

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Indra Winqest  
District General Manager

**SUBJECT:** General Manager's Status Report  
Prepared for the meeting of December 8, 2021

**DATE:** December 2, 2021

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### General Manager & Board of Trustees Priority Projects & Tasks

<b>ACTION ITEM</b>	<b>TARGET DATE COMPLETION</b>	<b>RESPONSIBLE PARTY</b>	<b>STATUS</b>
Effluent Pond Lining Project	90% Design Documents anticipated end-January 2022	GM Winqest/Director PW Underwood/Trustee Dent	RCI has submitted the 401 and 404 environmental permit applications required by the Army Corps, NDEP and TRPA. IVGID, RCI and Exline & Co. are working with TRPA regarding the issue of 1b SEZ coverage that maybe required to facilitate the construction of the pond project. An on-site meeting is to be held on 12/16/2021.
Effluent Pipeline Project	Phase I ongoing	GM Winqest/ Director PW Underwood/Trustee Dent	HDR has performed the surge analysis on the pipeline and design team is evaluating probable material/construction methods throughout the entire alignment.
Burnt Cedar Pool Project	Completion Date scheduled for May 2022	Engineering Manager Nelson/GM Winqest	Contractor has secured the site for winter. Concrete pool deck is being delayed to next spring due to weather and concrete availability. See additional detail information and updated schedule provided by CORE.

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
<p><b><u>Internal Controls Project(s)</u></b>                      Review of Internal Control Policies and Procedures</p>	<p>Ongoing</p>	<p>Director of Finance Navazio</p>	<p>Staff continues to make progress in implementing contract management and change order process improvements; procurement card authorizations updated; reviewing internal controls with external auditors. Next update to Audit Committee January 2022.</p>
<p>Consultant review of four (4) Accounting Practices – Moss Adams 2</p>	<p>Completed</p>	<p>GM Winquest/Director of Finance Navazio/Audit Committee</p>	<p>Final Report by Moss Adams presented at the 1/28/21 BOT meeting. Next steps include updating Board capitalization policy – updated draft presented for discussion at 9/30 BOT mtg. Recommended Capitalization Policy has been reviewed by Moss Adams and scheduled for BOT approval Dec./Jan.</p>
<p>Project &amp; Contract Consultant Review - Moss Adams 1</p>	<p>Ongoing Implementation of Recommendations</p>	<p>GM Winquest/Director of Finance Navazio</p>	<p>Final Moss Adams report presented at BOT meeting held on 1/13/21. Implementation plan for management responses presented at 3/10 BOT mtg.</p>
<p>Review of Board Policies re Budget and Fiscal Management                       Capitalization (8.1 / 9.1)                      Fund Balance / Reserves (7.1)                      Capital Program (12.1 / 13.1)</p>	<p>Fall/Winter 2021                       Draft Moss Adams report due 11/21; final report to BOT 1/12/22.</p>	<p>Director of Finance Navazio</p>	<p>Draft updates to Capitalization and Reserve policies completed; engaged Moss Adams to review and update Capital Program Planning and Budgeting policies – as well as peer review of capitalization policy. Final report scheduled for BOT 1/12/22.</p>
<p>2020-21 Annual Audit</p>	<p>December 2021</p>	<p>Audit Committee / Director of Finance/Controller</p>	<p>Ongoing – per audit work plan schedule: Audit Committee (AC) reviewed draft report 11/17/21. Final report schedule for AC on 12/8 and BOT 12/14.</p>

