more than that; appreciates this being brought forward. Chairman Callicrate then asked the Trustees for their thoughts.

Trustee Schmitz said that she would like to listen in first.

Trustee Wong said that the logical starting point is the 5.5% and that she doesn't think going below that is reasonable. Agree that we need to start building up our reserves and until we get the study, we are picking an arbitrary number. She wants to be able to look someone in the eyes and say this is what we are targeting. She is hesitant to raise them at this time, before the reserve study, and until we have that recommendation as she thinks that is picking an arbitrary number out of the air.

Chairman Callicrate said that he appreciates those comments on an arbitrary number and said that \$19.1 million is about thirty to forty five days and that we need funds to be available for an emergency. We have somewhere between four and five million dollars in our reserves and that

anything about 5.5% goes to the reserve and that there is no way we are going to raise them by 50%.

Trustee Schmitz said instead of talking about raising the rates about 5.5%, could we implement a toll or a charge that is specific for replenishing our capital and turn it off when we reached our desired goal; can that be done.

Director of Public Works Pomroy said that the water and sewer rates are brought before the Board and you can make amendments and an example is the defensible space fee – you can remove that \$1 today and you can add to that fee as it can be modified on an annual basis; the defensible space fee was added ten years ago.

Trustee Schmitz said if we are trying to replenish then let's be transparent and add a line item that over time we would just eliminate because we have fulfilled the need.

Chairman Callicrate said that was something that he hadn't entertained and that it might be a cleaner way to address that in our own policies. If we were to decide on that type of fee, do we have to wait until our next meeting. People could see what it is going towards versus a percentage. That is a valid attempt at starting to address the reserves that we should have and don't have.

Trustee Wong said that the Board hasn't restricted the \$9.6 million so technically it meets policy. She recognizes if and when the Board fully restricts, our threshold will be below but technical we are in compliance and we are looking forward. How do we move forward with our rate payers?

Chairman Callicrate said that technically we may be in compliance and that he has had some spirited discussions with our former Director of Finance about collecting money for a specific project as there is an inference that it is going into a restricted fund and then folks found out it was being used in another way so we can split hairs on that. We should have over \$14 million because in good faith we understood what the money was being collected for and help in building our reserves is to show our community that the money was restricted so do we have to agendize it and that got lost in that conversation. With this particular General Business item, what do we want to do or how can we, within the constraints, achieve what we are trying to achieve.

Trustee Wong said that is another misconception about the \$2 million; the effluent pipeline is a project that we have been working on for a number of years and that sometimes we do spend money on the effluent pipeline. While some think it is \$14 million, there has been money spent on that project so that is a huge misconception that we need to start clarifying so that people know. Because these funds are in the Utility Fund and because the effluent pipeline is the largest project, it is restricted and this is the project we are going to work on. Do agree with restricting the funds in the future?

Chairman Callicrate said when we allocated the cost of the new building to house the rolling stock, what was the cost of that building. Director of Public Works Pomroy said he didn't recall the exact number but it was close to \$2 million. Chairman Callicrate said that money was taken as was the on-call quarters project money and that a lot of money has been spent on temporary fixes and blowouts, etc. and that while these were all projects that needed to be done, we are not trying to create strife. District General Counsel Menchetti counseled not to get too far off the agenda item.

Chairman Callicrate opened the matter for public comment.

Margaret Martini passed on her opportunity to speak.

Linda Newman said, for clarification, in 2011/2012 HDR determined that we would need \$23 million collected over ten years to fund the replacement of the pipeline in State Route 28 as a result of that advice, the Board determined that a collection would occur, with interest, to replace the six miles of failing pipeline. There was never any determination that the money would be used for any other projects thus the community was not mistaken and that she thinks it is our Board that is mistaken. By only raising the rates at 5.5%. the Utility Fund has a \$600 million infrastructure and we will have less than nine hundred thousand dollars available for any emergencies. She doesn't want to see our rates go up but she doesn't want to see the District placed in terrible financial position and not be financially stable.

Frank Wright said for the last two years, in the Utility Department, every employee has gotten a nine percent raise, pay raise, and for the last five years, his utility bill has gone up every year. What Ms. Newman just spoke about is government fraud and it is illegal. You can't collect money for one purpose and use it for something else. Staff has repurposed bond money and collected it for the utility pipeline and that is malfeasance of public office and misappropriation of public funds or theft. To give anyone in the Utility

Department a raise is wrong. It is like having a basketball coach that never wins a game and that is what you have in the Public Works Department – they have failed us year after year. They have done nothing right and they are not capable of orchestrating a solution to the pipeline and so this Board is forced to get someone else to do what our Staff can't do. Why is our Staff still here? This is a person who hasn't been capable and yet you still have this project in the hands of an incompetent human being so take it out of his hands completely as you have people in this room who would do it for free.

Chairman Callicrate reminded everyone of the subject matter and to please keep their comments to this item.

Aaron Katz said since Trustee Wong brought up the subject of misconception, it is you. He knows what happened then as he was here and Mr. Wright was here and Trustee Wong wasn't. He heard everything that was represented and basically Staff has stolen \$5 million and they are the ones that got us into this mess. Staff told us there were two reserve funds – one at \$2 million a year and then another. That \$2 million was to be for Phase II of the effluent pipeline, not for repairs and not for a garage. By the way, that garage was supposed to be less than a million dollars and that what you may not know, and he tried to get to the bottom of this, was that it is his belief that the Director of Public Works got a ten thousand dollar bonus. We don't have the funds because Staff stole the money. You have a Board member who is lying to the public so we think we are incorrect – Staff did this and the Board members did this so he wants the blame to be where it should be. When he hears Trustee Morris speak about how great our Staff is, they got us into this mess and you have to fix it. Mr. Katz concluded by stating that he is against any rate increase.

Chairman Callicrate, hearing no further public comment, brought the matter back to the Board.

Trustee Schmitz asked if we have the ability to ask Staff to come back to the Board with a recommendation of how to bolster our unrestricted net position, which is short about a million dollars, and that while the rate study address items, it doesn't address the unrestricted net position. When it comes to the unrestricted net position, that seems pretty clear, so do we have the ability to ask Staff to come back.

Interim District General Manager Winquest said that the Board certainly has that ability and we are under the understanding that we are going to hire to

do someone to do a utility study and then they will tell us. If you don't want to do that, he can have Staff do that work.

Chairman Callicrate said we have been discussion the independent rate study and that he knows that the Audit Committee is working on that so he wants to bridge that gap.

Trustee Dent said if we were to raise the rates 15%, on agenda packet page 47, Staff has laid out how we get there. Trustee Schmitz said on increasing the rate, that she is more thinking about implementing a one line item on the bill just to replenish funds because increasing rates impacts operations other than unrestricted net position. Trustee Wong asked how it impacts operations. Trustee Schmitz said that a certain percent goes to operations and everything over 5.5% goes to unrestricted net position. Trustee Dent said that is correct. Trustee Wong said it says it right there. Trustee Dent said that we can move any of these rates around to add to the capital improvements.

Chairman Callicrate asked what is the pleasure of the Board and then went through a couple of different scenarios – raise rates and then at the next meeting restrict the money, establish that something is going to our reserves knowing that this is the first step and that it can be minimal.

Director of Public Works Pomroy said that Staff would like it to coincide with the budget process as delaying the rates would impact revenue on the budget.

Chairman Callicrate said that the Board can put on a fee with the rate study that is pending and then wait until then as a fee so as to not scare anyone.

Director of Public Works Pomroy said on agenda packet pages 40 and 41 are the components and that the Board can add a component. Staff would then prepare the rate sheets that the Board will consider at a future Board meeting as we are not raising the rates today and Staff will come back at a future meeting for a review; percent or dollar amount – Staff can add or we can add a line item that says “Unrestricted Net Position Charge” and then publish it and come back for the Board's review and approval.

Trustee Wong said that the 5.5% rate increase is appropriate and that she still doesn't feel a higher rate or another fee is right until we see the reserve study.

Trustee Schmitz said that she agrees with what the Interim District General Manager said about going out, hiring and doing the rate study and that we know we are short of the Board practice and that we are to be obligated with our Board practice so we should make some attempt to repair that inefficiency.

Trustee Morris said he had nothing more to add.

Trustee Dent said he would echo what Trustee Schmitz said and it seems like we are cancelling projects because we don't have the money or the bid comes in too high and that building up the reserves is the right thing to do. We were elected to watch the purse for the community and building up the reserves and adding to this is better than sitting on our hands and doing nothing. He does like having a separate line item and he doesn't like raising rates but it is something that we have been talking about for years and in this situation we can defer and continue to do nothing or actually tackle this from a leadership point and collect a little extra money and no, Staff is not going to spend but he doesn't know what that number is – is it \$2.50 or \$5 – he doesn't know and he doesn't know what the Board wants to do.

Chairman Callicrate said he would like to raise the rates by 5.5% and have the Director of Public Works have a line item for unrestricted net position at whatever we could agree upon and that would be sending a message to the community on the reserves we don't have. He respects Trustee Wong's statement about being without a reserve study. We are a million dollars short by the end of this year and that the reserve study will tell us what to do so he would like to see a placeholder as it is critically important.

Interim District General Manager Winquest said that 1% equates to roughly one hundred thousand dollars. Director of Public Works said one dollar and five cents per month is about one hundred thousand dollars so we would have to raise them up to fifteen percent; adding a flat fee – he doesn't know if you can do this.

District General Counsel Menchetti said that the Board has lost its way and read the agenda item aloud and stated that is where you are so focus on that so that we can get out of here before tomorrow.

Chairman Callicrate said we have established that 5.5% is the need and if we say 10% that would mean that 4.5% would equal \$450,000 and that

would go into the unrestricted net position which would be a good first step until we do our reserve study, etc.

Trustee Schmitz said that she feels that anything over the 5.5% she doesn't feel comfortable with. It is very difficult to get people to reduce rates so let's stick with the 5.5% until we have a rate study or have the ability to have a line item. Trustee Dent said that the line item equates to the percent and that the additional percent will be a line item. Trustee Schmitz asked how often do you see utility rates go down. She understands the net and to reverse that and go back is much easier; she is not comfortable with it. Chairman Callicrate said he is good with 5.5% and then at a future Board meeting, the Board can decide to add a line item of x dollars per parcel that goes into our unrestricted net position.

Trustee Morris asked if we are restricted on how often we can change the utility rates such that in August could we up them by five dollars as a line item. Director of Public Works Pomroy said that the restriction is about forty five days. The average is 5.5% and noted that there is not one customer who will see a 5.5% increase because it is all about the rate components. The rate table will have these components.

Trustee Wong made a motion to have a one year average percent utility rate increase of five point five percent (5.5%). Trustee Dent seconded the motion. Chairman Callicrate asked for any further Board comments; hearing none, he called the question – the motion was passed unanimously.

Trustee Wong made a motion to set the date/time of April 14, 2020 at 6:00 p.m. for a public hearing for the proposed amendments to IVGID Sewer Ordinance No. 2, entitled "An Ordinance Establishing Rates, Rules and Regulations for Sewer Service by the Incline Village General Improvement District" and IVGID Water Ordinance No. 4, entitled "An Ordinance Establishing Rates, Rules and Regulations for Water Service by the Incline Village General Improvement District" that includes the Utility Rate Increase and to publish the notice in accordance with the NRS 318.199. Trustee Dent seconded the motion. Chairman Callicrate asked for any further Board comments; hearing none, he called the question – the motion was passed unanimously.

At 9:19 p.m. Chairman Callicrate called for a break; the Board reconvened at 9:30 p.m.

G.4. Review, discuss, and possibly provide direction regarding the desired format for Staff presentations of the Draft 2020/2021 Venue Operating Budgets scheduled for March 11, 2020 (Requesting Staff Member: Interim District General Manager Indra Winquest)

Interim District General Manager Winquest gave an overview of the submitted materials.

Trustee Schmitz asked if there will be anything on opengov prior to March 6 or right around that time. Interim District General Manager Winquest said it will probably be around March 7 or 8. Trustee Schmitz asked that the Board be advised when it is out.

Trustee Morris said thank you for your attempt to keep with brevity and noted that it is very good to talk with the Director of Finance or heads of Departments to get a real feel and that he intends to do that again this year. As to having presentation, do you feel that there are significant items that need to be identified in the overall presentation in each and every venue as you have been working with Staff or are there a few big presentations such that we can get down on the time. Interim District General Manager Winquest said his preference would be to allow the Board to decide as we have run out of time and had no presentation from General Fund or Utilities because of the rate study. We also talk about beaches, Diamond Peak, parks and recreation and the golf courses but that he can't make that recommendation as he gets different answers. We know that the Board wants less PowerPoints and more give us the data and let us the questions. That is what we are here for and we will be prepared to answer questions on anything you want. When we have the presentations, we will get your feedback, and then we can do whatever needs to be done prior to the tentative budget.

Chairman Callicrate asked for executive summaries for each of the venue presentations and highlights and to have those ahead of time. For the presentations, they should be distilled down and help the Board focus on important aspects and then we, as a Board, can go further. We have asked for that for several years and brevity is critical as that will help a lot.

