

MINUTES

REGULAR MEETING OF MARCH 24, 2021 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, March 24, 2021 at 3:30 p.m. This meeting was conducted virtually via Zoom.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF TRUSTEES*

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

Also present were District Staff Members Director of Finance Paul Navazio, Director of Public Works Brad Underwood, Interim Director of Human Resources Erin Feore, General Manager Diamond Peak Ski Resort Mike Bandelin and Engineering Manager Nathan Chorey.

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

C. INITIAL PUBLIC COMMENTS*

Dick Warren said so it is now March 24th, and the Tentative Budget is due to the Department of Taxation on April 15th, about 3 weeks away. Where are the 2021/2022 Venue Budgets prepared in accordance with GAAP using Enterprise Fund Accounting? Where are the delineations of revenues & expenses on a fully accrued basis? For any given Venue, what are the breakeven fees needed to fully recover ALL costs on ALL the products for that Venue? And Facility Fees would not be subsidizing any of these Venues so that we could really see the fees necessary to recover all expenses. Hey Trustees, are you going to ask where this information is? The Director of Finance started blabbering about it back in January, and he continued his bloviations through February as well, but he has not seen any information to date. We are now almost at the end of March; something tells him we will never see it. Once again there will be deadlines out there to meet regardless of whether sufficient budgetary information has been shared with the Board and the Public. Will the Trustees insist upon a sufficient review of such information, or will they cave to the wishes of Staff? Staff knows that the Board will acquiesce, they always do. So he predicts that the Tentative Budget of April 15th

will ultimately become the Final Budget of late May/early June. The Board does not have the guts to force Staff to produce what they want to see before filing. Why is the Board so hesitant to make Staff do their job? Who cares whether the Department of Taxation is happy about it or not? When in the Hell is the Board going to stand up to Staff? Let him guess, the 12th of Never. So sad that Staff runs the Board. So here we go again, similar to the 2020 CAFR. It was a lousy product, evidenced by the work of Linda & Cliff and then verified by Moss Adams. But Staff convinced the Board that it must be filed NOW or IVGID would cease to exist as an entity, and naturally the Board caved. So here comes next year's Budget, and it must be filed by WHENEVER or IVGID will again cease to exist. Do you notice the trend here? Staff forces the Board to do "stuff" because of "deadlines", or else Hell freezes over. Why do we have a Board of Trustees? They ABSOLUTELY exercise no fiduciary responsibility. They listen to Staff, they applaud the efforts of Staff, but they never criticize the RESULTS of Staff. Why is that? Why can't the Trustees challenge the Staff? Unfortunately, the Board today is even worse than Staff. The Board has had plenty of information from the public to question Staff's motives, but they do not seem to have issues with Staff. It is a mystery which will never be solved. Thank you.

Cliff Dobler said thank you very much for the opportunity to speak tonight. For at least the past 10 years, IVGID's Board, by an annual resolution, the assessment on property owners of a Recreational Standby and Service Charge which has been called a Facility Fee for the Community Services and Beach venues. The facility fee was clearly allocated into components for operations, capital projects and debt service. In 2015, the Board of Trustees determined to step away from proprietary fund accounting into government accounting and establish separate funds for operations, special revenues, capital projects, and debt service. In order to establish the special revenue funds, the Board determined the facility fee or standby charges were the special revenues however under generally accepted accounting principles, a special revenue fund cannot report revenues which would be used for capital projects or debt service expenditures. As a result, only that portion of the facility fee designated for operations could be considered revenues under the special revenue fund. From 2016 to 2020, a total of \$9.8 million of facility fees/standby service charges were budgeted and collected and specifically designated to supplement anticipated shortfalls in revenues over expenses in the Community Services special revenue fund. A standby service charge is defined as making available to supplement any shortfall caused by fluctuations in revenues or unexpected increases in expenses for usage at the recreational venues. As such, the facility fee would only be used if operating expenses exceeded revenues at the venues. Because of the continued success of Diamond Peak, no facility fees or standby service charges were actually required the past 5 years and in fact the Community Services venues had an operating profit of \$1,554,000. As such,

