

## MEMORANDUM

**TO:** Board of Trustees

**FROM:** Indra Winqest  
General Manager

Josh Nelson  
General Counsel

**SUBJECT:** Review, discuss, and provide direction regarding updates to IVGID personnel, facility use, and contribution policies related to Dillon's Rule

**DATE:** December 8, 2021

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### **I. RECOMMENDATION**

That the Board of Trustees review, discuss, and provide direction regarding updates to IVGID's personnel, facility use, and contribution policies related to Dillon's Rule.

### **II. BACKGROUND**

The Audit Committee requested a legal opinion responding to a community member's letter asking whether a number of IVGID expenditures and programs complied with Dillon's Rule. The General Counsel provided an opinion on these items at a series of Audit Committee meetings. Ultimately, the Audit Committee requested that the Board of Trustees consider hiring legal counsel to refine and/or create policies to ensure the District is in compliance with Dillon's Rule. The Board authorized a review of its personnel, facility use, and contribution policies at its September 2, 2021 meeting. This work was proposed to be accomplished in two phases: (1) an initial review and then workshop with the Board on potential changes and (2) preparing redlines based on Board feedback.

The General Counsel and Staff have completed an initial review of the current policies. For the personnel policies, the recommended changes will be handled at the staff level as they require updates to the General Manager-approved policies. Changes will include tightening language regarding employee reimbursements and employee recognition events. One policy-level issue that would benefit from Board direction would be whether to formalize a budget line item for employee recognition events. Staff will be including this in the budget discussion for further direction.

For the facility use and contribution policies, staff will be presenting the enclosed presentation to the Board for feedback and direction. While this project initially only involved reviewing Policy and Procedure No. 132/Resolution No. 1701 (Discounted Use of Non-Profits and Similar Groups), IVGID has three additional policies covering similar topics: (1) Policy and Procedure No. 110/Resolution No. 1493 (Community Relations Expenditures), (2) Policy and Procedure No. 115/Resolution No. 1527 (Use of Boardroom), and (3) Policy and Procedure No. 127/Resolution No. 1619 (Complimentary Use of Facilities). Copies of the four policies under discussion are enclosed for reference.

As set forth in the presentation, the Board's current policy on facility use and contribution comply with Dillon's Rule. However, three policies cover the same issue: free or discounted use of facilities. In addition, the policies have not been reviewed in a number of years and would benefit from an update.

Before preparing draft redlines, staff requests Board direction on the following policy-level questions:

1. Should the Board combine the various policies into one or more policies?
2. Should IVGID continue to provide free or discounted use of facilities going forward?
3. If yes, who should authorize/approve these uses?
4. For discounted use, how should fees be set? As an example, this could be a standard non-profit fee, standard discount, or a discretionary charge based on ability to pay/yield management.
5. Does the Board wish to permit monetary contributions to non-profits?
6. If yes, at what dollar amounts? Policy and Procedure No. 110/Resolution No. 1493 currently requires Board approval for contributions over \$1,000 and recommends contributions not exceed \$500. In addition, contributions can only be used when in kind support is not practical and cannot be merely a contributor to a fundraiser.
7. If yes, should the Board or staff approve the contribution?

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

The previously authorized a scope of work with an estimated budget of up to \$8,745.

### **IV. ALTERNATIVES**

Below is an alternative to the recommended action:

1. Decline to move forward at this time with this project.

### **V. BUSINESS IMPACT**

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



# Dillon's Rule Policy Update

## Review of Policies on Donations and Use of IVGID Facilities by Third Parties



**BEST BEST & KRIEGER**  
ATTORNEYS AT LAW

# Overview

- Dillon's Rule
- Existing Policies
- Areas for Board Direction
- Next Steps



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# Dillon's Rule

- Local government may only act as permitted by statute.
  - *State v. Swift*, 11 Nev. 128, 140 (1876)  
“Hence, a municipal corporation, in this state, is but the creature of the legislature, and derives all its powers, rights and franchises from legislative enactment or statutory implication.”