Trustee Dent said that the Board has been asking for that for several years and to also tell us if about why there is a huge difference in revenue and expenses. Interim District General Manager Winqest said that the budget items of note are exactly what we would be doing and those will be in the packet so you have ample time to review them.

Trustee Schmitz asked if there will be conversations about service levels at different venues and would you have the ability to highlight budget issues at specific venues. Interim District General Manager Winqest said that he does remember talking to Trustee Schmitz about this and that he attempted to send a link but that he noticed it was in his e-mail outbox and that it is still sitting there.

Trustee Dent said that earlier you said something about the charges for services and subaccounts. Interim District General Manager Winqest said he was referring to beach administration, beach parks, beach aquatics, etc. and giving the Board more of the data and then in the Community Services fund it would be Recreation Center, community programming, etc. This will be in the sources and uses format which is more financial data while knowing it is all going to be in opengov.

Trustee Dent asked about changing from special revenue funds to enterprise funds. Interim District General Manager Winqest said he has briefly spoken with our Controller and primarily, it wouldn't change how we would provide financial data and that Staff is assuming we are going to be migrating back to enterprise funds.

Trustee Wong said if we are contemplating that then we need to talk to the State of Nevada. Interim District General Manager Winqest said he has e-mailed our State contact. Trustee Dent said that he has had some e-mails and telephone calls with EideBailly.

H. REPORTS TO THE IVGID BOARD OF TRUSTEES*

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

District General Counsel Menchetti said thank you to the Board and Staff as it has been good being here and he has enjoyed it, enjoyed the civility and that he is traveling back down to sea level and that he will be back in June and back at these Board meeting. Chairman Callicrate said that he

appreciates Mr. Menchetti's years of knowledge. Trustee Schmitz said thank you.

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

Trustee Morris said that he will be attending the Washoe County Debt Management Commission meeting this week as a representative of IVGID.

Trustee Schmitz said that Monday she will be at the Citizens Advisory Board meeting which has on its agenda the expansion of St. Francis' church as its only agenda item.

J. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration; see Public Comment Advisory Statement above.

Aaron Katz said when we were talking about the utility rates, there are two reasons we have a problem with capital reserves – Staff is stealing the money and the methodology used favors IVGID and its friends. As a couple of examples, Staff entered into contracts for wastewater with Snyder and they are not paying for any capital. Sand Harbor – don't know because Staff won't share the information. He got the utility bill for the Diamond Peak Lodge and they have 5.33 capital costs more than a residential customer – is that fair and equitable. Diamond Peak is using over 30 million gallons of water in a month but a resident is using 6,000 gallons. He could go on and on and he has a written statement. That's the problem – Staff relied on an AWWA manual and they are not following the recommendations. How did he come up with the sewer rates, he asked for documents and was given nothing. There is a \$315,000 shortage which is part of the rate study. Staff told you that there are 9,000 accounts and that is untrue as there are 4,800 account. If Staff billed everyone, we wouldn't have a shortage.

Frank Wright said ethics in government – we haven't had it for a while. People who have been running our District have been running it into the ground. If we could have gotten public records, we could have identified, in the financials, the things that were wrong. Staff is hiding things from the public because they don't want things known. Integrity – Staff doesn't have integrity because they won't answer questions. Trustee Wong has no ethics as she stole money for her own defense without Board approval so when are we going to get our money back because you didn't us we were in a lawsuit and you gave money to Mr. Guinasso without telling

us. Trustee Morris approved it so he hopes that he has the money to pay it back. We haven't been able to investigate what Staff has been doing, and we might have been able to stop it, because you close your books down. Bad things happen like losing all the money from the Utility Fund. We have to fix the mess and he understands that there is going to be a rate increase but why does he have to pay for the actions of these Board members and employees. We do we have to ask over and over for public records, who decides, Staff. Who writes an agenda that is put in the Board packet and then lies his ass off and then Trustee Wong comes to his defense.

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

Chairman Callicrate asked that this item be deferred to our next meeting. Trustee Morris asked if there was going to be an Audit Committee meeting on March 11; Trustee Dent said yes.

L. ADJOURNMENT

The meeting was adjourned at 10:00 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 Linda Newman (1 page): 2-26-20 IVGiD Board of Trustees Meeting Public Comments By Linda Newman – To be included with the Meeting Minutes

Submitted by Wayne Ford (8 pages): I NEED TO BE A ALARMST

Submitted by Aaron Katz (7 pages): Written statement to be included in the written minutes of this February 26, 2020 regular IVGiD Board ("Board") meeting – Agenda Item C – Public Comments – It's time to end our media buying contract

with EXL Media and instruct Staff to delete this expenditure from its proposed 2020-21 budget!

Submitted by Aaron Katz (6 pages): Written statement to be included in the written minutes of this February 26, 2020 regular IVGID Board (“Board”) meeting – Agenda Item C – Public Comments – More evidence our Strategic Plan needs to be permanently trashed!

Submitted by Aaron Katz (25 pages): Written statement to be included in the written minutes of this February 26, 2020 regular IVGID Board (“Board”) meeting – Agenda Item G(3)(a) – Staff’s Utility Rate Study – Staff’s methodology demonstrates that past and proposed future water and sewer rates are grossly unreasonable insofar as the average residential customer is concerned

Submitted by Steve Dolan (1 page): IVGID Board of Trustees Meeting 02/25/2020; Public Comment by Steve Dolan

Submitted by Margaret Martini (1 page): February 26, 2020 IVGID BOT Meeting Public Comments By: Margaret Martini – to be included in the Minutes of the Meeting

2-26-20 IVGID Board of Trustees Meeting Public Comments
By Linda Newman – To be included with the Meeting Minutes

At the January 29th Meeting the Board directed and the General Manager committed to engaging the services of an independent Project Management firm to take over the entire Effluent Export Project. In keeping with that directive, I ask that Mr. Pomroy's request for more than \$400,000 of sole source contracts to Jacobs Engineering for design of the emergency pond liner and HDR for design of the 5,067 linear feet of pipeline to be replaced or repaired be removed from the agenda. In addition to keeping these projects under Mr. Pomroy's supervision, the fee for the design of the pond liner is based on an inflated cost of \$2.7 million – a sum Mr. Pomroy has not presented or validated to the Board. Jacobs had previously presented a number of options –none of which match Mr. Pomroy's inflated cost for the project. I also question the fee for design of less than one mile of pipeline – wasn't this work accomplished years ago through payment of a \$367,000 design fee to HDR? And is this design for replacing the pipeline in its current location? In the center of State Route 28? Or a trenchless method? I, along with you as a Board, should have lots of questions –none of which is answered in the packet. These answers require the expertise of an independent project manager to determine not only the materials, placement, timeline and costs for these components—but a comprehensive understanding for planning and funding of the entire project.

I also call your attention to the abbreviated Utility Rate Study. It is 12 pages compared to the more than 50 pages produced last year. I have no problem with brevity – but I do have a problem with inaccurate financial modeling and the absence of the identification of the 2020-21 Capital Projects planned and the contemplated projects with estimated costs for the following four years. This in my view is not a fair presentation. The rate study calls for a 5.5% increase with claims that the Board Policies and Practices for Working Capital and the Appropriate Level of Fund Balance are satisfied. But it doesn't. The minimum Working Capital Requirements as well as all unspent amounts committed for Capital Projects carried over into fiscal year 2020 total almost \$15.7 million. Our unrestricted net position at June 30th, 2019 was \$12.4 million. That reflects a shortfall of \$3.3 million. Or to state this another way, if we subtract the \$11.5 million already committed to capital projects from the \$12,400,000 of unrestricted net position –we have less than \$900,000 available for unanticipated costs for our \$600 million utility fund infrastructure.

I NEED TO BE A ALARMIST : Washoe County is taking our right to comment and take part in Zoning Changes . NOW PROPERTY 20%SLOPE OR MORE NEXT, WHO KNOWS.

Under section 110.220.60 for parcels over 20% slope the County is taking away our right under the NRS 278.0201 for public notice and a public hearing and vesting the right of the decision in the Engineering Department of Washoe County.

No offense to Joe Pomroy and Engineers I do not trust that the County Engineer will be able to understand all the surrounding property owners concerns when a applicant wants to have a "0" setback for a parcel. Yes "0" setbacks only need to meet the following conditions on parcels that have a 20 % slope or more.

"right of way operations will not be impeded "

" speed of traffic on the street will not be a issue"

"the ability of the County to widen a road is not a issue"

No HARDSHIP FINDING NEEDED PER NRS.

No CONSIDERATION FOR BLOCKING OF SUNLIGHT TO OTHER PROPERTIES PER COUNTY CODE FOR HILL SIDE DEVELOPMENT

No. CONSIDERATION FOR ACCESS BY IVIGID OR NORTH LAKE TAHOE FIRE PROTECTION DISTRICT.

No. CONSIDERATION FOR GUEST PARKING ON SITE WITH A "0" SETBACK , STREET CONJESTION

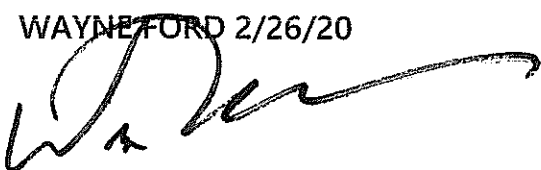
No CONSIDERATION FOR PRIVACY OF NEIGHBOR IMPACTS AND BLOCKING OF VIEWS

SO : NOW NO PUBLIC NOTICE OF ADJOINING PROPERTY OWNERS OR PROPERTY OWNERS WITHIN 300 FEET

WHAT IS NEXT; LOTS WITH LESS THAN 20% SLOPE, SPECIAL USE PERMITS NOT NEEDING PUBLIC COMMENT, LIKE A CELL TOWER I ONCE HEARD ABOUT THAT WAS TO BE IN THE CENTER OF OUR TOWN.

THIS SECTION NEEDS TO BE REMOVED FROM OUT COMMUNITY PLAN.

WAYNE FORD 2/26/20



WAYNE FORD

A major change has been made to the Tahoe Area Plan that will affect not just me as a Residential Designer, but all Incline Village and Crystal Bay citizens henceforth. For this reason I need to make an issue of it to the TRPA Advisory Planning Commission. I've already lodged my concern with Washoe County's Eric Young and Mike Conger of TRPA.

TAHOE AREA PLAN CODE PROBLEM

I want to mention two concerns with the change in the Tahoe Area Plan Page 7-4 dealing with Washoe County Building Code 110.220.60 (1) (2) (3) (4) (5) (6) Setbacks. My concerns are:

- changing the code so no variance is needed for a 20%-sloped lot to qualify for a zero-setback from the street; but a variance is still required for slopes of less steepness (15% or 10%)
- eliminating the variance review process by giving the decision to an engineer in the Washoe County Engineering Department

Problem #1 - Zero Setbacks on 20%-Sloped Lots

As now stated in the new Tahoe Area Plan 2020, it's possible for a homebuilder to request a zero setback of a house or garage on any interior or through lot with 20% slope (on the front of the property).

In the old code, a 15-foot setback is mandatory for all lots.

- with a 15-foot setback between the curb and a 2-car garage, there is room for a driveway
- with zero setback, there is no room for guest parking, and guests will park on the street
- when guests park on the street they impede traffic, street cleaning, and snow removal

In the old code, if a homebuilder wants a variance so they don't have to comply with the 15-foot setback requirement, they go through a review process as required by NRS 278.315 (Granting of variances, special and conditional use permits, and other special exceptions by Board of Adjustment, Planning Commission, or Hearing Officer).

In the new code, the variance process is still required for interior and through lots of less than 20% slope on the front half of the lot, but not for lots with slope of 20% or more. Those other lots will need to comply with Article 804. (See attached.) But for lots of 20% slope (on the front half of the lot), now there will be no variance or review process.

THE PROBLEMS WITH THIS CHANGE IN THE CODE

In the old code, a homebuilder requests a variance from the Board of Adjustment, which then publicizes a hearing date so that public input can be given by neighbors and others affected by the setback variance request. These variances are also heard at Citizen Advisory Board meetings.

In the new code, for the 20% sloped lots, there is no process of review or appeal. Rather the decision is given to an engineer in the Engineering Department where the decision will be made without public oversight or input.

In the old code, the approval of a variance was often based on the finding that the homebuilder experienced a “hardship” due to the configuration of the site (e.g., steepness, odd lot shape, a large boulder, a stream, other features or constraints unique to the property).

In the new code, “Undue Hardship” is no longer mentioned as a criterion for consideration for 20% sloped lots.

The new plan authorizes the Engineering Division to determine whether the setback meets three minimal criteria. The setback will be approved if it does not:

- impede county maintenance and road-work operations
- cause a safety problem for speed or volume of traffic on the street
- prevent the County from widening the street should it decide it needs to

Using these three criteria, most requests for zero setbacks on 20% sloped lots will be approved.