\$9,800,850 in standby fees accessed to property owners, budgeted for operating shortfalls, were never needed and the Board of Trustees never adjusted the amounts in subsequent years to use the unspent amounts from prior years. The \$9.8 million designated to supplement operating shortfalls could not be used for capital projects or debt service however in fiscal year 2020/2021, the Board approved a budget to spend \$3.5 million of facility fees specifically designated for operations for capital projects and debt service, see page 137 of tonight's packet. The use of these committed funds was in direct violation of GAAP and Nevada law and will have to be disclosed in the upcoming CAFR for fiscal 2020/2021.

D. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate asked for changes to the agenda; no changes were submitted thus the agenda is approved as submitted.

E. GENERAL BUSINESS (for possible action)

E.1. Review, discuss, and possibly approve the award of a master contract for independent audit services to Davis Farr LLP for Fiscal Years Ending June 30, 2021 through June 30, 2025 (Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Navazio gave an overview of the submitted materials. Trustee Schmitz said she had two recommendations – agenda packet page 11, in 3.2.5, to be consisted with Policy 15.1, the District should designate the Audit Committee Chair because the audit is to be independent so she recommends that change and on agenda packet page 20, second bullet from the bottom, it states that the Consultant will meet with the Audit Committee or Board of Directors and she would like it change the or to and. Chairman Callicrate asked that Board of Directors throughout be changed to Board of Trustees.

Trustee Schmitz made a motion to authorize the General Manager and Audit Committee Chair to execute a professional services contract with Davis Farr LLP to provide Independent Audit Services to the District for up to a five-year period, commencing with the annual independent audit for the fiscal year ending June 30, 2021, through the fiscal year ending June 30, 2025 with the additional modifications referenced earlier. Trustee Dent seconded the motion. Chairman Callicrate asked for further comments, none were received, the question was called and the motion was passed unanimously.

E.2. Review, discuss, and possibly set the date and time for two (2) public hearings for the District’s Fiscal Year 2021/2022 Budget and Fiscal Year 2021/2022 Facility and Beach Fees (Requesting Staff Members: District General Manager Indra Winqest and Director of Finance Paul Navazio)

District General Manager Winqest gave a brief overview of the submitted materials.

Trustee Wong made a motion to set the date of a public hearing for the 2021/2022 Budget and Recreation Roll for Wednesday, May 26, 2021 under the Nevada Revised Statutes. The time of the meeting is expected be 6:00 p.m. or as determined by the Board of Trustees. Trustee Schmitz seconded the motion. Chairman Callicrate asked for further comments, none were received, the question was called and the motion was passed unanimously.

E.3. 2021/2022 Budget Workshop #3 (Presented by District General Manager Indra Winqest and Director of Finance Paul Navazio)

E.3.A. Workshop Topic: District’s Capital Improvement Program

District General Manager Winqest gave a brief introduction and then turned over the item to Director of Finance Paul Navazio. Trustee Schmitz asked about the red strikeout – what was the intention? Director of Finance Navazio said that there are a number of projects that we are not pursuing or allocating resources to and didn’t want to cross out anything related to the biking areas. His X should have been a little higher. Trustee Schmitz said to be clear, the X should be to line out the \$28,000 line item? District General Manager Winqest said that the Diamond Peak Master Plan was received by the Board of Trustees and now that it has been several years and whether or not the District is going to pursue any summer operations and the validity of a lot of this plan, at some point, depending on the desire of the Board, we are going to have re-evaluate this master plan and how we are going to proceed because we spent a lot of time and money on it and so in the next year or two determine what is relative to this plan. Staff is not asking for any resources for this plan so Staff is focusing on winter items. Director of Finance Navazio said that these are all 2015 estimates and thought it was appropriate to include for magnitude reference only. Chairman Callicrate said that our lease is coming due within the next few years, perhaps 2023, which is going