# Dillon's Rule

- NRS 318 is source of most statutory authorities for IVGID
- NRS 318.116 outlines potential powers of GID, including water, sewer, solid waste, and recreation.
  - Furnishing facilities includes furnishing services and operating those facilities. (NRS 318.100, .145)
  - Includes ability to impose rates and charges (NRS 318.197; see also NRS 318.160 [lease property])
  - Includes all “rights and powers necessary or incidental to or implied from the specific powers....” (NRS 318.015, .040)



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# Dillon's Rule

- NRS 318 does not include an authorization to make monetary donation or gift
- BUT, ability to rent or charge fees includes ability to impose different or lower rates/fees to third parties
- Ability to contract and provide recreational services includes ability to provide in kind support





# Existing Policies

- Policy and Procedure No. 132/Resolution 1701
  - Allows use of facilities by qualified non-profits at discounted rates
  - Consistent with Dillon's Rule as a different rate charged for use of a facility



# Existing Policies

- Policy and Procedure No. 110/Resolution 1493
  - Allows monetary contributions to community programs events in furtherance of an express IVGID purpose
  - Staff can approve \$1,000 or less; all others require Board approval
  - Closer call but consistent with Dillon's Rule as expenditure must further IVGID purpose in NRS 318



# Existing Policies

- Policy and Procedure No. 115/Resolution 1527
  - Permits use of board room for public meetings and non-public meetings
  - Allows SCORE use of board room
  - Public meetings are not charged; non-public meetings are charged fee to cover staff time
  - Consistent with Dillon's Rule as a different rate charged for use of a facility



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# Existing Policies

- Policy and Procedure No. 127/Resolution 1619
  - Permits complimentary use of recreational facilities if authorized by staff
  - Uses allowed include fundraisers, professional courtesies, trade-outs, promotions, and for dignitaries.
  - Consistent with Dillon's Rule as a different rate charged for use of a facility



# Existing Policies

## Conclusions:

- Existing policies are consistent with Dillon's Rule
- However, multiple policies cover same or similar issues
- Some policies are outdated (i.e., monetary contributions)



# Areas for Board Direction

- Should we combine the various policies into one or more policies?
  - Staff recommendation: Streamline policies where we can (i.e., two policies: use of facilities and contributions)
- Should the District continue to provide free or discounted use of facilities going forward?
  - Staff recommendation: Yes, within limits set by policy
- If yes, who should authorize/approve?
  - Options: Always Board, Always Staff, Board/Staff depending on amount
  - Staff recommendation: Board/Staff depending on amount with exceptions



# Areas for Board Direction

- How should fees be set?
  - Options: Standard fee, Standard discount, Discretionary/Yield management, Other
  - Staff recommendation: Standard fee at each venue with a floor based on additional operational costs (as part of budget discussion)
- Does the Board wish to permit monetary contributions to non-profits?
- If yes, at what limits?
- If yes, who approves?
  - Options: Always Board, Board/Staff depending on amount, Always Staff



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# Next Steps

- Receive Board direction
- Prepare revised policies for Board consideration at its January meeting
- Revise as necessary



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## Policy and Procedure Resolution No. 132 Resolution No. 1701

### USE OF IVGID FACILITIES BY QUALIFIED LOCAL NON-PROFIT, VOLUNTEER ORGANIZATION, NATIONAL ORGANIZATION WITH A LOCAL CHAPTER, OR ACTIVITY BASED IN OR BENEFITTING INCLINE VILLAGE/CRYSTAL BAY, NORTH TAHOE REGION, GOVERNMENT AGENCY, OR A LOCAL SCHOOL, THAT ADMINISTERS AND CONDUCTS THE ACTIVITY THEMSELVES

**WHEREAS**, the Incline Village General Improvement District (IVGID) receives requests for activities at its facilities by local non-profit, volunteer organization, national organization with a local chapter, or activity based in or benefitting Incline Village/Crystal Bay, North Tahoe Region, government agency, or a local school, that administers and conducts the activity themselves; and

**WHEREAS**, it is necessary to establish policies governing the activities that may take place at IVGID's facilities, to guide staff in administering a consistent policy throughout IVGID;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the Incline Village General Improvement District that activities that fit within the following criteria will be allowed, upon approval by the appropriate level of management up to and including the Board of Trustees.