In the old code the variance process involved the public—specifically the neighbors who might be affected by the variance decision. The County was required to notice all persons within a particular distance, and/or to hold a public hearing at which persons could discuss the variance request. Neighbors’ homes may be impacted in a variety of ways including safety, aesthetics, health, and property values, but most often when setbacks are insufficient, neighbors are impacted by cars parking in the right-of-way and on their property.

In the new code, there is no process for public input on the setback decisions of 20% sloped lots. And the decision no longer depends on the concerns of those who will be affected by the decision. The process gives to an engineer in the Washoe County Engineering Department the sole discretion to determine whether to approve the permit with the setback variance. The new code takes away citizen oversight of property development that will affect neighbors.

In the old code, many perspectives are brought to bear on the problem for which a variance is sought. In the new code, only one engineer’s perspective will be required. The possibility of “undue influence” affecting the request approval cannot be ignored.

Although the code change may look innocuous and technical at first glance, the effects will reverberate and eventually impact the lake. It is easy to see how a zero setback on a sloped property could result in impediments to street cleaning and snow removal. When county snowplows (which hit 8 cars last season) are damaged, they’re unable to clear roads and cost money for repair. When snow plowing results in cars being “plowed in” to the parking spaces, children can’t get around them to walk on the paths to school, so they walk in the streets. This simple code change will result in a domino effect.

Please reconsider the decision to eliminate the public-input variance review process for 20% sloped lots.

Thank you.

WMPA19-0007, WRZA19-0007 & WDCA19-0007 EXHIBIT D

[Eric - Good job on this section]

Section 110.220.55 Yard and Lot Standards. Required yards for structures, minimum parcel area and minimum parcel width are determined by parcel size and use type according to Table 110.220.03, *Tahoe Area Yard and Lot Standards*. The use types are defined under TRPA Code of Ordinances Chapter 21, *Permissible Uses*. Standards for development in Town Center overlay districts are found in Section 110.220.35, *Town Center Overlay* and Article 110.220.1, *Tahoe Area Design Standards*. Structures fronting State Routes 28 and 431 shall be set back a minimum of 20 feet from the right-of-way, unless an exception is granted pursuant to TRPA Code of Ordinances Subsection 36.5.4, *Setback Standards*.

Table 110.220.03 Tahoe Area Yard and Lot Standards

Use Type & Parcel Size	Required setback			
	Front	Side	Rear	
Residential				
Greater than 2.5 acres		30	15	30
35,000 sq ft -2.5 acres	30	12	30	
12,000 sq ft – 34,999.99 sq ft	20	8	20	
5000 sq ft – 11,999.99 sq ft	20	5	20	
Commercial	10	10	10	
Tourist Accommodation	20	10	10	
Public Service	20	15	20	
Recreation	20	15	20	
Wildlife Management				
Higher than 12'	15	15	15	
12/ or less	5	5	5	

Section 110.220.60 Siting on Corner Lots and Sloped Lots. The following standards apply to any primary building or accessory structure on a corner lot or lot with slopes meeting the thresholds established below.

1. Primary buildings and accessory structures may be built to the front property line on any corner lot when built no closer than sixty (60) feet from the corner, **and on any interior or through lot** where the slope of the front half of the lot is greater than a two (2) foot rise (or fall) for every ten (10) feet above (or below) the established street grade. The structure shall conform to the height and story limits provided within this section. When a primary building or accessory structure is placed within the front yard setback as described in this section, all the following shall apply:

Recreation	20	15	20	N/A	N/A
Wildlife Management					
Structures 12' or Greater in Height	15	15	15	N/A	N/A
Structures 12' or Less in Height	5	5	5	N/A	N/A

Table 110.220.03 Tahoe Area Yard and Lot Standards

Section 110.220.60 Siting on Corner Lots and Sloped Lots. The following standards apply to any primary building or accessory structure on a corner lot or lot with slopes meeting the thresholds established below.

1. Primary buildings and accessory structures may be built to the front property line on any corner lot when built no closer than sixty (60) feet from the corner, and on any interior or through lot where the slope of the front half of the lot is greater than a two (2) foot rise (or fall) for every ten (10) feet above (or below) the established street grade. The structure shall conform to the height and story limits provided within this section. When a primary building or accessory structure is placed within the front yard setback as described in this section, all the following shall apply:
 - a. The Engineering Division must be able to determine that county right-of-way maintenance and road work operations will not be impeded or sufficient measures have been incorporated in the structure's design to mitigate an impediment to county right-of-way maintenance and road work operations. The county may also require that the county be held harmless from liability resulting from its right-of-way maintenance and road work operations;
 - b. The Engineering Division must be able to determine that the speed of traffic and the volume of traffic on the street is such that the placing of the garage within the front yard setback will not cause a safety problem for vehicles using the street; and
 - c. The Engineering Division must be able to determine that the placement of the structure within the front yard setback will not impede the ability of the county to widen the street in accordance with the adopted Capital Improvements Program, or in accordance with a possible

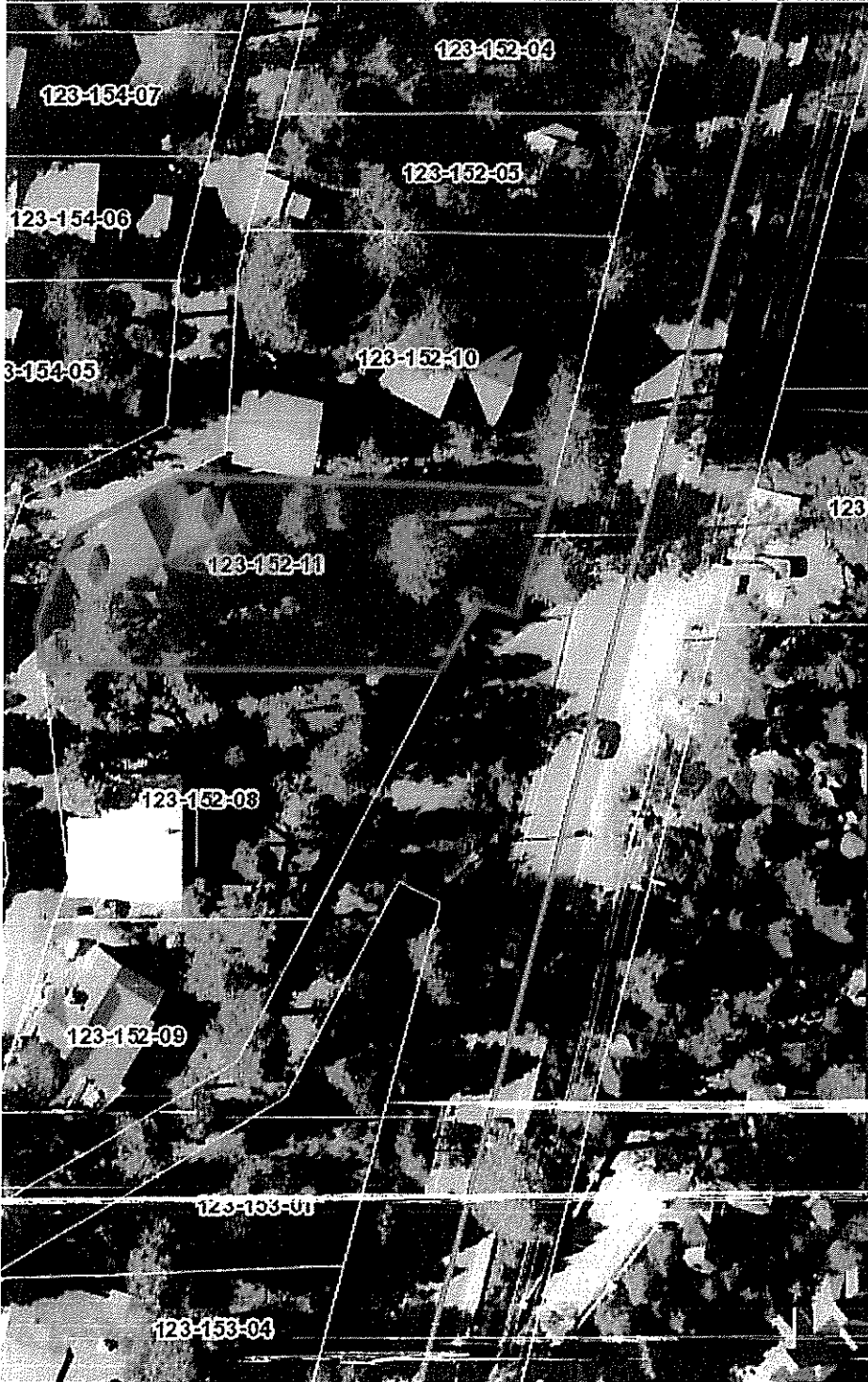
WHEN FRONT YARD SETBACKS ARE ALLOWED TO CHANGE UNDER THE
COUNTY VARIANCE PROCESS SIDE YARDS WILL BE ALLOWED TO BE ALSO AT

"0"

(SEE VARIANCE GIVEN TO 334 WASHOU CRYSTAL BAY , NV.)



10



Search...

334 WASSOU RD

APN: 123-152-11 [Tax Information](#)

Owner: MICHAEL K HARLAN

[Permit/Accela Information Found \(7\)](#)

Corporate Area: CRYSTAL BAY

Zip Code: 89402

Voter Precinct: 8110

Land use: 200

Land Zoning: HDS

Utility: Water: Municipal, Sewer: Municipal

Square Ft.: 3745

Acreage: 0.285009

Tax District: 5200

Total Assessment: 369327

Bedrooms: 3

Baths: 3.5

Year Built: 1944

Subdivision: UNSPECIFIED

Neighborhood: TAAC

[Related Parcel Information](#)

[FEMA Information](#)

[Google Street View](#)

123-154-05



123-152-11

123-152-08

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS FEBRUARY 26, 2020 REGULAR IVGID BOARD (“BOARD”) MEETING – AGENDA ITEM C – PUBLIC COMMENTS – IT’S TIME TO END OUR MEDIA BUYING CONTRACT WITH EXL MEDIA, AND INSTRUCT STAFF TO DELETE THIS EXPENDITURE FROM ITS PROPOSED 2020-21 BUDGET!

Introduction: As the Board and the public prepare for staff’s proposed 2020-21 budgets, I feel it’s important to identify wasteful expenditures which the Board should instruct no longer be included therein. And one which readily comes to mind is the contract for print, digital, billboard, television, radio, internet, social media buys with EXL Media. And that’s the purpose of this written statement.

The EXL Media Contract: For at least the last twenty-two (22) years¹, but for 2012-13, District staff have had a cozy contractual relationship with local firm EXL Media and its principal, Wendy Hummer, they have used for the District’s purchase of print, digital, billboard, television, radio, internet, social media buys. The contract amounts have totaled in the hundreds of thousands of dollars, and in the overwhelming majority of cases², those contracts have been awarded without going out to public bid. For instance,

The 2018-19 EXL Media Contract: is emblematic of what has been going on for the last two (2) decades¹ insofar as the District’s purchase of print, digital, billboard, television, radio, internet, social media buys utilizing the buying services of EXL Media is concerned. This contract was approved at the Board’s May 18, 2018 meeting³. Here the cost to the District was a whopping, minimum⁴ of \$419,500 broken down as follows: \$266,500 in cash media buys from third parties⁵; \$88,000 in additional media buys purchased in trade⁶ from third parties⁵; and, a cash agency fee to EXL Media of \$65,000⁷.

The 2019-20 EXL Media Contract: The last Board approved contract between the District and EXL Media for the former’s purchase of print, digital, billboard, television, radio, internet, social media

¹ See page 268 of the packet of materials prepared by staff in anticipation of the Board’s May 22, 2019 meeting [“the 5/22/2019 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-22-19.pdf)].

² All those except 2012-13 and 2019-20.

³ See pages 11-15 of the packet of materials prepared by staff in anticipation of the Board’s May 9, 2018 meeting [“the 5/9/2018 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Agenda_Regular_5-9-18.pdf)].

⁴ The “District will pay EXL an additional fee...of \$100 per hour for the development of each media plan” (see page 287 of the 5/22/2019 Board packet).

⁵ See page 286 of the 5/22/2019 Board packet.

⁶ Such as Diamond Peak lift ticket or golf course rounds of golf vouchers.

⁷ See page 269 of the 5/22/2019 Board packet.

buys utilizing the buying services of EXL Media, was approved at the Board's May 22, 2019 meeting⁸. The cost to the District increased to a whopping, minimum⁹ of \$424,600 broken down as follows: \$272,500 in cash media buys from third parties⁵; \$87,100 in additional media buys purchased in trade¹⁰ from third parties⁴; and, another cash agency fee to EXL Media of \$65,000⁷.

The District's Marketing Department Costs *in Addition to its Contract Costs With EXL Media:* Up until 2015-16 IVGID reported its marketing department¹¹ costs in its yearly budgets. For 2013-14 those actual expenditures totaled a minimum¹² of \$619,810; for 2014-15 those budgeted expenditures totaled \$706,166; and, for 2015-16 those budgeted expenditures totaled \$752,217¹³. But what about after 2015-16? Assuming today's marketing department costs are the same or in excess of 2015-16's, the Board and the public can see that nearly \$1.2 million of our Recreation ("RFF") and Beach ("BFF") Facility Fees are being spent on marketing our recreational facilities to the world's tourists!