to dictate all of what we are going to do on non-IVGID owned land. He understands that Staff is aware of that lease and wants to include it somewhere so that it doesn't come around at the last minute. He also agrees with having the conversation about this plan sooner rather than later as well as having it included in this presentation. Director of Finance Navazio said that we do have funding that will probably be carried over. Diamond Peak Ski Resort General Manager Mike Bandelin said that he is meeting with the United States Forest new representative via Zoom tomorrow and then has a site visit scheduled for April 8. Staff is excited about this as we now have Forest Service personnel assigned to us which is exciting news and he will keep the Board of Trustees updated. Chairman Callicrate said that is great news. Diamond Peak Ski Resort General Manager Bandelin added that this plan does warrant an amendment, after a conversation with the Board, Staff and community, and that he looks forward to having this conversation. Director of Finance Navazio continued his presentation. District General Manager Winquest updated the Board of Trustees regarding the Federal legislation related to the dog park; the portion of the legislation was removed from the legislation and so we are now pursuing the U.S. Forest Service and a special use permit process and trying to expedite that effort. As a reminder, that is Burton-Santini land, so there will be restrictions. We are also reaching out to owners of property within the community. Staff is continuing to look at all options and it is unfortunate that we have to continue to use Village Green as our 20-year temporary dog park. The location is the challenge as there is definitely interest within the community and he will be recommending including some funding probably in next year's budget. Chairman Callicrate said that it is disappointing that it is taking so long to secure a location. The frustration level is exceedingly high, he understands the challenges with Village Green, and is hopeful that with the new people coming in we can make some much needed progress. Trustee Schmitz said that since this is going to be a couple of years out, should we have some funding for some temporary items related to drainage, irrigation, etc.? District General Manager Winquest said that he has instructed Staff to look at this and see what funds need to be included and that our real problem is people not picking up after their dogs. We do need to look at mitigation within the stream zone areas as well as doing some best management practices to help solve some of these problems. Our Staff spends a lot of time cleaning up after other people's dogs and he thinks there is an expectation of us to do that cleanup. There are people that are complying and we thank them for that but there are others that don't.

Director of Finance Navazio continued his presentation. Trustee Wong departed the meeting at 5:00 p.m. Engineering Manager Nathan Chorey gave an overview and history on the Incline Beach House Improvement Project and District General Manager Winquest added, regarding this project, that once COVID-19 is over, we gather some more community input and then do an update followed by a high level design of what something would look like based on the feedback. We pumped the brakes on this project as it was too big and then turned our focus to a smaller scope. A remaining concern is the ingress and egress which definitely needs to be addressed. Trustee Dent asked if the two projects had to be tied together. Engineering Manager Chorey said that there is no reason they need to occur at the same time. Chairman Callicrate said it is unfortunate that it couldn't be performed with the Burnt Cedar pool but that having a phased in approach works. The people in the community have weighed in and said that it was too big. He agrees with Trustee Dent that phasing in is a good way to go while being careful with availability of our beaches. District General Manager Winquest said Staff is fine with phasing in but that we want to make sure that it ties together and meshes. Chairman Callicrate said we need to go in, get it done, and do it as quickly as possible. Trustee Dent asked if we are going to be prioritizing these projects i.e. 1, 2, 3, 4, or 5? He feels that we, as a Board, need to give some direction to Staff about what our three top projects are so that we can move forward with the preliminary budget and state what is our priority and put the money to it. District General Manager Winquest said that is exactly what we want to get and Staff has identified that the Incline Beach House is a priority but we haven't gotten any timeline, etc. as to the priority of the Board. Does the Board want us to move quickly on this effort? Should the Incline Beach House be in the top three and is there direction to proceed? Trustee Dent said that the dog park and Incline Beach House are the top two priority and he would like to see them moved forward. District General Manager Winquest said that Staff understands that the Effluent Export Pipeline is the top priority project. Chairman Callicrate said that is correct as we are moving forward on that project. We do need to start putting monies towards the dog park as well as the Incline Beach House and then that ties into the facility fees. We need to stress the fact that our beaches are in need of attention and especially that beach house and then how much are we going to put towards that. Let's dust off those plans and come up with a workable solution. His top two priorities are the dog park and the Incline Beach House. There are others that follow but we need to get working on the funding of