#### POLICY AND PROCEDURE STEP 1 APPLICABLE TO ALL ACTIVITIES

1. The sponsor must be a qualified local non-profit, volunteer organization, national organization with a local chapter, or activity (as outlined later in this document) based in or benefitting Incline Village/Crystal Bay, North Tahoe Region, government agency, or a local school, that administers and conducts the activity themselves.
2. Request will be considered on a first-come, first-served basis and use of District facilities will be evaluated on a venue by venue basis balancing capacity and the resident's needs as the key criteria. All requests will be made to the applicable District Venue Manager.
3. The activity must not be for commercial or personal gain with the exception that business collaboration results in advertisements and its benefit to business.
4. The activity must be overseen by the sponsoring organization and a lead individual identified to handle details up and through the day of the event. This person must be someone who is in attendance at all times the day of the event.
5. IVGID will have no responsibility for the administration of the event or for the funds collected by the activity.



## Policy and Procedure Resolution No. 132 Resolution No. 1701

6. When applicable, the sponsor must provide insurance, list IVGID as an additional insured (when applicable) and any other paperwork required by the District Risk Manager.
7. The sponsor of the activity will agree to indemnify and hold the District harmless from any claims arising out of the activity.
8. The profits derived from the activity must materially benefit the community of Incline Village/Crystal Bay, and be used within the North Tahoe Basin for the length of their useful life.
9. A signed contract and applicable paperwork are to be executed not less than thirty (30) days prior to the event. If the event is cancelled within 30 days of the event, the deposit may be forfeited.
10. Qualified, non-profit, volunteer organization or activity requests are to be ranked and evaluated in accordance with the Internal Revenue Service (IRS) Code as follows:
  - a. IRS Code 501(c) (3), tax-exempt organizations. The organization description must fit one of the following: Charitable, religious, educational, scientific, literary, and testing for Public Safety, foster national or international amateur sports, or prevention of cruelty to children or animals.
  - b. Other tax-exempt IRS Code 501 (c) organizations, such as Civic Leagues, Social Welfare Organizations, Labor, Agricultural, and Horticultural organization, Business Leagues, Veterans' Organization, and Chamber of Commerce.
11. In all cases, an IRS letter of determination is to be provided to the District (or on file with the District) as documentation of status. The letter of determination shall be provided at the time of request.
12. All events, as a minimum, will be charged a \$50 Administrative charge which is to cover the required paperwork, etc.
13. The attached application is required for each event and is herewith incorporated and made effective as of July 1, 2013.
14. During the budget cycle, the Board of Trustees approves the District's Key Rates which include the rack rate for each District venue. This is the guiding document for each District Venue Manager to make their discounting decision, using yield management, for each event/venue.
15. Within sixty (60) days of the conclusion of the activity, the sponsoring organization must submit a financial statement to the District Venue Manager, giving details of income and expenses for the activity and expected contributions to the beneficiary(ies). If sponsor



## Policy and Procedure Resolution No. 132 Resolution No. 1701

does not provide an activity financial statement within the stated timeframes, they will not be allowed to hold another activity at District facilities for one year.