When the County Board of Commissioners ("County Board") Granted IVGID the Basic Power to Furnish Facilities For Public Recreation, it Did Not Contemplate Staff Would Be Using This Grant to Spend \$1.2 Million or More Marketing Those Facilities at Local Property Owners' Expense to the World's Tourists: As I have explained many times before, when IVGID was created by the County Board on May 20, 1961, no general improvement district could assume the basic power to furnish facilities for recreation. The only reason IVGID's founders lobbied the Legislature to create this new basic power, was because IVGID could not lawfully acquire the beaches without it. But once the beaches were acquired, no one contemplated that this basic power would be used to market the beaches, or any other recreational facility for that matter, to the world's tourists. So why are current property/dwelling unit owners shackled with paying for staff's marketing costs?

For Whose Primary Benefit and Use Are IVGID's Recreational Facilities Supposed to Be? NRS 318.015(1) provides the answer:

⁸ See pages 263-295 of the 5/22/2019 Board packet.

⁹ "The District will pay EXL an additional fee...of \$125 per hour for the development of each media plan" (see page 292 of the 5/22/2019 Board packet).

¹⁰ Such as Diamond Peak lift ticket or golf course rounds or golf vouchers.

¹¹ A department consisting of three employees; a marketing manager, sales manager, and marketing coordinator [see page 146 of the 2015-16 Budget {https://www.yourtahoeplace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf ("the 2015-16 Budget")}]

¹² I say "a minimum" because this reporting does not allocate all marketing department costs. For instance, conspicuously absent are central services and physical office costs.

¹³ Go to page 111 of the 2015-16 Budget.

“The organization of districts having the purposes, powers, rights, privileges and immunities provided in this chapter will...promote the health, safety, prosperity, security and general welfare of *the inhabitants thereof* and of the State of Nevada.”

Now Listen to For Whose Primary Use and Benefit IVGID Staff Believe IVGID’s Recreational Facilities Are Supposed to Be:

The world’s tourists “while in the basin or planning their trip to Lake Tahoe; season pass holders from other resorts; Bay Area...Sacramento... Reno...Carson City...South Lake Tahoe skiers/snowboarders...(and) golfers¹⁴ ...visitors in Kings Beach-Tahoe Vista (and those)...staying at the Hyatt and other vacation properties¹⁵,” and those interested in the District’s Recreation and Tennis Centers and wedding facilities “while in the basin or planning their trip to Lake Tahoe.”¹⁴

Does Staff’s Version Sound Like the Targeted Audience For Whose Primary Use and Benefit IVGID’s Recreational Facilities Are Supposed to Be? *Of course not!*

What is the Stated Purpose of This Expenditure With EXL Media? Again listen to staff’s representations:

“To drive revenue and yield...and...produce a positive ROI (return on investment) *that is measurable.*”¹⁶

What Are “the Specific (Measurable) Metrics...Utilized (By Staff to) Evaluat(e) the Success of the District’s Paid Advertising Campaigns?” Again listen to staff’s representations:

“Total online revenue(s and)...leads generated...clicks(, the)...cost per click(, and the) ROI of digital spend.”¹⁶

What Are the Specific Measurable Metrics Utilized by Staff to Evaluate the District’s NON-Digital Media Paid Advertising? Bueller, Bueller?¹⁷ The answer is that there are no such metrics.

So How Do the Board and the Public Know That Staff’s Expenditure With EXL Media Increases Revenue, Yield and Generates a Positive ROI? The answer is that staff *has no clue!*

How Do the Board and the Public Know That Staff’s Expenditure With EXL Media is Worth the Alleged Benefit? At the Board’s February 12, 2020 meet Trustee Wong raised the issue of

¹⁴ See pages 273-274 of the 5/22/2019 Board packet.

¹⁵ See pages 280-281 of the 5/22/2019 Board packet.

¹⁶ See page 274 of the 5/22/2019 Board packet.

¹⁷ From the iconic 1986 movie *Ferris Bueller’s Day Off*.

conducting an investigation of the alleged cost/benefit of spending tens of thousands of dollars on a consultant to conduct a water/sewer rate study¹⁹. This question got me asking what cost/benefit study did Ms. Wong/staff conduct prior to entering into the 2019/20 EXL Media contract? So I made a public records request to examine records evidencing that study. And guess what? According to Susan Herron **THERE WAS NO STUDY**¹⁸!

In Fact, I Submit Staff Cannot Point to One Dollar of Added Revenue Generated as a Result of Expenditures With EXL Media That Would Not Have Been Generated if There Were No EXL Media Contract:

Even if Staff Could Point to Added Revenue Directly Generated as a Result of Expenditures With EXL Media, it Would Have to Point to \$1.2 Million of Such Revenue Before it Could Assert Positive ROI: Because this is an impossibility, marketing becomes just another money losing enterprise benefitting no one other than IVGID's employees hired in that department.

Conclusion: I and others I know believe a public agency like IVGID should not be spending public monies promoting the world's tourists' use of the public's recreation facilities. Moreover, our staff are unable to present any measurable means of confirming the additional paid use of the public's recreational facilities as a result of our marketing expenditures. And moreover still, EXL Media buys are not an appropriate expenditure for a public agency, let alone one like IVGID; especially given it is not capable of permissibly generating the revenues necessary to pay the costs associated with a marketing department. Even if gross revenues realized from all of the public's recreational facilities decreased by nearly \$1.2 million/annually because we ended our public marketing of these facilities, the public would suffer no bottom line loss given the \$1.2 million savings in marketing expenditures.

For all these reasons in addition to the disconnect between the cost/benefit of continuing with EXL Media¹⁹, I submit these expenditures are wasteful and should *end now*.

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

¹⁸ My February 17, 2020 records request and Susan Herron's response that there were no records evidencing such a study are attached as Exhibit "A" to this written statement.

¹⁹ All of a sudden at the Board's February 12, 2020 meeting Trustee Wong raised this very issue insofar as securing an outside consultant to conduct a utility rate study is concerned. The same logic applies here.

EXHIBIT "A"

RE: Records Request - Latest EXL Media Contract

From: "Herron, Susan" <Susan_Herron@ivgid.org>
To: "s4s@ix.netcom.com"
Subject: RE: Records Request - Latest EXL Media Contract
Date: Feb 25, 2020 5:24 PM
Attachments: EXL Media Contract - 07012019 - 06302019.pdf

Dear Mr. Katz,

This e-mail is IVGID's partial response to your records requests as shown below. I am attaching the contract (there have been no modifications/extensions) and there have been no studies by/on behalf of the District examining the cost/benefit of this contract so I have nothing to provide to you in response to that part of your request.

I am reviewing the invoices and should be able to provide to those to you by the end of this week, February 28, 2020.

Thank you for your patience.

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

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

From: s4s@ix.netcom.com [mailto:s4s@ix.netcom.com]
Sent: Monday, February 17, 2020 11:02 AM
To: Herron, Susan <Susan_Herron@ivgid.org>
Subject: Records Request - Latest EXL Media Contract


Hello Ms. Herron -

I would like to examine the latest EXL Media contract. And I would like to examine any modifications/extensions of that contract for the 2019-20 and any later fiscal years.

I would also like to examine all invoicing by EXL Media pursuant to that/those contract(s) from May 9, 2018 through and including the present.

2/25/2020

RE: Records Request - Latest EXL Media Contract

 I would also like to examine any studies by/on behalf of the District examining the cost/benefit of that/those contract(s).

Thank you for your cooperation. Aaron Katz

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS FEBRUARY 26, 2020 REGULAR IVGID BOARD ("BOARD") MEETING – AGENDA ITEM C – PUBLIC COMMENTS – MORE EVIDENCE OUR STRATEGIC PLAN NEEDS TO BE PERMANENTLY TRASHED!

Introduction: At the Board's February 12, 2020 meeting I submitted a written statement¹ wherein I questioned the need for a Strategic Plan, and challenged its alleged necessity. At that same meeting I submitted another written statement wherein I criticized staff's entrance into a written alliance with Protect Our Winters² ("POW"). In response to my criticisms of staff, Marketing Director Paul Reymore came up with a written justification directed to our interim General Manager³. In that justification Mr. Reymore relied upon Long Range Principle #1 in the District's Strategic Plan which under "Resources and Environment" states as follows:

"Board of Trustees Policy 1.1.0 states: The Incline Village General Improvement District recognizes the importance of using some form of strategic planning to provide a long-term perspective for service delivery and budgeting, thus...Long Range Principle #1...Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy."⁴

Thus if we did not have a Strategic Plan, crafted by staff to give cover to themselves to engage in activities we have no business engaging in (such as environmental sustainability), especially at a cost which is subsidized by the Recreation Facility Fee ("RFF"), maybe our recreational facilities could be operated on a financially neutral basis. And that's the purpose of this written statement.

The Only Basic Powers General Improvement Districts ("GIDs") May Exercise Are Those Expressly Recited in NRS 318.116 as Long as Granted by Their County Board of Commissioners ("County Board") in the GIDs' Initiating and Supplemental (NRS 318.077) Ordinance(s), as Supplemented by Other Sections of NRS 318 Designated Therein: See NRS 318.055(4)(b). For this reason GIDs are nothing more than limited purpose special districts; limited to those powers, and none other [A.G.O. 63-61, p.103 (August 12, 1963)].

¹ Because staff has not yet submitted proposed minutes of the Board's February 12, 2020 meeting for approval, I cannot yet point to that statement. Nonetheless, at that meeting I submitted the referenced written statement wherein I questioned the need for a Strategic Plan and challenged its alleged necessity.

² For the same reason¹, I cannot yet point to that statement. Nonetheless, at that meeting I submitted the referenced written statement wherein I criticized staff's entrance into a written alliance with POW.

³ That justification is attached as Exhibit "A" to this written statement

⁴ See pages 12 and 14 of the packet of materials prepared by staff in anticipation of the Board's February 12, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_2-12-2020.pdf ("the 2/12/2020 Board packet")].

NRS 318.116 Does Not Give GIDs the Basic Power to Initiate or Maintain Environmental Sustainability Measures For a Healthy Environment: Don't believe me? Go to <https://www.leg.state.nv.us/nrs/NRS-318.html#NRS318Sec116> and see for yourself.

Moreover, the Washoe County Board Has Never Expressly Granted IVGID the Basic Power to Initiate or Maintain Environmental Sustainability Measures For a Healthy Environment:

Nor Does Any Other Portion of NRS 318 Give GIDs the Power to Initiate or Maintain Environmental Sustainability Measures For a Healthy Environment: Don't believe me? Go to <https://www.leg.state.nv.us/nrs/NRS-318> and see for yourself.

Dillon's Rule Prevents IVGID From Assuming the Power to Initiate or Maintain Environmental Sustainability For a Healthy Environment: Nevada has adopted *Dillon's Rule* [*Ronnow v. City of Las Vegas* (1937) 57 Nev. 332, 343, 65 P.2d 133]. That Rule states that:

"The only powers a municipal corporation possesses and can exercise are: (1) Those granted in express terms; (2) those necessarily or fairly implied in, or incident to, the powers expressly granted; and (3) those essential to the declared objects and purposes of the municipality, not merely convenient, but indispensable. Any fair, reasonable, substantial doubt concerning the existence of power is resolved by the courts against the corporation, and the power is denied...*All acts beyond the scope of the powers granted are void.*"

Conclusion: I and others I know believe a public agency like IVGID, which is *not* a form of local government with general powers⁵, should *not* be spending public monies nor making available public assets on social causes such as initiating or maintaining environmental sustainability measures for a healthy environment. Yet here staff have made these acts appropriate because of its artful drafting of a strategic plan which provides for the contrary. This is an example of why it was and is improper for IVGID to have created a strategic plan. And rest assured, there is other language in the strategic plan which gives cover to un-elected staff engaging in other types of inappropriate conduct.

And to those wondering why their RFF and Beach Facility ("BFF") Fees are as high as they are, now I've provided more answers

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

⁵ Those providing for the health, safety and welfare of its inhabitants.

EXHIBIT "A"

Dear Indra,

In the information below, I'll try to explain the backstory and thought process that went into Diamond Peak's decision to join the Protect Our Winters (POW) Resort Alliance for the 2020 calendar year. As Joseph Hill from the Waste Not team mentioned, our participation requirements are as follows:

- **Annual Commitment:** \$1,000
- **Participate** in at least one social/web campaign with POW
- **Get Creative.** Host public facing signage/marketing on agreed upon site at your resort.
- **Support.** Build the POW community by hosting POW call to action on your website. (We are building easy ways to add these actions to further educate your customers online).

Optional other ideas:

- **Hold a Fundraiser.** Help fund our programs by holding one fundraiser a year, benefitting POW. Tie into an existing event, ask your hotel guests to donate, etc.