these two projects. District General Manager Winquest said we are putting in a project to hire a consultant to assess the flow at all three beaches such that we can possibly restrict the access to the beaches. Engineering Manager Chorey said the idea is that we hire a traffic engineer to study both vehicular and pedestrian traffic in both peak and off season. Chairman Callicrate said yes, he recalls a previous Staff member discussing that with the Board and that he thinks that the community has spoken loudly about the beaches being restricted and create that ability to do during the winter time. The study has a lot of merit and recognizes that there is a lot to this study. Engineering Manager Chorey said that Staff agrees and that there is money to begin that process. Trustee Wong said that the dog park, Incline Beach House, and the ingress and egress at the beaches are all priorities. Trustee Tonking said that she agrees with the dog park and Incline Beach House projects. Trustee Schmitz said that she is alignment with everyone and that she feels like the gates are a priority as there are definite improvements that need to be made. We have to look at the things, line by line, to determine priority. Things need to be scrutinized and prioritized to ensure that these things are truly bringing value to the community. Chairman Callicrate said that we have limited resources and yes, we do have to make sure that things are prioritized. Trustee Schmitz said under long range calendar review, we should put all of our master plans out there and dust them off. We don't have anything in the budget for the pond lining and it is another priority project that there is no funding for. District General Manager Winquest said that we did talk about creating a separate capital project budget but recall that we did hire someone to create that plan and the timing will be tricky. Yes, he does agree that we should put some funds to that project and be able to track those costs for reimbursement. Chairman Callicrate said that he likes the idea about the review of the master plans and to discuss each one. He doesn't know when the appropriate time is to look at those items that Trustee Schmitz mentioned but it does need to be done in a manner that each Trustee does their homework and identifies their top items. Trustee Schmitz said that part of the reason she brought it up, is because of the one the plans talks about having consistent hardscaping and then how does that get prioritized and saying what is a higher priority and being careful with how we are spending our funds. Chairman Callicrate said that there is an opportunity for each of us to look at these documents and use our time effectively. Perhaps a longer workshop is needed and having the access to all of the master plans so we can state where we can prioritize followed by seeing how it

meshes together. District General Manager Winquest said that once we have established what the goals are for the District, we start prioritizing these projects and that is then followed by the funding of the capital plan. Staff is looking for more direction so we can start planning on how we are going to get there. Director of Finance Navazio continued his presentation. Engineering Manager Chorey gave a verbal update on the Burnt Cedar Pool renovation and stated that an award recommendation will come before the Board at the April 28 meeting. Chairman Callicrate said that, regarding the connecting path, it is important to show that cost separately. He is hopeful that the bids come in lower but asked that Staff have it segregated as best as possible. Trustee Schmitz said that she really appreciates that and noted that in the Beach Master Plan, the connector was a separate project therefore we are really accomplishing two projects at the same time. Chairman Callicrate said he agrees and everything we can separate out, we should. Engineering Manager Chorey said it is being bid as an add alternate. Director of Finance Navazio continued his presentation. Chairman Callicrate said that the Effluent Pipeline project should be debt financed and always should have been. We have a member of our Audit Committee who has been adamant about doing debt financing and that he is all for a hybrid for debt financing and then using the money we have collected. Construction can't start enough for him. Director of Finance Navazio said that in terms of all the pieces coming together, we are also going to initiate a new rate study informed by the Raftelis work, and you are right that we have collected monies and the capital plan continues to show a collection of \$2 million per year. The question he would pose is that while it might be appropriate to collect for one more year and then replace the out years with what it would take to pay for the financing and we need to have a discussion about collecting the \$2 million this year. There may be an opportunity to reduce rates if we replace with it a 30-40 year debt financing. Chairman Callicrate said he agrees especially with a project that is going to last for over 50 years as he would imagine that is what others would do. Director of Finance Navazio said that the key is to have a dedicated funding source for the debt and if the Board is comfortable to move from a pay as you go and to pencil in the debt financing assuming we can get good information sometime soon. Chairman Callicrate said that some hybrid might work and spending down these reserves to the proper amounts. This will allow us to set our fees to show our community that we said we are doing what we said we would do. Trustee Dent said, regarding funding sources, that we have been collecting that \$2 million and he wants to look at