16. A report, for Fiscal Year 2013/2014, shall be provided to the Board of Trustees no later than September 30, 2014.

### POLICY AND PROCEDURE STEP 2 APPLICABLE SPECIFIC REQUIREMENT FOR EACH OF THE DISTRICT VENUES

#### GOLF VENUES

1. The sponsor must apply in advance, in writing, to the District Venue Manager. The following is to be included in the request:
  - a. Details of the activity (including, but not limited to, proposed date of activity, proposed venue, etc.)
  - b. Projected finances and how funds are to be distributed
  - c. Beneficiary of the event (who is it and where do they reside)
  - d. Geographical area served
  - e. IRS Letter of Determination
2. Availability of Golf Courses
  - a. Golf activities: It is strongly recommended that charity tournaments be held prior to June 15 and after September 15 on the Championship Course.
  - b. Golf activities: It is strongly recommended that charity tournaments be held prior to July 1 and after September 15 on the Mountain Course.
  - c. Should a charity tournament desire a date before or after those listed in a. or b. above, it is the representative's responsibility to discuss their desire with the District Venue Manager who will make the determination.
3. Charges To Use Each Golf Course
  - a. Golf activities will be charged on the Championship Golf Course as determined during the annual budget process.
  - b. The Mountain Golf Course will be offered as determined during the annual budget process.
4. Event organizers shall be encouraged to plan golf activities on Mondays through Thursdays in the afternoon.



## Policy and Procedure Resolution No. 132 Resolution No. 1701

5. If the activity is cancelled ninety (90) days prior to the scheduled activity, the group will forfeit their deposit fee.

### CHATEAU AND ASPEN GROVE VENUES

The following shall apply in addition to Policy and Procedure Step 1. listed above. The full rack rate prices in place is the basis for the non-profit discounting as outlined below for high season and low season (Blackout dates apply to high season dates). The Chateau and Aspen Grove Facilities, discounts to non profits will be set each year during the budget process.

At the discretion of the Chateau and Aspen Grove sales team, with the approval of the Sales Manager and/or the Director of Finance, Accounting and Risk Management greater discounting or a further advanced reservation can occur if the following conditions exist:

- (a) The date being requested is unsold; **and**
- (b) the likelihood of selling the date is quickly diminishing; **and**
- (c) the activity will engage in other District ancillary revenue producing areas such as catering and golf outings during the activity.

High and Low season and Midweek dates are defined as follows:

High Season dates are May through October and December

- Mid-week (Monday through Thursday) may be reserved up to 3 months prior to the requested date
- Friday and Sunday may be reserved up to 2 months prior to the requested date

Low Season dates January through April and November

- Mid-week (Monday through Thursday) may be reserved up to 6 months prior to the requested date
- Friday, Sunday and Holidays may be reserved up to 2 months prior to the requested date

Blackout Dates are High Season dates Friday through Sunday that are charged at the full rack rate. Discounting may be available at the discretion of the District General Manager

Saturdays and Holidays may be made available at the discretion of the District General Manager.

### DIAMOND PEAK SKI RESORT (EXCLUDING SNOWFLAKE LODGE)

The following shall apply in addition to the Policy and Procedure Step 1. listed above. The use of Diamond Peak Ski Resort for activities will be at the discretion of the Venue Manager. The time of the year, capacity and the availability of Diamond Peak resort and its facilities will be factors for consideration for discounting.



**Policy and Procedure Resolution No. 132  
Resolution No. 1701**

Snowflake Lodge, whose use is already limited by a Tahoe Regional Planning Agency use permit, is excluded from this resolution.

**PARKS AND RECREATION VENUES (EXCLUDING BEACHES)**

The following shall apply in addition to the Policy and Procedure Step 1. listed above. The use of Parks, Recreation Center, and Tennis Courts for activities will be at the discretion of the Venue Manager. The time of the year, capacity and availability of recreational facilities will be factors for consideration for discounting.