BASIS:

The ultimate basis for the decision comes from the District's Mission Statement:

The Incline Village General Improvement District delivers exemplary recreational experiences and provides the highest level of water, sewer, and solid waste services while striving for fiscal and environmental sustainability.

As well as Long Range Principle #1 – Resources and Environment:



Initiating and maintaining effective practices of environmental sustainability for a healthy environment, a strong community and a lasting legacy.

Both from the District's Strategic Plan for fiscal years 2018-2020.

TIMELINE: (key dates highlighted in red)

The seed of this partnership can be traced back to the conclusion (p. 27) of the IvGID Public Works department's "**2016 Sustainability Report**" which reads:


*The Incline Village General Improvement District recognizes that the community of Crystal Bay and Incline Village is a system of built, natural, and human networks. IVGID also realizes that we must plan for the future from a regional perspective while implementing local projects and initiatives. Sustainability is an essential behavior in managing a community-wide system. **Our environmental resources are pristine yet growing populations, drought and climate change challenge the resiliency of our community.** This challenge demands that organizations and communities within the Lake Tahoe Basin make plans with sustainability as a key strategy element.*

This paragraph also appears in the conclusion of the **2017 & 2018 Sustainability Reports**. As you can see, climate change is specifically called out as a challenge to the resiliency of our community.

This holds especially true for Diamond Peak ski resort, which will require huge new investments in snowmaking should the current climate predictions hold true and average snow lines rise higher and higher.

Media coverage of implications of climate change for ski resorts in Tahoe:

- <https://www.sfgate.com/news/article/rising-snow-line-Sierra-Nevada-climate-change-CA-12392508.php>
- <https://www.rgi.com/story/news/2019/07/19/depressing-tahoe-climate-report-also-call-action/1761093001/>

 While these concerns have been growing within the Basin and within the ski industry for many years, it was Diamond Peak's participation with STOKE Certified to become a STOKE Certified resort that directly led to the outreach and eventual partnership with Protect Our Winters (POW).

STOKE Certified - the Sustainable Tourism and Outdoors Kit for Evaluation - is the world's first sustainability certification body with standards built specifically for surf and ski tourism operators. The organization was founded with a mission to assist resorts in developing systematic approaches to sustainability, environmental responsibility, customer loyalty, and staff retention.

Diamond Peak was benchmarked in April 2015 by STOKE Certified to assess all of Diamond Peak's management practices, community development initiatives, interpretation programs, waste management, cultural heritage preservation, biodiversity conservation, and much more. STOKE provided a Roadmap Report to guide the ski area towards achieving best practices as well as STOKE certification.

After following that Roadmap and being evaluated by an independent evaluator, **Diamond Peak successfully hit benchmarks needed to achieve STOKE Certification in spring 2018**. However, achieving certified status is only the beginning of the STOKE evaluation process, as we will be reassessed every 2 years...

From STOKE's website:

All properties are required to be re-evaluated within two years of certification to assure the riding community that our members are genuinely committed to sustainability. Re-evaluation fees are considerably lower as the bulk of the work in evidence collection takes place during the initial evaluation.

Incremental improvements are expected between evaluations. We understand that environmental, political, and other factors create new challenges and can render previous initiatives irrelevant. What is deemed as an incremental improvement is carefully evaluated by the STOKE Board.

If the property advances to a higher certification level, new logos and badging will be provided and a new round of media promotion entered into.

STOKE is here to honor sustainability pioneers and to usher in emerging sustainability leaders so that riding culture continues to innovate as much in sustainability as it does in riding style and creativity.

So as Diamond Peak looks to maintain our STOKE Certification and potentially progress to higher levels of recognition, initiatives like the POW Resort Alliance help boost our score.

In fact, Carl Kish of STOKE Certified specifically mentioned POW in an email to the Diamond Peak team on Oct. 11, 2018.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS FEBRUARY 26, 2020 REGULAR IVGID BOARD (“BOARD”) MEETING – AGENDA ITEM G(3)(a) – STAFF’S UTILITY RATE STUDY – STAFF’S METHODOLOGY DEMONSTRATES THAT PAST AND PROPOSED FUTURE WATER AND SEWER RATES ARE GROSSLY UNREASONABLE INSOFAR AS THE AVERAGE RESIDENTIAL CUSTOMER IS CONCERNED

Introduction: At the Board’s February 12, 2020 meeting the Board instructed staff to engage the services of an independent expert insofar as conducting a water and sewer (utility) study. Instead, our interim General Manager (“GM”) has directed our Public Works Director, Joseph Pomroy, to conduct another one of his “dog and pony” presentations. The problem with this presentation, is that it perpetuates the same flawed methodology insofar as what is supposed to be a fair and equitable allocation of rates amongst the District’s customer classes. And that’s the purpose of this written statement.

According to Mr. Pomroy, For 2020-21 the District Requires \$13.03 Million of Combined Water and Sewer Revenues¹:

According to Mr. Pomroy, if There is No Rate Increase, the District Will Realize \$12.44 Million of Combined Water and Sewer Revenues: because “the Utility Fund has other revenue sources that are increasing including TWSA revenue, backflow revenue and work order and snow removal work order charges.”²

According to Mr. Pomroy, the Alleged \$595,000 Deficiency is Broken Down as \$315,000 in Increased Operational Expenditures, and \$280,000 in Increased Capital Expenditures²:

And According to Mr. Pomroy, This Deficiency Can be Eliminated Merely by “Delaying Capital Projects and Looking For Operational Cost Savings Not Already Identified.”²

But There is Another Means of Eliminating This Deficiency and That is By Adjusting Rates in the Most Equitable Way Possible: According to Mr. Pomroy, “once (a) revenue target is established (and here that has been established - \$13.03 million)...water and sewer rates (must be)...adjusted to generate that (target) *in the most equitable way possible.*”³

In Order to Adjust Rates in the Most Equitable Way Possible, We Must Start With the Premise a Municipality’s “First Duty is to its Own Inhabitants Who (Are Supposed to)...Have a

¹ See page 38 of the packet of materials prepared by staff in anticipation of this Board meeting [https://www.vourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_2-26-2020.pdf (“the 2/26/2020 Board packet”)].

² See page 46 of the 2/26/2020 Board packet.

³ See page 39 of the 2/26/2020 Board packet.

Preferred Claim to the Benefits Resulting From Public Ownership:⁴ This means that the District's 275 commercial water and sewer users⁵, who include IVGID owned recreational facilities, Sand Harbor and Clear Creek, *must take a back seat to the interests of the District's residential water and sewer customers!* Yet as the Board and the public will see, that's the exact *opposite* of what Mr. Pomroy proposes in Incline Village/Crystal Bay.

The Second Premise Which Should Govern Our Water/Sewer Rates is That They Be Fair and Equitable Using a Cost-of-Service Rate Making Process⁶:

The Third Premise Which Should Govern Our Water/Sewer Rates is That the "Beneficiaries of a Service Should Pay For That Service"⁷: (and)...the level of service charges should be related to the cost of providing (that) service" and nothing more. For years Mr. Pomroy has been touting this premise even though in the real world I will demonstrate IVGID's recreational venues have not been paying their fair share.

The Fourth Premise Which Should Govern Our Water/Sewer Rates is That the "Rates...Each Customer Class Pays (and) the Costs Allocated to the Class" be Uniform: Rate making endeavors to assign costs to classes of customers in a *nondiscriminatory*, cost responsive manner so that rates can be designed to closely meet the cost of providing service to such customer classes."⁸ Therefore "unjust or unreasonable *discrimination*...renders a rate or charge unreasonable,"⁹ and "*cross-class subsidies* are (to be) avoided."⁶ As the Board and the public will see, Mr. Pomroy's rate studies have championed preferential and discriminatory rates.

⁴ See page 298 of the American Water Works Association ("AWWA") Manual of Principles of Water Rates and Charges – M1, 6th Ed. (2012) ["the AWWA Manual"]. According to staff [see pages 20-21 of the packet of materials prepared by staff in anticipation of the Board's January 23, 2019 meeting {https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_1-23-19.pdf (1/23/2019 Board packet)}], the AWWA Manual "assists all water agencies in developing and implementing rate structures (and)...the District has a long history...of using the principles in this...manual for determining the type of rate structure that we have."

⁵ The District reports there are 4,151 residential solid waste disposal accounts, and 275 commercial ones [see page 87 of the 2015-16 Budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf)] For this reason the public must conclude there are approximately 275 commercial sewer and/or water accounts.

⁶ See page 4 of the AWWA Manual.

⁷ See page 290 of the AWWA Manual.

⁸ See page 75 of the AWWA Manual.

⁹ See page 296 of the AWWA Manual.

To Avoid Adhering to These Premises, Mr. Pomroy Has Combined Multiple Customer Classes Into a Single Rate Structure Which at its Core Relies Upon a “Capacity Adjustment Factor:” “It is common for water utilities to have three principal customer classes: (1) residential, (2) commercial, and (3) industrial.”¹⁰ But because Mr. Pomroy suffers from a conflict of interest, his rate study recognizes but two customer classes; residential and commercial. To differentiate rates between the two, both rely upon something called a “Capacity Adjustment Factor”¹¹ (“CAF”). Thus a sewer customer’s: base rate or fixed charges is determined by “multipl(ying)...the (residential fixed)...rate by the appropriate (CAF) for their service size” (see ¶2.22 at page 11 of the sewer ordinance); and, its sewer capital improvement costs (“CICs”) are determined by “multipl(ying)...the (residential CIC)...rate by the appropriate (CAF) for their service size” (see ¶2.11 at page 10 of the sewer ordinance). Similarly, a water customer’s: base rate or fixed charges is determined by “multipl(ying)...the (residential fixed)...rate by the appropriate (CAF) for their service size” (see ¶2.25 at page 11 of the water ordinance); excess water charges are determined by “multipl(ying)...the...gallon threshold (tier 1 or 2) set in the current Schedule of Service Charges...by the” CAF (see ¶2.24 at page 11 of the water ordinance); and, water CICs are determined by “multipl(ying)...the (residential CIC)...rate by the appropriate (CAF) for their service size” (see ¶2.13 at page 10 of the water ordinance). But as the Board and the public will see, this “one size fits all approach to rate structures (is) not...appropriate within a utility (like Incline Village/Crystal Bay) that has...diverse...usage patterns.”¹²

So What is the CAF? “The relative flow of each water service size as compared to that of a 3/4” service.” In other words, a “capacity ratio” based upon the size of the customer’s *water meter*. Note that *both* water and sewer charges are in part based upon the size of the customer’s water meter. And since the two CAFs are identical, I have printed out the CAF in the water ordinance¹³ and attached it as Exhibit “A” to this written statement. There the Board and the public can see that commercial water and sewer customers with a:

1. 1” water meter pay rates dependent upon a CAF which are 1.67 times that of the residential customer;
2. 3” water meter pay rates dependent upon a CAF which are 10 times that of the residential customer;

¹⁰ See page 76 of the AWWA Manual.

¹¹ ¶2.10 of the District’s sewer ordinance no. 2 [see page 10 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Ordinance_2_-_04102019_Resolution_1866.pdf (“the sewer ordinance”)] recognizes/incorporates the CAF. ¶2.12 of the District’s water ordinance no. 4 [see pages 9-10 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/Ordinance_4_-_04102019_Resolution_1867.pdf (“the water ordinance”)] recognizes/incorporates the *identical* CAF.

¹² See page 325 of the AWWA Manual.

¹³ See ¶2.12 at page 10 of the water ordinance.

3. 10" water meter pay rates dependent upon a CAF which are 76.65 times that of the residential customer; and,

4. So forth.

Use of IVGID's CAF is Manifestly Unfair, Unjust and Unreasonable, and it Should be Eliminated Immediately as a Means of Determining Commercial Users' Water/Sewer Rates: While "capacity ratios for larger meters...may or may not provide a true indication of the potential demand requirements of the larger meters,"¹⁴ in the real world "customer(s) like IVGID) with a larger connection size...may use far more capacity." And as the Board and the public will see, this is exactly what takes place at the District's recreational venues.

Examples IVGID's Use of the CAF is Manifestly Unfair, Unjust and Unreasonable: I have created a spreadsheet depicting monthly water/sewer bills for some of IVGID's recreational venues. And I have compared their bills to those of the average residential customer. A summary of the same appears below:

Summary of Select IVGID Owned Recreation Venue Water/Sewer Bills

Venue	Water Meter	CAF	Excess Water	Maximum	Monthly	Monthly	Monthly	Monthly	Monthly
				Usage	Water Base	Water Base	Water CIC	Sewer Base	Sewer CIC
Average Residential	¾"	1.00		6,000	\$ 10.65	\$ 14.47	\$ 17.55	\$ 30.25	
DP Base Lodge ¹⁵	2"	5.33	0	70,490	\$ 56.76	\$ 77.13	\$ 93.54	\$ 161.23	
DP Skier Services ¹⁶	1½"	3.33	0	39,550	\$ 35.46	\$ 48.19	\$ 58.44	\$ 100.73	
DP Snowflake Lodge ¹⁷	¾"	1.00	0	18,580	\$ 10.65 ¹⁸	\$ 14.47 ¹⁸	\$ 17.55 ¹⁸	\$ 30.25 ¹⁸	
DP Snowmaking ¹⁹	10"	76.67	0	30,934,200	\$ 816.32 ¹⁸	\$ 1,109.13 ¹⁸			
The Chateau ²⁰	2"	5.33	0	93,033	\$ 56.76	\$ 77.13	\$ 93.54	\$ 161.23	

¹⁴ See pages 324-325 of the AWWA Manual.