stopping collecting that \$2 million, which is a reduction of about \$20 per month per household, and knowing that our rates are going up that this might be a way to offset that increase. He would like to use the amounts we have collected to date for this project and then taking on some debt might be the way to go. Chairman Callicrate said he agrees. Director of Finance Navazio said that the rate study will really help nailing that information down. Director of Finance Navazio continued his presentation. Chairman Callicrate said, for Ski Way and the Diamond Peak parking lot reconstruction, that it is critical to contact Tyrolian Village, Washoe County, etc. Engineering Manager Chorey said that we have received an opinion letter from Tyrolian which will be shared at the appropriate time and Washoe County has been working with us. Diamond Peak Ski Education Foundation will have no impact with their structure.

Chairman Callicrate called for a break at 5:30 p.m.; the Board reconvened at 5:47 p.m.

Director of Finance Navazio continued his presentation. Chairman Callicrate said regarding the Administration building he would like to see that going back onto the wing for the Recreation Center or some other facility that we have yet to identify. He thinks if we can stretch it out for a few years that would be great. He likes seeing the upgrades to Information Technology and recognizes that the team now is doing an excellent job therefore he doesn't have issues with what is going on. Regarding the Administration building, it is not at the top of the list and that the community has spoken loudly and clearly. Trustee Dent said he would agree with Chairman Callicrate's comments and doesn't see the Administration building being a huge priority. Trustee Schmitz said that she would like to add to Information Technology, our picture passes and leverage them so we can access the gates. Regarding the Administration building, she doesn't think it has ever been a priority however maintenance should be done and take into consideration the knowledge we have gained during the COVID times. Trustee Tonking said that the Administration building needs to be put into a master plan as a possible way to consider it so there doesn't need to be a placeholder for that building. Trustee Dent said that he loves having technology down at the beaches in order to maintain that restricted access so let's put some money towards it. District General Manager Winquest said we know that this is a priority for the Board and protecting the assets during the off season. He has asked Staff to increase budgeting to staff the gates for an additional 6 to 7 weeks

so we will need to look at the other period of time, about 5-1/2 months, and we need to have a bigger discussion about securing the beaches. If we are going to put monies towards that effort, we want to be intelligent about it and with the understanding that it could take a couple of years. There are things that we can do in the short term but we do want to look at it for the longer term. Chairman Callicrate said that we talked about securing our beaches 24/7 and 365 days. He understands that it isn't as easy as it sounds and he is glad to hear this as it is a great first step. Director of Finance Navazio continued his presentation. Trustee Schmitz said that this isn't where the pond lining isn't listed and she asked about the effluent at the wetlands and if that was the Clear Creek contract? Engineering Manager Chorey said no, this is the wetlands. Director of Finance Navazio continued his presentation. Trustee Dent said that he noticed the \$1.6 million for the cart path replacement project and he thought the estimate was just over \$1 million. Engineering Manager Chorey said that this estimate was just for the reconstruction and that there are other costs included. Trustee Dent said if we apply this cost per square foot, why isn't the Championship Golf course more? Engineering Manager Chorey said that the Championship Golf course work is not as extensive. Trustee Dent said, regarding the Utility Fund, he is looking forward to seeing the cash flow for both the Utility Fund and General Fund and that yes, we do need to bond for the pond lining and effluent export pipeline projects and that it would be good to have all the information in front of us when we are discussing those projects. Director of Finance Navazio said that he appreciates that comment and noted that Staff is working on doing the updates and that Staff will be presenting a 5-year forecast and that he appreciates it being brought up. Trustee Schmitz said that she misspoke when she was talking about the retaining walls at Aspen Grove and it is her feeling that we should really look at all of these things and identify if it is adding value to our community and constituents and then take them off the list if there are not. Trustee Dent asked how would we do that as he totally agree. Trustee Schmitz said that she doesn't know and that she is asking Staff to do it and perhaps the Board didn't give the Staff the proper direction. When there is \$45,000 for a dumpster enclosure and asking if this is the right expenditure, we have to lean on Staff. Chairman Callicrate said some things just happen because they happen but there has to be a certain level of trust. He raised a number of concerns when we built the restrooms at Village Green. Trustee Schmitz said that she doesn't know if these things are necessary because of safety, etc. and she is just asking that we do a