**ALL BEACHES**

All of the beaches within the Incline Village General Improvement District have restricted access and are available for the exclusive use of the Incline Village property owners. On a case by case basis, uses of the beaches by a qualified, non-profit, volunteer organization or activity based in Incline Village will be directed, for possible consideration, to the District Venue Manager.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true and correct copy of Policy and Procedure Resolution No. 132, Resolution No. 1701, as amended at a regular meeting of the Board of Trustees of the Incline Village General Improvement District on the 10th day of July, 2013, by the following vote:

AYES, and in favor thereof, Trustees:	Trustees Joe Wolfe, Bill Devine, Bruce Simonian, Jim Smith and Jim Hammerel
NOES, Trustees:	None
ABSENT, Trustees:	None

  
\_\_\_\_\_  
Jim Smith, Secretary

POLICY AND PROCEDURE RESOLUTION NO. 132, RESOLUTION NO. 1701  
As amended April 12, 2000  
As amended April 30, 2003  
As amended May 15, 2003  
As amended February 25, 2004  
As amended October 11, 2006  
As amended June 27, 2007  
As amended July 10, 2013



POLICY AND PROCEDURE RESOLUTION 132, RESOLUTION 1701  
APPLICATION

Organization Name:

Contact Name:

Address (Mailing):

City, State & Zip Code:

E-Mail Address:

Telephone Number:

EIN#/Taxpayer ID#:

Venue/Location:

Date(s) of Event:

Time Range:

Qualify as a 501(c)3  Yes  No  
OR

Qualify as a Non-Profit  Yes  No  
OR

Volunteer Organization  Yes  No

← If yes, please attach a copy of the organization's IRS Determination Letter or a copy of the last Form 990 filed with the IRS.

Service Objective and Beneficiaries:

Confirm no commercial or personal gain comes from Event (Resolution, paragraph 2)  Yes  No

Confirm organization will post Certificate of Insurance to IVGID (Resolution, paragraph 6.)  Yes  No

Confirm organization agrees to indemnify and hold IVGID harmless (Resolution, paragraph 7.)  Yes  No

Confirm that organization complied with financial records (Resolution, paragraph 15)  Yes  No

Rack Rate for Venue/Location requested:  
(Based on Board approved Key Rates)

Yield Management (Comment/Remark):

Charge approved by Venue Manager for this Event:  
(\$50 minimum) (Coded to 4293)

Venue Manager Signature and Date: \_\_\_\_\_

Administrative Concurrence: \_\_\_\_\_  
(General Manager or designee, Signature & Date)

Distribution: Public Records Officer, Director of Finance, Controller, Venue Manager

RESOLUTION NO. 1493

Policy Statement

COMMUNITY RELATIONS EXPENDITURES  
Incline Village General Improvement District

WHEREAS, IVGID is from time to time called upon to financially participate in certain community programs and events; and

WHEREAS, it is not practical to schedule consideration of each such participation before the Board of Trustees; and

WHEREAS, it is necessary for the Board to establish policy guidelines and oversight procedures, if such participation is to be arranged by staff; and

WHEREAS, the goals of IVGID in establishing this policy statement are to ensure proper and frugal expenditure of public dollars, while recognizing IVGID's obligations within the Incline Village-Crystal Bay community.

NOW, THEREFORE BE IT RESOLVED by the Board of Trustees of the Incline Village General Improvement District that the procedure for IVGID cash participation in community programs and events shall be as follows:

1. Written request by sponsoring organization submitted to the General Manager.
2. Memorandum from General Manager to Board of Trustees, together with a copy of the written request, indicating staff's intended action on the request.
3. If no Trustee objects or requests further consideration of the matter within one week of issuance of the memorandum, staff's intended action shall become final.
4. If any Trustee objects or requests further consideration of the matter within one week, IVGID's participation in the event shall not occur until authorized by the Board of Trustees at a regular public meeting.

BE IT FURTHER RESOLVED that the following criteria shall be applied by staff in determining IVGID's participation in the program or event:

1. Must be related to a purpose authorized by NRS Chapter 318, and delegated to IVGID thereunder.

2. Must be sponsored by a local non-profit group.
3. Must be a one-time event, activity, or program, and not involve any ongoing financial commitment.
4. IVGID's participation must be unique, and not merely a contributor to a community fund-raising drive.
5. There must be no practical opportunities for IVGID participation through in-kind services, in lieu of cash.
6. Cash expenditure for any one event shall not exceed \$1,000 without action by the Board of Trustees, and in general should be kept under \$500.
7. Total expenditures for any fiscal year must be kept within the budget for such activities established by the Board of Trustees.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 30th day of May, 1985.