¹⁵ A copy of a recent bill for this venue is attached as Exhibit "B" to this written statement

¹⁶ A copy of a recent bill for this venue is attached as Exhibit "C" to this written statement.

¹⁷ A copy of a recent bill for this venue is attached as Exhibit "D" to this written statement.

¹⁸ This amount is slightly higher on the bill attached because it reflects slightly higher 2019 rates. So to meaningfully compare it to the other 2018 bills attached, what would have been 2018 rates is included.

¹⁹ A copy of a recent bill for this venue is attached as Exhibit "E" to this written statement.

²⁰ A copy of a recent bill for this venue is attached as Exhibit "F" to this written statement.

IVGID's Use of the Public Service Recreation Exemption to Avoid Excess Water Charges is Manifestly Unfair, Unjust, Unreasonable, and it Should be Eliminated Immediately: Mr. Pomroy has created a special water rate exemption for IVGID owned recreation venues; the Public Service Recreation Exemption²¹. "Accounts where the primary irrigation water use is for outdoor parks and recreation accessible to the public...are not subject to excess water charges as defined in the current Schedule of Service Charges. These include parks and recreation facilities, golf courses, snowmaking, and school playgrounds and fields."

Here's how excess water charges are calculated. For water use above 20,000 gallons in a billing period, for the residential customer the cost per thousand gallons increases a whopping 60% from \$1.55 to \$2.15. And for water use above 60,000 gallons in a billing period, the cost per thousand gallons increases another whopping 53.6% from \$2.15 to \$3.49.

Take a look at the above-summary. Essentially *every one* of IVGID's recreation venues uses more than 20,000 gallons of water in a billing period. Yet not one is assessed excess water charges. Take a look at the more than 30 million gallons of water use at Diamond Peak for snowmaking. If it were charged excess water charges like the residential customer, instead of having paid \$46,401.30 in water use, it would have been paid \$107,867.96; an additional \$61,466.66! Remember, this is for one month and just for snowmaking. Go through the same calculations for irrigation at IVGID's parks and athletic fields, the Championship and Mountain Golf Courses, the high school and middle school athletic fields, and you can see that we're likely talking in excess of \$1 million annually in preferential water rates! Is that fair?

Instead of the CAF, Commercial Water Customers Should be Charged Rates Based Upon Their Historical Usage: Because in the real world "customer(s) like IVGID) with a larger connection size...may use far more (of their water meter's) capacity" than the residential customer, "some utilities...provide for the ability to review capacity use of customers with larger connections after a specified period of time after which a baseline of historical usage has been established. With this review comes the opportunity to true-up (charges)...based on the baseline consumption data."²²

Moreover, We Need a New Customer Class in Addition to Residential and Commercial; IVGID Owned Recreational Venues: Since "Irrigation (and snowmaking are) characterized by the relatively high demands (they) place...on the (public's) water system...*establishment of a separate class designation is warranted* when (as here) separate metering...is available...The significant demands caused by irrigation (and snowmaking) can (and should) be recognized and reflected in the cost(s) to provide th(e) service(s)."²³

²¹ See ¶2.40 at page 13 of the water ordinance.

²² See pages 274-275 of the AWWA Manual.

²³ See page 77 of the AWWA Manual.

And it's not just metering water usage. The capital infrastructure and maintenance costs required to treat²⁴, pump and store the millions of gallons of water which are required on a daily basis just to make snow at Diamond Peak and irrigate our two golf courses, is legion compared to the requirements of the average residential user²⁵. Yet IVGID's commercial customers and IVGID are paying a pittance of those costs. Creating a new customer class can address this disparity.

IVGID's Assessment of Defensible Space Costs as a Component of Water Fees is Manifestly Unfair, Unjust, Unreasonable, and Should be Eliminated Immediately: In addition to the above-components to a water customer's monthly bill, Mr. Pomroy proposes it be assessed an additional \$1.05 per month for defensible space²⁶. Public utility rates are supposed to be based upon the actual costs the utility incurs to provide the services it provides to its customers. It is not entitled to make a profit on those services, nor to charge for any other costs other than those actually incurred. "Defensible space" has nothing to do with a cost IVGID incurs to make water available to its customers. Rather, it is a cost incurred to create a protective "halo" in the forests surrounding Incline Village/Crystal Bay to protect our community from a catastrophic fire such as the 2007 Angora Fire which devastated South Lake Tahoe.

Apart from the foregoing, IVGID has no power to levy fees to "eliminate fire hazards existing within the district" nor to "clear public highways and private lands of dry grass, stubble, bushes, rubbish and other inflammable material which in its judgment constitute a fire hazard" [see NRS 318.1181(2)(3)]. The reasons are at least fivefold. First, IVGID is not "a district created wholly or in part for the purpose of furnishing fire protection." Only those districts may exercise those powers.

Second, the only basic powers a general improvement district ("GID") may exercise are those stated in its initiating or supplemental (NRS 318.077) ordinance(s) as long as "one or more of those authorized in NRS 318.116, as supplemented by the sections of this chapter (318) designated therein" [see NRS 318.055(4)(b)]. Although furnishing facilities for the protection from fire is a permissible GID basic power [NRS 318.116(17)], it has never been granted to IVGID by the Washoe County Board of Commissioners, either in IVGID's initiating ordinance, or through "proceedings...by the board of county commissioners, similar(ly), as nearly as may be, to those provided for the formation of the district" (see NRS 318.077).

Third, IVGID has never adopted a NRS 308.030(1) service plan. Because NRS 318.077 mandates that a GID "board shall obtain in connection with each...additional basic power a modified service plan ...in a manner like that provided for an initial service plan required for the organization of a district in the Special District Control Law," and here none has been obtained, IVGID has no power to be exercising the basic power to furnish facilities for the protection of fire.

²⁴ Yes IVGID uses treated water to make snow and irrigate its two golf courses.

²⁵ In fact according to Mr. Pomroy, 31% of all water usage in Incline Village/Crystal Bay is used by 275 commercial customers and IVGID (see page 41 of the 2/26/2020 Board packet).

²⁶ See page 40 of the 2/26/2020 Board packet.

Fourth, the power to furnish facilities for the protection from fire is not a NRS 318.210 implied power because *Dillon's Rule*, which is applicable to IVGID [*Ronnow v. City of Las Vegas*, 57 Nev. 332, 368, 65 P.2d 133 (1937)], instructs that should there be "any fair, reasonable, substantial doubt concerning the existence (or non-existence) of power i(t must be) resolved by the courts *against* the (municipal) corporation, and the power (be) denied" (*Id.*, at 57 Nev. 343).

Finally, local property owners are already paying the North Lake Tahoe Fire Protection District ("NLTFPD") *ad valorem* taxes so the NLTFPD can provide defensible space services (check your tax bill). Why then the requirement IVGID's water customers pay the NLTFPD a second time under the label "defensible space?"

Here IVGID has discovered another disingenuous means of charging local property owners another fee for services it has no power to furnish.

There's another reason why this charge is improper. And that's because it is not assessed uniformly against all properties in Incline Village/Crystal. Article 4, section 21 of the Nevada Constitution mandates that "in all...cases where a general law can be made applicable, all laws shall be general and of *uniform operation*. Here IVGID's rates/charges which assess involuntary defensible space charges are not uniform because there are approximately 200 unimproved residential lots in Incline Village/Crystal Bay which are not receiving water services from IVGID (see discussion below). Because they receive no bills, they receive no bill for defensible space charges.

IVGID's Assessment of Sewer Fees Based Upon the Volume of Water a Sewer Customer Consumes and the Size of its Water Meter, is Manifestly Unfair, Unjust, Unreasonable, and it Should be Eliminated Immediately: Although IVGID meters the volume of water which is delivered to a water customer, it does not meter the volume of sewer effluent a sewer customer discharges in the public's sewer system. Notwithstanding, Mr. Pomroy is the architect of sewer rates which are in part "based on monthly water use."²⁷ Mr. Pomroy's methodology in determining sewer rates is arbitrary and capricious in that there is no way to determine the volume of effluent an IVGID customer discharges into the public's sewer system, let alone upon the volume of water it consumes. It is equally arbitrary and capricious to the extent it purports to determine a user's capacity to discharge effluent based upon the size of a customer's water meter (remember, Mr. Pomroy's proposed sewer rates are in part based upon a CAF based upon the size of a customer's water meter²⁷). Moreover, unlike his methodology for determining water rates, Mr. Pomroy cannot point to an industry standard like the AWWA. I have made a public records request to examine written industry resource materials relied upon by him for his proposed sewer rates, and Ms. Herron has responded there are none.

Because Over 4,700 Water Customers and 4,300 Sewer Customers are Not Being Charged "Administrative Fees," Even Though They Benefit From the Same Alleged "Administrative Services"

²⁷ See ¶2.45 at page 15 of the sewer ordinance the single asterisk at the bottom of the District's Schedule of Sewer Fees (https://www.yourtahoeplace.com/uploads/pdf-public-works/Schedule_of_Service_Charges_-_2019_Resolution_1868.pdf).

Available to the Average Water and Sewer Customer, Ending This Discriminatory Practice Can More Than Cover Mr. Pomroy's Alleged Operational Deficiency: ¶2.02 of both the water and sewer ordinances reveals that monthly administrative fees are charged "to each water (and)...sewer... *account* for administrative and customer service costs" rendered to all water and sewer customers. But there are thousands of customers not being assessed these charges because for staff convenience purposes, their accounts stand in someone else's name(s). These are primarily condominium, PUD, and apartment customers who are billed through a homeowners' association and/or property manager. More than ten (10) years I attempted to obtain the particulars of the expenses making up these fees but staff steadfastly refused to share them. Now that we have a new Board I have made the request again²⁸.

At pages 87-88 of the 2015/16 Budget Mr. Pomroy admits that although IVGID provides water services to 8,992 Equivalent Dwelling Units²⁹ ("EDUs"), they are evidenced by only 4,226 water accounts. Similarly, although IVGID provides sewer services to 8,490 EDUs, they are evidenced by only 4,148 sewer accounts. If IVGID billed administrative charges to *all* of its water and sewer customers, after all Mr. Pomroy calls the charge a "*customer account fee*,"³⁰ we would be looking at an additional \$39,305.52 in MONTHLY revenues or \$471,666.24 in ANNUAL revenues. How did I come up with this number? \$4.15/month times 8,992 water EDUs (\$37,316.80) and 8,490 sewer EDUs (\$35,233.50) compared to our current administrative fee revenues at \$3.97/month [4,226 water accounts (\$16,777.22) and 4,148 sewer accounts (\$16,467.56)].

Recall that Mr. Pomroy has represented that water and sewer rates must be increased to cover \$315,000 in increased operational expenditures. Assuming this representation is true, I've demonstrated how this "low hanging fruit" option can more than cover this deficiency. In fact, it can cover nearly the entire alleged \$595,000 deficiency!

Because Approximately 200 Potential Water and Sewer Customers are Not Being Charged Any Utility Fees Whatsoever, Initiating Standby Service Fees Can Contribute to Mr. Pomroy's Alleged Capital Deficiency: There are approximately 200 residential lots in Incline Village/Crystal Bay with no improvements constructed thereon. If their owners chose to construct improvements thereon, they would become IVGID water and sewer customers, and they would be paying towards the public's water and sewer systems.

Although the public cannot force these property owners to improve their lots and connect to the public's water and sewer systems, it can force them to pay fees for the "availability" of public water and sewer services. That payment is called a "standby service charge" for the

²⁸ A copy of my public records request of even date is attached as Exhibit "G" to this written statement.

²⁹ "For example, a single family home is one EDU" (see page 165 of the 2015/16 Budget.

³⁰ See page 40 of the 2/26/2020 Board packet.

“availability” to connect to the public’s water and sewer systems and become customers when they choose to do so.

Any legitimate utility rate study demands consideration of “standby service charges” to those who are adjacent and/or capable of physically connecting to the public’s water and sewer systems. This is another reason why I and others I know have objected to Mr. Pomroy’s rate studies which completely ignore this “low hanging fruit” source of additional revenue.