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Ordinance 7 GM Advisory Committee	Winter 2021	GM Winquest/Board Chairman Callicrate	Three Community Forums took place May 13 & 19, 2021. Parcel Owner Survey was active from July 1 – July 26 <sup>th</sup> , 2021. Over 2,300 completed surveys were received. Formal recommendations currently being drafted. Next scheduled meeting will be mid-December. Recommendations expected to be delivered to the Board of Trustees in January 2022.
Smith vs IVGID Litigation	Ongoing	Legal Counsel/Board of Trustees/GM Winquest	Update pending
Utilities Performance/Asset Management Review	Final Report Received	GM Winquest/Board	Staff working on implementation plan based on priority recommendations.
USFS Parcel Acquisition – Potential Dog Park	Ongoing	GM Winquest	USFS has transitioned the request to the formal review process. IVGID Staff is working to schedule community outreach to neighboring residents and larger community.
USACE Grant Funding for Pond Lining/Pipeline Projects	TBD	GM Winquest/ Director PW Underwood	Laura Whitney (USACE) shared new model agreements. Agreements have been reviewed by legal. IVGID Staff is working closely with Laura Whitney to provide necessary input for the agreement and required documentation. Target for having agreement for Pond Lining in place by January 2022.
Utility Rate Study	Winter 2021-22	Director of Finance Navazio/Director of PW Underwood	HDR currently performing their work. Initial Board discussion on 11/10

**Diamond Peak Ski Resort Update**

The Ski Area has been preparing for the upcoming 2021/2022 season since the closure on April 18, 2021. During the last 227 calendar days, Staff has performed essential budgeted

maintenance tasks across all areas of the operation including building facilities, ski lifts, snowmaking facilities, grooming machines and over the snow and rolling fleet vehicles. All of our seasonally employed managers have returned for the upcoming season and have been working on pre-opening tasks. The entire Human Resources Department, including the Ski Area management team, has been committed to our most important task which involves hiring seasonal front line staff to be able to operate the ski area as the community would expect their ski area to operate. To date, we have attended several local and regional recruiting fairs, conducted two at Diamond Peak and have been using several hiring techniques to assist in the task. Currently, we have been successful with recruiting staff members in a few of the departments where as others are still actively recruiting to fill positions needed to operate.

The Slope Maintenance Department has recruited well with a mix of new and returning Staff. The Staff has been trained and has been actively working since the start of our snowmaking season which began on November 1, 2021. Nearly all of the 2 + feet of snow that fell on October 25, 2021 has melted due to the unseasonably warm temperatures. To date, snowmaking operations have not been very productive as compared to previous November's although we have been very aggressive and not missing any chance to make snow regardless how marginal temperatures have been.

Diamond Peak's planned opening date has been Thursday December 9, 2021; we will continue to evaluate our snowmaking progress and provide updates on the opening date to the District General Manager as well as our Board of Trustees and on our web site at [diamondpeak.com](http://diamondpeak.com). Please feel free to contact Mike Bandelin ([mlb@ivgid.org](mailto:mlb@ivgid.org)) if you would like more information related to Diamond Peak.

### **Recreation Center Pool Repair update**

On November 6, 2021 a flange, that is attached directly to the Recreation Center pool filter, experienced a major failure. It was determined by Buildings Superintendent Justin Bluhm that the cracked flange could not be repaired in-house. The repair required hiring a pool contractor from Concord, California to install the specialized part which was available only from the pool filter manufacturer in Rhode Island. It was determined that the pool would have to be closed for a minimum of three to four weeks.

On November 7, 2021, Buildings Staff connected with the specialty contractor who was the same contractor he had been working with for a pending pool filter sand replacement project, planned for summer 2022. The pool filter unit had to be opened for both repairs, making completion of both projects a wise logistic and financial decision. Upon approval, Buildings Staff scheduled the repair for the contractor's earliest date - November 30, 2021.

The contracted project was completed on December 1, 2021 for approximately \$12,000. Additionally, utilizing our in-house pipeline crew and pump truck to remove the sand, provided a significant savings for the District (Public Works Interco billing is pending but is estimated at \$1,500.00).

At present, the team is working towards reopening the pool by bringing the temperature up to 82 degrees at an estimate of 4 degrees per day. As of today, December 2, 2021, the temperature is 67 degrees. Our anticipated reopening date is Monday, December 6, 2021, exactly one month from the pool filter flange failure.