AYES, and in favor thereof, Trustees:

Pam Wight, Jane Maxfield, Greg McKay,  
Bobbie Gang, Bob Wolf

NOES, Trustees: None

ABSENT, Trustees: None

  
Secretary



Resolution No. 1527

**USE OF BOARDROOM**  
**Incline Village General Improvement District**

WHEREAS, it is desirable to have a policy governing use of the IVGID Boardroom; and

WHEREAS, the primary use of the Boardroom is for the conduct of IVGID business; and

WHEREAS, a secondary use of the Boardroom is for the conduct of other public meetings of interest to the local community;

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT** that the following policy regarding use of the IVGID Boardroom is hereby established:

1. Upon approval of the General Manager, non-IVGID public meetings may be scheduled for use of the Board Room, provided that they do not conflict with the conduct of IVGID business.
2. Upon approval of the General Manager, non-IVGID meetings which are not open to the general public may be scheduled for use of the Boardroom, provided that they shall not occur during IVGID office hours or at any other time which may conflict with IVGID business or public meetings, and provided that IVGID representatives are available to staff the building during the period of such use.
3. The local chapter of the Service Corps of Retired Executives (SCORE) shall be allowed to continue their present regular use of the Boardroom, as shall the Incline Village-Crystal Bay Advisory Board and the Incline Village-Crystal Bay Visitors and Convention Bureau.
4. Use of the Boardroom for regular meetings (semi-annually or more frequently) of any non-IVGID group, other than those identified in paragraph 3, shall require the prior approval of the Board of Trustees.

BE IT FURTHER **RESOLVED** that the following fees shall be charged for use of the IVGID Boardroom:

1. No fee shall be charged for an IVGID event, or any other public meeting.

2. Sponsors of meetings which are not open to the general public shall be charged a fee which covers the cost of staffing the building for the period of use, if any.

RESOLVED this 12th day of February, 1987.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 12th day of February, 1987, by the following vote:

AYES, and in favor thereof, Trustees: Bobbie Gang, John Lillie, Jane Maxfield, Greg McKay, Pam Wight

NOES, Trustees: None

ABSENT, Trustees: None

  
Secretary

Resolution No. 1619

**COMPLIMENTARY RECREATION PRIVILEGES  
Incline Village General Improvement District**

**WHEREAS**, IVGID operates golf, ski, tennis, beach, and other recreational facilities; and

**WHEREAS**, it is customary for the operator of such facilities to occasionally provide complimentary use of the facilities by certain persons; and

**WHEREAS**, prudent use of complimentary privileges can assist the promotion of the facilities, which promotion is vital to minimizing taxpayer subsidies; and

**WHEREAS**, donation of complimentary privileges has proven to be an effective means to assist local community groups and worthwhile causes; and

**WHEREAS**, it is important that Complimentary privileges be granted on a controlled and equitable basis; and

**WHEREAS**, it is thus necessary and prudent to establish guidelines about complimentary privileges.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**, that the policy statement attached hereto is hereby adopted, and

**BE IT FURTHER RESOLVED** that it shall take effect on the First Day of November, 1991.

**RESOLVED** this 11th day of July, 1991.

\* \* \* \* \*

I hereby certify that the foregoing is a full, true, and correct copy of a resolution duly passed and adopted at a regularly held meeting of the Board of Trustees of the Incline Village General Improvement District on the 11th day of July, 1991, by the following vote:

AYES, and in favor thereof, Trustees: John Bevel,  
Bennie Ferrari, Joe Marson, Cliff McGough, Bob Wolf

NOES, Trustees: None

ABSENT, Trustees: None

  
Secretary

Policy statement

**COMPLIMENTARY RECREATION PRIVILEGES  
Incline Village General Improvement District**

**Purpose.** The purpose of this policy statement is to establish guidelines for providing access to IVGID recreation facilities and programs to certain persons without the customary charges that would apply to such access.