Mr. Pomroy Continues to Conceal His Sweetheart Sale of Wastewater to Clear Creek, the Schneider Family Trust, and Possibly Others: At the Board’s June 19, 2019 meeting I submitted a written statement I asked be attached to the minutes of that meeting³¹, wherein I revealed how Mr. Pomroy, single handed and without Board approval, entered into agreements with the Club at Clear Creek (“Clear Creek”), the Schneider Family Trust (“Schneider”), and possibly others, for the purchase of IVGID’s effluent wastewater. Whereas IVGID customers must pay water base rates, variable charges based upon their actual consumption, CICs, and administrative charges, Clear Creek and Schneider do not. Instead, Schneider pays “Twenty-Five-Cents (\$0.25) per One-Thousand (1,000) Gallons of Effluent”³² with no CIC nor excess charge for consumption in excess of 20,000 gallons in a monthly billing period, and Clear Creek pays “One Dollar and Fourteen Cents (\$1.14) per One-Thousand (1,000) Gallons of Effluent Plus (an) Effluent Meter Base Charge...of Four Hundred Dollars (\$400)...on a Monthly Basis” with no CIC nor excess charge for consumption in excess of 20,000 gallons in a monthly billing period.

Given the enormous CICs the District is about to expend replacing phase II of the effluent export pipeline which delivers wastewater to Clear Creek and Schneider, and Mr. Pomroy has again ignored this source of revenue in his rate study, I request the Board assume jurisdiction over these contracts which are clearly voidable inasmuch as they were entered into without Board knowledge and approval, and in violation of NRS 318.199.

Backflow Prevention Device Inspection/Testing Fees: “To protect (the) public(’s) potable water supply...from the possibility of contamination or pollution by isolating within the customer’s internal distribution system...such contaminants or pollutants which could backflow into the public water systems” [see ¶16.01(A)(1) of the water ordinance], ¶¶16.01(B) and 16.03(A)(1) mandate that an approved backflow prevention device be installed on all properties’ water service connections³³. ¶16.03(D)(1) mandates yearly certified inspections and operational tests³⁴. Exhibit “C” to Ordinance

³¹ See pages 247-253 of the packet of materials prepared by staff in anticipation of the Board’s July 17, 2019 meeting [“the 7/17/2019 Board packet” (https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_7-17-19.pdf)].

³² Mr. Pomroy’s proposed water rate increase proposes charging \$1.62 per one-thousand (1,000) gallons of water³⁰.

³³ See pages 38-39 of the water ordinance.

³⁴ See pages 42-43 of the water ordinance.

No. 4 is a "Miscellaneous Fee Schedule." And one of the fees on that schedule is a \$60 backflow device inspection. Notwithstanding "the district reads approximately 4,450 meters...covering 7,966...sewer...customers"³⁵, ¶16.03(A)(1) of Ordinance No. 2 declares that "no water service connection to any premises may be installed or maintained by the District unless the water supply is protected as required by State laws and regulations and this ordinance (with a)...backflow prevention assembly," and these 7,996 sewer EDUs have many more than 1,700 backflow prevention devices installed on their properties serving systems for hydronic space heating, in-door sprinklers, and landscape irrigation, page 36 of the 1/23/2019 Board packet tells us IVGID staff perform only 1,700 tests annually which generates approximately \$105,000 of revenue. How come the difference? Because ¶16.03(D)(1) allows "inspections and tests (to)...be performed by...certified tester(s) approved by the District." And because third party testers charge *less* for inspecting and testing than IVGID, naturally, IVGID's water customers do their testing elsewhere.

Given public utilities are not entitled to charge more than their actual costs to provide utility services, ***why does IVGID charge more for annual inspecting/testing of backflow prevention devices than the competition?*** Is it another impermissible profit source because of staff's preying off helpless victims? Or, why does IVGID maintain staff and equipment to perform backflow prevention inspecting/testing if this work can be performed by the private sector for less? After all, our immediate past GM constantly mis-informed the Board and the public that IVGID staff are available to perform services such as these for less cost than comparable private sector sources. Either Mr. Pinkerton was mistaken, or IVGID is making an impermissible profit on the backflow prevention device inspections/testings it furnishes to its customers.

Either way, IVGID should get out of the backflow prevention device inspecting/testing business, or a rate study should be conducted by a qualified third party and its rates be reduced. If the private sector can do this job for less, then IVGID staff should be capable of doing the same thing for less.

Conclusion: Because the methodology behind Mr. Pomroy's proposed increased water and sewer rates is arbitrary, capricious [it "bear(s) no) rational relationship to a legitimate government interest"] and the product of "unjust or unreasonable discrimination" to the detriment of IVGID's residential customers, it is unjust, unreasonable⁹ and should be rejected. **Based Upon the Above, Here Are My Recommended Structural Changes to the Way Components of Our Water/Sewer Rates Should Be Calculated:**

1. Excess Water Charges Should be Eliminated Altogether Because They Are Unfair to the Approximate 120 Residential Customers Who Are Assessed a Surcharge For Their Consumption of More Than 20,000 Gallons of Water in a Billing Period, While Not Assessing Commercial Customers the Same Surcharge Even Though They Consume Many Times What is Consumed by the Residential Customer;

³⁵ See page 87 of the 2015/16 Budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/2015-2016_Budget_Book.pdf).

2. Alternatively, Excess Water Charges Should be Applied Uniformly to All Customer Classes at the Same Tier 1 and Tier 2 Rates Assessed Residential Customers;

3. Defensible Space Charges Should be Removed From Customers' Water Bills Altogether, as the District Has No Power to Involuntarily Levy Them, and They Have Zero to Do With the Cost IVGID Incurs to Provide Water Services;

4. The Water Public Service Recreation Exemption Should be Eliminated Altogether Because it Represents an Unreasonable Preference Which Primarily Benefits IVGID – the Entity Which Has Adopted It – to the Detriment of IVGID's Residential Water Customers;

5. Variable Sewer Charges Should be Eliminated Altogether Because IVGID Has No Means of Measuring Any Customer's Discharge Into the Public's Sewer System;

6. A New Customer Class (IVGID Recreational Venues) Should be Created Which More Fairly Apportions the Public's Costs to This Class of Users;

7. Commercial Customer's Fixed Water/Sewer Charges Should be Increased Based Upon Their Actual Water Consumption/Effluent Discharge Rather Than the Diameter of Their Water Meters;

8. Commercial Customer's Water/Sewer CICs Should be Increased Based Upon Their Actual Requirements and Demands on the Public's Water/Sewer Systems, Rather Than the Size of Their Water Meters;

9. Backflow Prevention Device Inspection Charges Should be Ordered Reduced to No More Than the Actual Cost the District Incurs For Such Testing; and,

10. A Thorough Investigation of Mr. Pomroy's Sale of Effluent Wastewater to Clear Creek, Schneider and Possibly Others Should Take Place, New Agreements Should Either Be Negotiated and Entered Into or Those Sales Should Be Terminated, and Mr. Pomroy Should Be Disciplined For His Having Entered Into Those Agreements Without Board Knowledge And Approval.

Only by making the structural changes suggested, can the Board make its water/sewer rates truly just, fair, non-discriminatory and non-preferential

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

EXHIBIT "A"



<u>Water Service Size</u>	<u>Capacity Adjustment Factor (CAF)</u>
1"	1.67
1.5"	3.33
2"	5.33
3"	10.00
4"	16.67
6"	33.33
8"	53.33
10"	76.65

2.13 Capital Improvement Charge

That portion of the monthly billing to pay for capital costs of service. For billing purposes, commercial customers will be billed this rate multiplied by the appropriate capacity adjustment factor for their service size.

2.14 Contractor

An individual, firm, corporation, partnership or association duly licensed by the State of Nevada to perform the type of work to be done under the permit.

2.15 County

The County of Washoe, Nevada.

2.16 Cross-Connection

Any unprotected actual or potential connection or structural arrangement between a public or a consumers potable water system and any other source or system through which it is possible to introduce into any part of the potable water system any used water, industrial fluids, gas, or substance other than the intended potable water with which the system is supplied. Bypass arrangements, jumper connections, removable sections, swivel or change over devices and other temporary or permanent devices through which or because of which backflow can occur are considered to be "cross connections."

2.17 Customer

The person in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his name regardless of the identity of the actual user of the service. In the case of single family or individually metered multiple family residences, the customer shall be the owner of the property served, but the billing for service may be sent to the owner in care of his agent with signed authorization from the owner.

2.18 Customer Service Line

All piping between the house piping and the service connections.

2.19 Customer Service Valve

The control valve downstream of the meter and meter box on the owner's property side of the service assembly.

EXHIBIT "B"

Bill ID# 0238 00003562
Last: Ivgid Ski

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

Base Lodge
WATER CHARGES

Water Base \$56.76
Water Capital Improvement \$77.13
Water Admin Fee \$3.65
Water Use \$68.30

- CAF 5.33
2" water meter

SEWER CHARGES

Sewer Base \$93.54
Sewer Capital Improvement \$161.23
Sewer Admin Fee \$3.65
Sewer Use \$141.30

DEFENSIBLE SPACE

Defensible Space Fee \$1.05

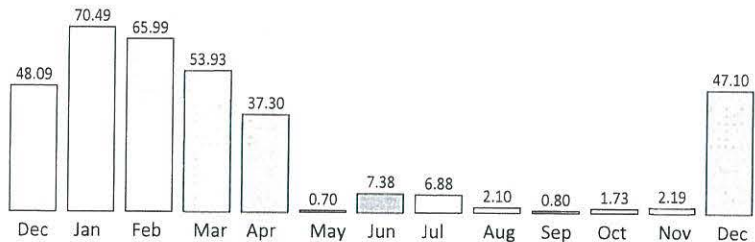
ACCOUNT SUMMARY

Previous Balance \$766.76
Payments (\$766.76)
Total Current Charges \$606.61

Total Amount Due \$606.61

Payment Due Upon Presentation

Consumption in Thousands of Gallons



Meter #	Start Date	End Date	Previous Read	Current Read	Consumption
80140852	12/01/2017	01/02/2018	3173410	3220510	47100

The IVGID Public Works office will be closed for the following holiday: Feb 19th. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address	Account Number	Billing Start Date	Billing End Date
1210 Ski Way	01328600-01	01/19/2018	02/18/2018

Rate Table

Water Base x CAF x Users*	\$10.65
Water Capital Imprv x CAF x Users*	\$14.47
Water Admin - per account	\$3.65
Water Use	\$1.45/1000 gal
Excess Water Tier 1 > 20K x CAF x Users*	\$0.95/1000 gal
Excess Water Tier 2 > 60K X CAF x Users*	\$1.26/1000 gal
Sewer Base x CAF x Users*	\$17.55
Sewer Capital Imprv x CAF x Users*	\$30.25
Sewer Admin - per account	\$3.65
Sewer Use	\$3.00/1000 gal
Defensible Space Fee x Users*	\$1.05

*Note: Single Family Residential CAF=1 Users=1

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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.

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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.

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

Service Address 1210 Ski Way
Account Number 01328600-01
Due Date 02/15/2018
Amount Due \$606.61

Amount Enclosed

Please, No staples or paperclips

Remit to:

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

Ivgid Ski
Lodge
Incline Village, Nv 89451



01328600010000606613 379

EXHIBIT "C"

Bill ID# 0238 00003562
Last: Ivgid Ski

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

Skier Services
WATER CHARGES

Water Base \$35.46
Water Capital Improvement \$48.19
Water Admin Fee \$3.65
Water Use \$42.20

*- CAF 3.33
1 1/2" water meter*

DRINK TAHOE TAP

SEWER CHARGES

Sewer Base \$58.44
Sewer Capital Improvement \$100.73
Sewer Admin Fee \$3.65
Sewer Use \$87.30

DEFENSIBLE SPACE

Defensible Space Fee \$1.05

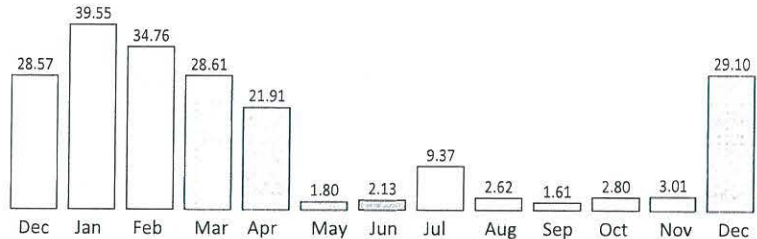
ACCOUNT SUMMARY

Previous Balance \$264.56
Payments (\$264.56)
Total Current Charges \$380.67

Total Amount Due \$380.67

Payment Due Upon Presentation

Consumption in Thousands of Gallons



Meter #	Start Date	End Date	Previous Read	Current Read	Consumption
81081609	12/01/2017	01/02/2018	1070760	1099860	29100

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Service Address	Account Number	Billing Start Date	Billing End Date
1210 Ski Way	01328700-01	01/19/2018	02/18/2018

Rate Table

Water Base x CAF x Users* \$10.65
Water Capital Imprv x CAF x Users* \$14.47
Water Admin - per account \$3.65
Water Use \$1.45/1000 gal
Excess Water Tier 1 > 20K x CAF x Users* \$0.95/1000 gal
Excess Water Tier 2 > 60K X CAF x Users* \$1.26/1000 gal
Sewer Base x CAF x Users* \$17.55
Sewer Capital Imprv x CAF x Users* \$30.25
Sewer Admin - per account \$3.65
Sewer Use \$3.00/1000 gal
Defensible Space Fee x Users* \$1.05