### **Third Party Legal Review of the Beach Deed and Ordinance 7**

Twelve legal firms were contacted and sent a request for proposal for the above work. Five firms said they were going to propose and three firms submitted proposals. The review team of Trustee Sara Schmitz, District General Manager Indra Winquest and District General Counsel Joshua Nelson met during the week of November 22 to review the submitted proposals, agreed to interview all three submittals and said interviews were conducted via Zoom the week of November 29<sup>th</sup>. Community member and member of the General Manager's Ordinance 7 Committee Diane Becker participated as an interview panel member. Following the interviews, the review team unanimously agreed to the selection of a firm. The two non-successful firms were advised of the decision and thanked for their proposals. The successful firm has been contacted and Staff is working through the contractual document which will be executed by the District General Manager upon review by District Legal Counsel. Work is anticipated to begin once this process is complete.

### **Key Project Updates**

*For more information on current district capital projects.*

Webpage Link:

<https://www.yourtahoeplace.com/ivgid/resources/construction-updates>

### **Risk and Resilience Assessments and Emergency Response Plan**

The America's Water Infrastructure Act (AWIA) requires preparation of Risk and Resilience Assessments (RRA) and emergency response plans (ERPs). Farr West Engineering's completed the RRA and it was submitted by the Director of Public Works to the EPA in early June 2021 to meet the required deadline. Farr West will begin the next phase of their work on the Emergency Response Plan (ERP) with a staff workshop in late July 2021. The ERP must be complete within 6 months of the RRA submittal. A contract to complete this work was authorized at the December 9, 2020 Board Meeting.

### **Burnt Cedar Swimming Pool Improvements – 3970BD2601**

A 2021 Capital Improvement and Board of Trustees Priority Project, this project will reconstruct the two (2) existing pools (full size and toddler) at Burnt Cedar Beach. The Guaranteed Maximum Price contract approved by the Board of Trustees on April 29, 2021. CORE Construction mobilized to the site May 3, 2021. CORE has secured the site for the winter. Western Water Features will be on-site throughout the winter season working on completing the necessary improvements within the mechanical room. Attached to this report is a detailed summary of all change orders to date. The spreadsheet contains the document number, what initiated the change, change title, detailed description of work, status, dollar amount, and funding source. As part of the CMAR process there are two (2) different line

items for construction contingency, one is the CMAR Contingency and the other is Owner contingency. CMAR Contingency is used for any item that may have been overlooked during the bidding process. For example, Item CUA #5 is for waterproofing the CMU retaining walls. This was not specifically called out on the plans, however, waterproofing is required. The Owner contingency is used for any item that was not included in the original project as well as changes due to unforeseen conditions. For example, COR #7 was for additional work and materials required to remove and replace existing sanitary sewer lines within the mechanical pit footprint. Once the sanitary sewer was exposed, it was determined that some of the lines were in conflict with the mechanical pit construction and would need to be replaced and lowered. PW Staff determined that all the exposed sanitary sewer lines should be replaced due to age and the poor overall condition of the lines. Construction will require complete closure of the pool and pool deck for the entire 2021 season.

CORE Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$3,845,865.00	\$30,705.00	\$3,876,569.00	\$2,546,160.72	\$1,330,408.28

Effluent Pipeline Project – 2524SS2010

The project consists of replacing all of the remaining Segment 3 pipeline (12,385 linear feet) and all Segment 2 pipeline (17,314 linear feet) to mitigate a potential future leaks. At the January 28, 2021 Board of Trustees Meeting, Trustees approved a Construction Manager-At-Risk (CMAR) pre-construction contract to Granite Construction. At the June 9, 2021 Board of Trustees Meeting, Trustees approved HDR to begin design work. The design team has completed the hydraulic analysis of the pipeline and a meeting was held to review the results and discuss appropriate pipe material and installation method. HDR is working on finalizing the Basis of Design Report that should be complete by the end of the year. As HDR is working on the 30% plans, they will work closely with the various divisions of NDOT to ensure the design will meet the requirements of NDOT. The design team will present the 30% plans to the NDOT team in January 2022.