**Policy.** All persons which use an IVGID recreational facility or program for which a fee is charged shall pay that fee, unless exempted under this policy or other written policies.

**Authority.** The General Manager and department head in charge of each recreational facility or program shall have the authority to waive facility or program charges to a specific person or group of people, to the extent and only to the extent provided herein. The department head may delegate authority to waive fees to no more than two subordinates.

**General Guidelines.** Persons exercising authority to waive fees under this policy statement are encouraged to use prudent discretion. The fact that a particular situation may qualify for a waiver does not mean that a waiver must be given. This policy is intended to provide the outer boundaries for waiving fees, and persons acting under it may establish more restrictive guidelines or interpretations if circumstances warrant it or if they consider it wise to do **so**.

All waivers must be based upon a justifiable business reason as provided in this policy statement. Waivers are to be used sparingly, when necessary to further IVGID goals and to support community programs. Waivers are a form of expenditure of public resources and should be subjected to the same scrutiny as any other public expenditure. Except as permitted under written IVGID or departmental personnel policies, a personal or familial relationship is not sufficient grounds to waive a fee. In borderline cases, the following rule applies: "when in doubt, don't."

**Specific Guidelines.** The following circumstances may be a justifiable business reason for waiving a fee:

1. **Fund Raiser.** Contribution of a recreational privilege or privileges to a fund-raising program or event sponsored by a local non-profit organization. This may also include contributing the use of a facility, other than a rental facility, for a fund-raising event.

July 11, 1991

2. **Professional Courtesy.** Use of a facility or program by an employee or owner of another, similar recreational facility, or by a competitive athlete, under a mutual understanding or agreement or when it is general industry practice to waive fees for such persons. "General industry practice" is defined as at least half of similar facilities would also waive the fee under the same circumstances.
3. **Trade-Out.** Exchange of recreational privileges for goods or services acquired by IVGID of equal or superior value. Such goods or services must be ones which IVGID would have purchased with cash, in the absence of the trade arrangement. All trade agreements must be in writing and executed by both parties.
4. **Promotion.** Use of free recreational privileges to promote paid use of recreational facilities and programs by others. Examples of promotional use include familiarization tours, publicity events, and privileges provided to obtain media exposure. Promotional use may include provision of recreation privileges to media personnel or persons in a position to refer paid business to the recreational facility.
5. **Dignitary.** Occasional use of recreational facilities or programs by officials of other public agencies, representatives of entities with which IVGID conducts business, or in relation to a public ceremony or event.

**Records.** All waivers of fees under this policy shall be in writing and shall be approved by a person having the authority to do so. Each waiver shall identify one of the qualifying categories listed in this policy and shall identify the number and dollar value of the privileges granted.

**Interdepartmental use.** This policy does not prohibit use of recreational privileges on an interdepartmental basis, provided that the use otherwise meets the terms of this policy. An example of interdepartmental use involves a trade-out under which ski privileges are traded in exchange for goods and services benefiting the utility department.

**Pricing and Promotional Programs.** This policy does not apply to pricing or promotional programs, that are not specific to a single person or small group of persons and are generally available to the public or categories of the public. These programs might include various forms of discounts, two-for-one offers, free admission on a special day, or other programs. Where such programs are offered, they are not considered a waiver of fees under this policy.

**Refunds.** This policy does not apply to the refunding of fees when recreation privileges were paid for but not received, not fully received, or not delivered in an acceptable manner. Where such refunds are provided, they are not considered a waiver of fees under this policy.

**Other Policies.** This policy does not modify or restrict the terms of other policies that may affect recreation privileges, including those pertaining to personnel, facility use, and other matters. This policy does not restrict the prerogative of the Board of Trustees to take action to provide recreational privileges beyond the scope of this policy, such as the granting of lifetime "gold card" privileges.