good hard look to see if it is adding value. She understands that everyone is trying to do the right thing and we have to ask ourselves if our community members will think they are getting things of value. Chairman Callicrate said that this is the only time we get to talk so we are asking the questions. He does have the faith in the Staff but the decision lays with the Board. Trustee Schmitz said that she apologizes but she thinks we are doing the best we can do in asking these questions and asking Staff to take a good hard look at these things and make changes as necessary. District General Manager Winquest said that Staff very rarely builds a capital project on what we want and that these projects are based on safety and risk and these projects continue to get bumped out. Staff can look at some of these as we are always looking at deferring or looking at the service level and we are always happy to answer any questions. As the Board changes, priorities change. He understands that we may need to re-litigate some of these items and if there is no value to the District or it isn't a safety project, we can drop those projects out of the plan. Engineering Manager Chorey added that these are public works projects and there are things that we have to carry. Trustee Schmitz said that, as it relates to Aspen Grove, she recalls a large amount of hardscaping done there and she recalls that it was in the master plan, that we need to prioritize and ask ourselves if there is some place else that if we spend the dollars, we can gain more value. Director of Finance Navazio continued his presentation. Trustee Tonking said that her concern is that if we do something different with Snowflake Lodge or redoing something with the lifts, will these monies spent stand the test of time? Diamond Peak Ski Resort General Manager Bandelin said that all the lifts have a maintenance plan and we are following those plans as part of care and condition of the asset so we don't have to replace these lifts. Director of Finance Navazio said regarding Snowflake Lodge that the only thing there is the replacement of furniture and we are trying very hard to not spend capital monies that will get thrown away. Trustee Tonking said that she was asking if we were thinking longer term than 5 years. Diamond Peak Ski Resort General Manager Bandelin said absolutely and pointed out a replacement of something that was purchased in 1986 and taking a look at reconfiguring a food preparation area. Chairman Callicrate said that it is very prudent what is to be done up at Snowflake Lodge and that the parking lot reconstruction probably needs to be pushed out in order to see if there are some partnership opportunities. Trustee Schmitz said regarding Snowflake Lodge and the possibility of pulling that in and resources; the question becomes

is that even possible to do that sooner if the funding is available as she recalls that the Board made Snowflake Lodge a priority on the list. Director of Finance Navazio said if replace the Ski Way with a different funding plan it is possible to move up the Snowflake Lodge project maybe by a year. Trustee Dent asked, referencing agenda packet page 88, about Phase 4 of the Diamond Peak Master Plan, lift improvements, asked if this was the back side of the mountain and is this expanding our footprint and not to the current lifts in place? Diamond Peak Ski Resort General Manager Bandelin said that yes, it is an expansion with new construction which opens about 480 acres on the back side. This is an estimate that was provided in 2015 and is a standalone project. Trustee Dent said he understands why it is a placeholder and was just wondering about its priority. Chairman Callicrate said that begs a bigger question which we need to look at and that is the adoption of the Diamond Peak Master Plan and what the community wants and then the timing of it which includes paving, new Snowflake Lodge, and then all the other attendant activities on a viable business for the District. Director of Finance Navazio completed his presentation and offered that we got a lot of valuable feedback tonight and that Staff will incorporate it into the plan and then come back to the Board soon so we can have that conversation benefitted by the feedback received this evening. The input that has been provided tonight will change the information on the rest of the items. Chairman Callicrate said he would like to do as suggested and Trustee Tonking, Schmitz, and Dent agreed. Trustee Schmitz asked about pricing for all of the sources and then what about the movement of Parks into General Fund and at what point does that need to be done? District General Manger Winquest said that we are trying to sort through how we want to present rates and you will be getting an item on March 31 for golf passes and facilities rates. Additionally, we plan to get you a list of all of the key rates for the venues – daily access, season pass, membership rates for Recreation Center and Tennis Center, cost for products such as lessons, driving range fees, etc. and what we weren't planning on bringing forward was food and beverage and pro shop merchandise. We weren't planning on asking for Board approval but sharing what those rates were and then asking about cost recovery strategies and get more direction from the Board as it helps Staff to update and fine tune those increases. Some members of the community seem to get stuck on the April 15 filing date and that is just a tentative budget and it will definitely change as to the final budget that comes before the Board. Director of Finance Navazio said that the next conversation on pricing will happen at the