Effluent Pond Lining Project – 2599SS2010

At the January 28, 2021 Board of Trustees Meeting, Trustees approved a Construction Manager-At-Risk (CMAR) pre-construction contract to Granite Construction. At the June 9, 2021 Board of Trustees Meeting, Trustees approved Jacobs Engineering to begin design work on the effluent pond lining project. A component of the Water Resource Recovery Facility (WRRF) operation and a key requirement in the NDEP permit is to have an emergency lined effluent storage basin. Jacobs is currently working to get the design plans to 60% and plan to have them out to the team for review mid-December. RCI submitted the 401 and 404 permit applications on November 30, 2021 that will be required for permitting and Army Corps 595 funding. RCI, IVGID, and Exline & Co. is currently working with TRPA regarding the issue

of 1b SEZ coverage that maybe required to facilitate the permitting and construction of the pond project. An on-site meeting is to be held on 12/16/2021.

Recreation Center Upstairs Lobby Restroom Remodel – 4484BD1902

A 2021 Capital Improvement project that will remodel the men's and women's upstairs lobby restrooms within the Recreation Center. The project includes ADA access, ADA restroom stall, new tile, fixtures and partitions. Ward Young Architecture designed the project and Avail Construction was the low responsive bidder. The Board of Trustees approved the construction project at the May 12, 2021 Board meeting. The contractor began construction on October 15, 2021. The contractor has been installing the wall tile, countertops, and toilets. The project has been slightly delayed due to supply chain issues.

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$159,832.40	(\$653.45)	\$159,178.95	\$44,295.27	\$114,883.68

**Financial Transparency**

The District's Independent Auditor (Davis Farr, LLP) presented draft financial statements and audit report for the fiscal year ended June 30, 2021 to the Audit Committee at their meeting of November 17, 2021. The final Annual Comprehensive Financial Report (ACFR) and audit report(s) are scheduled to be presented to the Audit Committee on December 8, 2021 and to the Board of Trustees on December 14, 2021. As noted, the audit report includes two findings of material weaknesses related to adjustments required to a) expense capital assets not meeting District's capitalization criteria and b) negative cash balance in capital project funds. The audit report also includes a series of recommendations to strengthen internal controls in areas identified by the auditors.

The Board is schedule to receive its 1<sup>st</sup> Quarter Budget update on December 8, 2021, which includes financial results through September 30, 2021. This first quarter budget update also includes the Q1 CIP Popular Status Report, covering capital project activity for the same period. Concurrently, Staff is finalizing the close for the October (12/3) and anticipates closing November the week of 12/13.

Two other significant projects currently underway are a) the ongoing update of Internal Control policies and procedures and b) transitioning the District to a new enterprise-wide financial system (Tyler/Munis) by July 1, 2022. Among the goal of the new financial system project is to streamline budgeting and accounting processes, improve financial reporting capabilities and strengthen internal controls.

**Policy 3.1.0, subparagraph 0.4 – Report to the Board on Contracts Signed by the District General Manager**

From October 21, 2021 to December 1, 2021

PO Number	Vendor	Description	PO Amount
22-0115	Nichols Consulting Engineers	Effluent Export Pond Lining – cultural resources study	\$17,120.
22-0116	Industrial Software Solutions I	SCADA Wonderwear annual license and support	\$10,265.
22-0119	ARMAC Construction LLC	Utilities Pavement Maintenance	\$11,997.
22-0120	Exline & Company Inc.	Effluent Pond Lining Project – assistance with TRPA coverage and permitting	\$15,000.
22-0124	SILegacy Floor Finishing LLC	BCWDP Improvements, floor repairs	\$5,430.
22-0126	SILegacy Floor Finishing LLC	Bleachers and bathroom floor coating – Preston Park	\$21,500.
22-0127	Nevada Energy Systems	SPS Improvements – SPS#7	4,983.
22-0130	Data West	Billing Software	\$11,489.82
22-0131	Johnson Health Tech	One Treadmill and Two Ellipticals	\$16,937.50
22-0135	Halo Branded Solutions	Annual staff uniform purchase – DP	\$20,000.
22-0142	Calgon Carbon UV Technologies	Disinfection parts for BCWDP	\$6,406.76
22-0148	Lincoln Aquatics	Emergency repair to sand filters at Rec	\$12,000.