*Note: Single Family Residential CAF=1 Users=1

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

Service Address 1210 Ski Way
Account Number 01328700-01
Due Date 02/15/2018
Amount Due \$380.67

Amount Enclosed

Please, No staples or paperclips

Remit to:

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

Ivgid Ski
Admin
Incline Village, Nv 89451



EXHIBIT “D”

Bill ID# 0238 00003562
Last: Ivgid Ski

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

Snowflake Lodge
WATER CHARGES

Water Base \$11.23
Water Capital Improvement \$14.80
Water Admin Fee \$3.76
Water Use \$21.64

SEWER CHARGES

Sewer Base \$18.30
Sewer Capital Improvement \$30.70
Sewer Admin Fee \$3.76
Sewer Use \$44.72

DEFENSIBLE SPACE

Defensible Space Fee \$1.05

MISCELLANEOUS CHARGES

Backflow Fees \$134.00

ACCOUNT SUMMARY

Previous Balance \$83.60
Payments (\$83.60)
Total Current Charges \$283.96

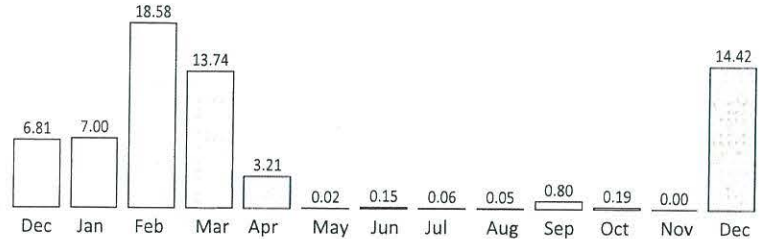
Total Amount Due \$283.96

Payment Due Upon Presentation

DRINK TAHOE TAP®

*CAF 1
3/4" water meter*

Consumption in Thousands of Gallons



Meter #	Start Date	End Date	Previous Read	Current Read	Consumption
71210008	11/30/2018	01/03/2019	700506	714932	14426

The IVGID Public Works office will be closed Jan 21 and Feb 18. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address	Account Number	Billing Start Date	Billing End Date
1210 Ski Way	01329000-01	01/19/2019	02/18/2019

Rate Table

Water Base x CAF x Users*	\$11.23
Water Capital Imprv x CAF x Users*	\$14.80
Water Admin - per account	\$3.76
Water Use	\$1.50/1000 gal
Excess Water Tier 1 > 20K x CAF x Users*	\$0.93/1000 gal
Excess Water Tier 2 > 60K X CAF x Users*	\$1.30/1000 gal
Sewer Base x CAF x Users*	\$18.30
Sewer Capital Imprv x CAF x Users*	\$30.70
Sewer Admin - per account	\$3.76
Sewer Use	\$3.10/1000 gal
Defensible Space Fee x Users*	\$1.05

*Note: Single Family Residential CAF=1 Users=1

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

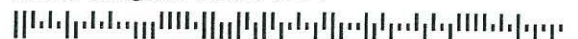
Service Address 1210 Ski Way
Account Number 01329000-01
Due Date 02/15/2019
Amount Due \$283.96

Amount Enclosed

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Remit to:

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



Ivgid Ski
Snowflake Lodge
Incline Village, Nv 89451

EXHIBIT "E"

Bill ID# 0238 00003562
Last: Ivgid Ski

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®

DP Snowmaking
WATER CHARGES

Water Base \$860.78
Water Capital Improvement \$1,134.42
Water Admin Fee \$3.76
Water Use \$46,401.30

CAF 76.67
10" water meter

DEFENSIBLE SPACE

Defensible Space Fee \$1.05

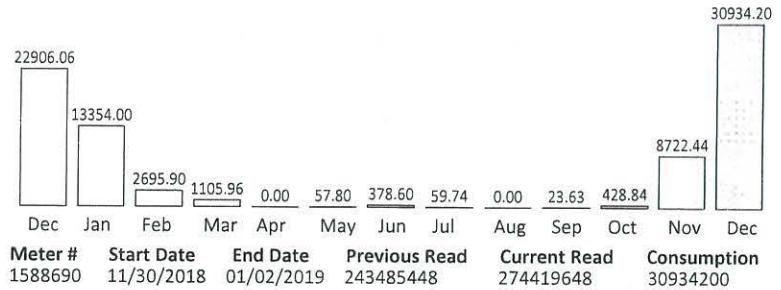
ACCOUNT SUMMARY

Previous Balance \$15,083.67
Payments (\$15,083.67)
Total Current Charges \$48,401.31

Total Amount Due \$48,401.31

Payment Due Upon Presentation

Consumption in Thousands of Gallons



The IVGID Public Works office will be closed Jan 21 and Feb 18. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address	Account Number	Billing Start Date	Billing End Date
1210 Ski Way (PSRI)	01328900-01	01/19/2019	02/18/2019

Rate Table

Water Base x CAF x Users* \$11.23
Water Capital Imprv x CAF x Users* \$14.80
Water Admin - per account \$3.76
Water Use \$1.50/1000 gal
Excess Water Tier 1 > 20K x CAF x Users* \$0.93/1000 gal
Excess Water Tier 2 > 60K X CAF x Users* \$1.30/1000 gal
Sewer Base x CAF x Users* \$18.30
Sewer Capital Imprv x CAF x Users* \$30.70
Sewer Admin - per account \$3.76
Sewer Use \$3.10/1000 gal
Defensible Space Fee x Users* \$1.05

*Note: Single Family Residential CAF=1 Users=1

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1220 Sweetwater Rd
Incline Village NV 89451-9214

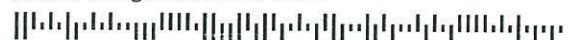
Service Address 1210 Ski Way (PSRI)
Account Number 01328900-01
Due Date 02/15/2019
Amount Due \$48,401.31

Amount Enclosed

Please, No staples or paperclips

Remit to:

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



Ivgid Ski
Snowmaking
Incline Village, Nv 89451

EXHIBIT "F"

Bill ID# 0238 00003512
 Last: Ivgid Chateau

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

WATER CHARGES
 Water Base \$56.76
 Water Capital Improvement \$77.13
 Water Admin Fee \$3.65
 Water Use \$29.00

- CAF 5.33
 2" water meter

SEWER CHARGES
 Sewer Base \$93.54
 Sewer Capital Improvement \$161.23
 Sewer Admin Fee \$3.65
 Sewer Use \$60.00

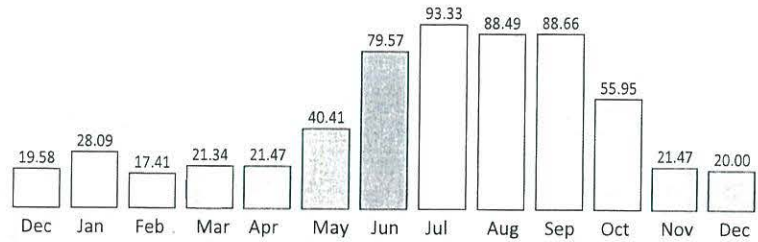
DEFENSIBLE SPACE
 Defensible Space Fee \$1.05

ACCOUNT SUMMARY
 Previous Balance \$492.55
 Payments (\$492.55)
 Total Current Charges \$486.01

Total Amount Due \$486.01

Payment Due Upon Presentation

Consumption in Thousands of Gallons



Meter #	Start Date	End Date	Previous Read	Current Read	Consumption
71206288	12/01/2017	01/02/2018	5174490	5194490	20000

The IVGID Public Works office will be closed for the following holiday: Feb 19th. In case of water or sewer emergency please call (775) 832-1203, 24 hours a day 7 days a week.

Service Address	Account Number	Billing Start Date	Billing End Date
955 Fairway	01337000-01	01/19/2018	02/18/2018

Rate Table

Water Base x CAF x Users*	\$10.65
Water Capital Imprv x CAF x Users*	\$14.47
Water Admin - per account	\$3.65
Water Use	\$1.45/1000 gal
Excess Water Tier 1 > 20K x CAF x Users*	\$0.95/1000 gal
Excess Water Tier 2 > 60K X CAF x Users*	\$1.26/1000 gal
Sewer Base x CAF x Users*	\$17.55
Sewer Capital Imprv x CAF x Users*	\$30.25
Sewer Admin - per account	\$3.65
Sewer Use	\$3.00/1000 gal
Defensible Space Fee x Users*	\$1.05

*Note: Single Family Residential CAF=1 Users=1

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

Service Address 955 Fairway
 Account Number 01337000-01
 Due Date 02/15/2018
 Amount Due \$486.01

Amount Enclosed

Please, No staples or paperclips

Remit to:

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



Ivgid Chateau

01337000010000486013

EXHIBIT "G"

Records Request - All Expenses That Go Into the Administrative Services Reflected in the Proposed \$4.15 Monthly "Customer Account Fee" Proposed by Mr. Pomroy

From: s4s@ix.netcom.com
To: "Susan_Herron@ivgid.org"
Subject: Records Request - All Expenses That Go Into the Administrative Services Reflected in the Proposed \$4.15 Monthly "Customer Account Fee" Proposed by Mr. Pomroy
Date: Feb 26, 2020 2:14 PM

Hello Ms. Herron -

Another records request.

Mr. Pomroy is proposing water and sewer service increases which in part, are reflected by \$4.15 monthly "customer account fees."

I would therefore like to examine Mr. Pomroy's line item administrative expense records which translate into the need for \$4.15/month water customer account fees and \$4.15/month sewer customer account fees.

Thank you for your cooperation. Aaron Katz

IVGID Board of Trustees Meeting 02/25/2020
Public Comment by Steve Dolan

Thank you

Howard Beckerman thanks for assisting in the pre-spawn stream clean up by lending equipment to get some difficult submerged junk from the stream. It took two old geezers, ropes, pry-bar, and saws to dislodge a sunken folding plastic chair from Incline Creek.

Steven Philips thanks for returning the advisory signs to the mouths of Incline and 3rd Creeks at Ski Beach. These signs inform the public to stay out of the streams March through June because of the spawning Rainbow Trout.

DOG OWNERS, please remind each other, both at Ski Beach and at Village Green, the spawn has begun.

Rainbow return from the lake, starting in March, peaking in April and May through June. Reminder: the eggs need 60 to 90 days to hatch, and dislodging them from a single redd (nest), could abort thousands of eggs. July the Red-sided Silvers spawn from the lake; then the Brown Trout, and lastly the Kokanee, all with similar egg hatching cycles. Thus the reason to have a permanent dog park away from Village Green.

Public Comment for actionable items on the agenda:

NRS 241.020

Section 3

subsection (II)

“ After each item on the agenda on which action may be taken is discussed by the public body [board of trustees], but before the public body [Board of Trustees] takes action on the item.”

By: Margaret Martini – to be included in the Minutes of the Meeting

After more than 5 years of Mr. Pinkerton's mismanagement and reckless spending as well as Trustee Wong's failure to provide competent and responsible Board leadership, it is a pleasure to have Mr. Winquest in charge of our District's operations and Mr. Callicrate as our new Board Chair. We all recognize and appreciate both Tim and Indra's personal and professional commitment to our community and understand that the challenging road ahead will also be littered with the consequences of past Board and Staff mistakes. So, I believe I speak for many in our community in expressing my hopes for a new era of operational and financial accountability and transparency, professional stewardship and open and responsive communication.

Unfortunately, tonight's Board packet has dashed my expectations. First, the Minutes for the January 29th and the February 12th meetings are absent. These were important meetings that provided Board direction to Staff as well as commitments by our interim GM. To prepare for the items on this agenda required everyone to watch those meetings again on Livestream. I strongly recommend that the previous Meeting Minutes always be available at the next meeting. Secondly, in order for our citizens to weigh in and this Board to make informed decisions, we must be given consistent, clear and trustworthy information. General Business Items 1-3 do not meet that standard.

The third is a Utility Rate Study that does not comply with Board Policies and Practices. The first two are sole source contracts that defy our Board's directive to have the entire Effluent Export Project managed by an independent Project Management Firm. These sole source contracts for the Pond Liner and the replacement of 5,000+ linear feet of pipeline are under Mr. Pomroy's supervision. The descriptions use so many inconsistent terms, one could say they were designed to confuse the reader. And they did.

The fees for these design contracts are also unjustified and contradict our lobbyist's statement that all costs incurred prior to a Partnership Agreement with the US Army Corps of Engineers would not be reimbursed. To date, there is no Partnership Agreement. Please vote no and engage an independent professional to oversee one of the largest and most vital projects this District will ever undertake. We can't afford to continue without a complete understanding of the scope of work, timeline, cost and funding for this project. Past information that the project would cost \$23 million and would be close to completion by now has proven to be dangerously inaccurate. We are now told it is \$38 million and may or may not be concluded until 2031. We can't afford any more errors in judgment and mismanagement. We just can't!