March 31 meeting and to the Parks being moved into the General Fund, he thinks there was some discussions on that topic. Staff is doing some analysis on that topic and his suggestion is that as we continue to work through the budget, we are looking at select components but we are not in a position, pending Board direction, to bring back a budget that transfers everything Parks to the General Fund as there are implications but we are working on bringing the Board an analysis in early April and there is nothing in stone on the tentative budget thus Board direction will inform how we approach it for the final budget.

F. LONG RANGE CALENDAR REVIEW (for possible action)

This item was deferred to the March 31, 2021 meeting. Trustee Dent said that he will not be present for the March 31, 2021 meeting and Trustee Tonking would like to know if we are moving the time up sooner rather than later.

G. FINAL PUBLIC COMMENTS*

Frank Wright said after listening to tonight's meeting, it is unbelievable. You don't have figures, you don't have facts and you don't have anything. You have excuses for everything – spend, spend, spend. It is an amateur presentation at best. Convolutioned figures, unknown costs. He remembers hearing the Director of Finance saying that IT was upset because they hadn't been involved in the purchase of new software – unbelievable, unbelievable – who made the decisions on the software? Dumpster – he went to the IVGID website and he looked up a dumpster that you have diagramed and everything, all the facts and figures. 9' x 10', ninety square feet, and he looked up how much it costs per square foot; the high end is \$28 per square foot and the low end is \$13 per square foot. At the top end of a dumpster enclosure it is going to cost you 5 grand, not 25 grand – unfucking believable. Five times what it would normally cost – have we gone out to any bids, have we found anyone to give us a bid on how much this stuff would cost – heck no. Everything is poorly prepared, it is amateur at best and you come to a Board that has no clue on any kind of construction except for Trustee Dent and he is never consulted. He is shocked, shocked at how you can go through four hours of mumbo jumbo and he doesn't care what time zone you are in, you are all in la-la land. This is just unbelievable. This is why we have so much wasteful spending methodologies in our District because everything is convolutioned. The people that we have that are supposed to be the experts, are not experts. If anything, they are just throwing out stuff and throwing out numbers and they don't do their due diligence, they show up, collect their paycheck and they are not looking out for the taxpayers or the parcel payers' money. Unbelievable. And not once did anybody

talk about the deed restriction during your beach presentation and the fact that the beach deed is being sorely violated by the employees. Just ignore it totally. You are worried about everything. And by the way putting a gate down there with a punch card is an insane thing to do, you can't do it. You can't do it because you have access by other people that need to get on there and he will explain that later. Unbelievable. He has never seen such an amateurish show in his life. Thank you.