**Public Records Requests**

Following are the public records requests from October 22, 2021 to December 1, 2021

10/21/2021	Dobler, Cliff	Burnt Cedar Pool Costs	10/27/2021	Complete
10/24/2021	Dobler, Cliff	Unearned Revenues	11/15/2021	Complete
10/29/2021	Schmitz, Sara	Change Orders for the Burnt Cedar Pool	11/01/2021	Complete
10/31/2021	Abel, Michael	TSK Architects Invoices – Burnt Cedar Pool	11/01/2021	Complete
11/05/2021	Schmitz, Sara	Bike Park – MOU with ITF re: Maintenance	11/05/2021	Complete
11/07/2020	Katz, Aaron	Staff Time – Mtn Golf Course Paths		Agenda item for 12/8 will complete this request.
11/11/2021	Dobler, Cliff	Mtn Golf Cart Paths – 3 documents	12/02/2021	Complete
11/15/2021	Hanna, Stacey	Rendering of Burnt Cedar Pool	11/16/2021	Complete
11/16/2021	Katz, Aaron	Mountain Golf Cart Path – Project Accounting Sheet	12/01/2021	Complete
11/16/2021	Katz, Aaron	Content in Live.Work.Play – Fall Edition (IVCBA)	11/16/2021	Complete
11/17/2021	Katz, Aaron	Lake Tahoe Shakespeare Festival	12/02/2021	Complete
11/17/2021	Katz, Aaron	7 Tahoe Film Festival	12/02/2021	Complete
11/22/2021	Dobler, Cliff	CAFR 2020 – prior period adjustments	12/02/2021	Complete
11/30/2021	Katz, Aaron	Dog Park Materials	12/01/2021	Complete
12/01/2021	Katz, Aaron	Mountain Golf Cart Path – Lumos and Associates Invoices	12/01/2021	Complete
12/01/2021	Katz, Aaron	Every project accounting for every CIP project since 7/1/2019 to present		



Burnt Cedar - Pending Change Orders						NOTE: Pending Pricing does not include 5% CORE mark-up for CO's.		Executed
Document		Initiating Document	Title	Description	Status	Amount	Funding Source	
AUA #1	COR #1	Field Condition	Temp Power	Allowance Usage for Temp Power	Completed	\$4,990.00	Allowance #1, Temp Heating, Power & Cold Weather Protection	Y
CUA #1	COR #2	CUA	Surface *Summer Lap Pool Cover	The specifications ultimately called for Subcontractor to provide the surface cover for the Lap Pool. There was confusion and miscommunication during the bid process and the price for this cover was listed as alternate and not base bid. WWF is furnishing the surface cover, IVGID will assemble the real and install the cover.	ISSUED 9/28/21	\$20,325.00	CMAR Contingency	Y
COR #3	COR #3	Owner Provided Item	Winter Covers for Lap & Wading Pools	The winter covers were intended to be an Owner provided and installed item. This is where the confusion developed in regard to the summer cover noted above. IVGID has opted to have WWF furnish and install the winter covers.	ISSUED 9/28/21	\$21,439.00	Owner	Y
CUA #2	COR #4	Unforeseen - Field Condition	Re-Pipe Domestic Water for Boiler #3 in Mechanical Room	Drawings indicated gas line relocation to Boiler #3 but not Domestic Water. CORE feels this could've been caught by sub and would like to use CMAR Contingency	ISSUED 9/28/21	\$2,352.00	CMAR Contingency	Y
CUA #3	COR #5	Subcontractor Request	Colored Concrete Mock-Up	CORRECTED DESCRIPTION: Additional mock-ups to show various brooming and sawcutting vs tooling of joints in colored and gray concrete. CORE and Morgan felt it was important to show multiple options to provide the best product.	ISSUED 9/29/21	\$1,866.00	CMAR Contingency	Y
COR #6	COR #6	Owner Choice	Upgrade Irrigation Controller	IVGID Parks Department has elected to upgrade the Toro Irrigation Controller	ISSUED 9/29/21	\$952.00	Owner	Y
COR #7	COR #7	Field Condition / Owner Choice	Plumbing repairs & replacements on existing utilities.	Remove and replace Sanitary Sewer in Mechanical Pit. This scope has been completed and will be issued as a single change order - separate from the Mechanical Pit Modifications		\$4,707.00	Owner	Y
	COR #7	Field Condition / Owner Choice	Plumbing repairs & replacements on existing utilities.	Replace copper line underneath building canopy at RR area.		\$1,444.00	Owner	Y
	COR #7	Field Condition / Owner Choice	Plumbing repairs & replacements on existing utilities.	Replace leaking PRV in Mechanical Room		\$2,067.00	Owner	Y
	COR #7			Total for Plumbing Change order with Core Mark-up	ISSUED 10/25/21	\$8,629.00	Owner	Y