Lake Tahoe Fire Protection District spoke in support of the access easement from a life safety and emergency access standpoint.

Jerry Smith, Property Manager for Bitterbrush I and a Board member of the North Lake Tahoe Fire Protection District described recent approvals the project received from the Washoe County Commission, and noted he shares the concern of the Fire District on ingress and egress. Mr. Smith stated that the project should be stopped or the second driveway should be built.

Tom Smith stated the Fire District is on record as opposing the project, but they are mainly looking at life safety.

Director of Engineering Dan St. John stated it is very clear that Bitterbrush has the right to continue to develop, as they have building permits on all 185 units.

Ski Resort Manager Eric Severance stated that from the ski management point of view he has extreme concerns on safety issues when the ski resort is operating in the winter, and he would not want to accept the risk of cars entering Ski Way at that point in the road.

It was the consensus of the Board that staff notify the developer that before the Board will consider an application for an easement, the issues outlined in Director of Engineering Dan St. John's memorandum of June 2, 1993, have to be addressed, along with any other concerns that may arise.

#### **H.8 FOOD AND BEVERAGE OPERATION**

General Manager Hunt reviewed the results of past surveys regarding customer satisfaction with the IVGID-operated food and beverage concessions, and displayed a chart of the ten-year financial performance of IVGID's food and beverage operation, comparing in-house operation to contracted operation.

Director of Finance and Administration Pat Finnigan discussed the effect a food and beverage lease would have on IVGID's recreation bonds, and concluded that leasing the food and beverage operations probably would not be likely to affect IVGID's current bond indebtedness, but private business use of the Chateau may cause any borrowing for Chateau improvements to be on a taxable basis, which would increase IVGID's debt service costs.

It was the consensus of the Board that staff should solicit letters of interest in IVGID's food and beverage operations, providing the figures on IVGID's in-house operation and indicating that IVGID would expect to receive the same rate of return from a contract. The Board concurred that national companies should also be contacted.

#### **H.7 MISCELLANEOUS STAFF AND RECREATION PRIVILEGE ISSUES**

Trustee Brosten moved that paragraph 3 of Policy Resolution No. 127, "Complimentary Recreation Privileges," be amended as follows:

3. **Trade-Out.** Exchange of recreational privileges for goods or services acquired by IVGID of equal or superior value. Such goods or services must be ones which IVGID would have purchased with cash, in the absence of the trade arrangement.

All trade agreements must be in writing and executed by both parties. *Goods or services acquired in trade must be placed in final use by IVGID and may not be distributed to employees or otherwise used in conjunction with an employee event or employee recognition.*

The motion was seconded by Trustee McGough and unanimously carried.

Ski Resort Manager Eric Severance asked that the Board not abolish staff's ability to solicit prizes for employee events, as it is a very functional tool to motivate employees. Mr. Severance suggested that procedures and a documentation process be developed for solicitations.

It was the consensus of the Board that staff and general counsel should prepare guidelines to be used when soliciting items or services for distribution to employees or for use in conjunction with an employee event or employee recognition, and that General Counsel Manoukian should submit it to the District Attorney's office for informal comment prior to the Board's consideration of the guidelines.

Trustee Dimick stated he did not have a problem with the end of the year ski celebration because the participants paid a reasonable amount of the cost of the party; he stated that parties should be paid for by the participants.

Chairman Ferrari noted that there is money in the budget for these types of parties, and he thinks it is important to maintain the morale and spirit of the employees, particularly to encourage part-time people to return.

The Board asked that they be informed when these types of events are scheduled.

Trustee Sullivan suggested that off-site retreats be held closer to home in the future. General Manager Hunt stated that it would be difficult to reduce costs any lower for these workshops and still hold them, and the staff will continue to try to keep costs for workshops as low as possible.

#### **I. ADJOURNMENT**

The meeting was adjourned at 1:58 p.m.

  
Secretary