COR #8	COR #8	Correction to COR #7	Correct clerical error on COR #7	Plumbing change order (COR #7) was overcharged by a total of \$315.00 for Subcontractor CE #3 - R&R of Copper Line underneath building canopy at RR area.	ISSUED 10/26/21	\$315.00	Owner	Y
CUA #4	COR #9	Unforeseen - Field Condition	R&R Main Irrigation Line and Fittings	Legends east side main irrigation line and fittings had to be removed and replaced in order install the Storm Chamber system.	ISSUED 10/27/21	\$4,503.00	CMAR Contingency	Y
CUA #5	COR #10	Scope Gap	Waterproofing at CMU Ret. Wall & Interior Pool Deck CMU Walls	Detail was missed on plans. Waterproofing is required at CMU Walls	ISSUED 11/3/21	\$5,300.00	CMAR Contingency	Y
COR #11	COR #11	Owner Request	R&R Curved CMU wall at new double gate entry	Owner request to remove and replace the curved portion of the existing southeast CMU wall at the new double gate entry to the pool.	ISSUED 11/3/21	\$3,255.00	Owner	Y
COR #12	COR #12	Owner Request	Electrical Work for West Side Sewer Repair	Excavation and relocation of the existing 2" Force Main Sewer included electrical wiring for the sewer pump.	ISSUED 11/3/21	\$2,536.89	Owner	Y
COR #13	COR #13	Unforeseen - Field Condition	East Side Sewer - 4"	Remove & replace a section of existing Main Sewer, add cleanouts, "Y's" and drains as reviewed with IVGID.	ISSUED 11/19/21	\$16,666.05	Owner	Y
COR #14	COR #14	Unforeseen - Field Condition	Pot Holing for West Side 2" Sewer	Pot holing to locate the unknown existing 2" sewer.	ISSUED 11/19/21	\$2,552.92	Owner	Y
COR #15	COR #15	Unforeseen - Field Condition	West Side Sewer - 2"	Excavate and relocate existing 2" Force Main Sewer to be clear of footings for CMU retaining wall	ISSUED 11/19/21	\$12,361.50	Owner	Pending
AUA #2	COR #16	Winter Conditions	TRPA Coordination	Construction activities were extended past the TRPA Deadline of October 15, 2021. Weather delays and supply issues caused the construction schedule to push out, requiring TRPA Coordination and extensions.	ISSUED 11/22/21	\$1,663.50	Allowance #4 TRPA Coordination	Pending
CUA #6	COR #17	Field Condition	Added Rebar for Trench Drains	Morgan Construction had a \$2,500.00 allowance at bid time for trench drain rebar. The depth of the trenches and the structural framework required for the drains significantly increased the quantity of rebar and required additional labor from Northern Nevada Rebar per RFI 26 TD Detail.	ISSUED 11/23/21	\$7,540.05	CMAR Contingency	Y
CUA #7	COR #18	Field Condition	Concrete Stair Demo Under Building Canaopy	The existing bottom stair underneath the building canopy was an inconsistent size and needed to be demolished to properly tie in the future pool deck concrete. A new stair will be formed and poured with the pool deck in the 2022 season.	PENDING ISSUANCE BY GORE	\$2,499.00	CMAR Contingency	
CUA #8	COR #19	Field Condition	Additional Demo Required in Mechanical Pit	Additional demolition was required in the Mechanical Pit in order to tie the new pit floor and walls into the existing pit wall per Response to RFI 20.	PENDING ISSUANCE BY GORE	\$3,591.00	CMAR Contingency	