Cliff Dobler said he wanted to talk a little bit about this Diamond Peak and adding these two new projects called Phase 2 and Phase 4. Originally the Diamond Peak Master Plan had five phases – 1A, 1B, 2, 3, and 4. Now this Phase 4 is on 387 acres of Forest Service land and if you guys recall, this land we were trying to buy it from the government so we were going to put it into the Washoe County land grab and at that point in time UNR and also the Indian tribes wanted to lay possession on it so therefore it went nowhere. So for us to consider this is absolutely ludicrous and what he finds amazing is if you read it, the Master Plan report, is this limited development along with steep slopes would provide an area of lifts service backcountry style for advanced and expert guests looking for this style of terrain. Now we have \$3 million in Phase 4 yet in Phase 3 which is supposed to be done 3 years earlier, we have two projects that would comply with what the citizens want, 68% take care of what we have and no new stuff, and Phase 3 which was part of the Plan we have snowmaking on Diamondback and snowmaking on Freeway and also we have Spillway lift replacement. So that just happens to be \$1 million and \$1.8 million so that's \$3 million and that's not even in the plan. So here we are and we have jumped over to do something on the backside that will never get done and then number two it ignores what we are supposed to do which is taking care of what we have. The last thing is this Phase 2 which is funny about it is you have Snowflake \$242,000 but if you look at Phase 2 what it has is \$88,000 for climbing wall, \$33,000 for play area which was scratched out by the Director of Finance on agenda packet page 15. So there is only \$121,000 and that's for entitlements and planning for Snowflake but you have to have design first before you can do entitlements and permitting. By the way, just keep in mind the master plan says that the way Snowflake Lodge is designed right now in the master plan is \$5.9 million. He just doesn't think this is very sincere and he thinks it is really bad to put something in the master plan that is so farfetched that we would try and go out and do 387 acres to expand Diamond Peak where we have other items that were priorities in the master plan. Thank you very much.

Aaron Katz said thanks for holding the meeting earlier so we weren't able to listen when you started. You need to understand what your Rec Fee really is and what you are asking to spend. What do you tell the public the Rec Fee is? You say is it for the availability to use recreational and beach facilities, okay, so now you have decided to break up the Rec Fee because you want to spread propaganda to the

public making us believe it has some value and really what you have done is you have created six Rec Fees – capital, debt service, operations. Let's concentrate on capital because this is a capital workshop. Paying for capital does not make any facility available for his use so it is not a standby service charge, it is a cover the deficiency between revenues and expenses. You don't have any authority to charge something like that in 318.197. Go ask your attorney, it isn't there, so you can come up with all these CIP's that you want, where is the money going to come from? Because it cannot legitimately come from the Rec Fee. He sent you a list of \$1.6 million of CIP's having nothing to do with making the facilities available for local parcels use. Trucks, mowers, trash enclosures, carpeting, and office equipment – remove it all. That is what you should be doing. And then there is \$50,000 for electrical upgrades to the Mountain storage building – all that is is an underhanded way to create electrical access to electric carts in the future. That is a Staff program, not a public program. And then \$720,000 to make the locker rooms upgraded at the Rec Center? None of those lockers are available for his access. We lost power and he called up to ask if he could take a shower there and they said no it is not available to him as he has to be a member. Well, anybody who is not a property owner can be a member and get the availability to access. This is just total garbage. By the way, he wrote to you on the media ads too, now all we are doing to paying for Internet clicks. His suggestion is to get rid of our Marketing staff and outsource it all with EXL Media as it will save a lot more money. Two final points – we have never weighed in on the Diamond Peak Master Plan if we really want it or the Beach House restaurant, we don't want it. You need to go to the public and get that so you can get those crappy projects off the CIP list. Thank you.

Judith Miller said she is going to keep it short as she knows it is late for a lot of you. First, she would like to know whatever happened to opengov. She went today to look up some things and all that is on it are some budgets as opposed to any actual numbers so she would appreciate if you could give some attention to that. Second, she would like to talk about the spreadsheets that were supplied by the Director of Finance on the updated CIP. It would really be helpful if you would put column headings that clearly describe what is in the columns. Just putting a year, we had the same year twice and no explanation of what was below. She finally did figure it out but she has a suspicion that a lot of people never did figure it out what was going on with that so she has seen this happen in the past to please make column headings clear so that the public has some information before the meetings as that would be helpful and the Board. The last thing is that this was supposed to be on the capital improvement projects and there were a lot of questions from Board members saying do we really need this because there are none of the project sheets that used to be provided or at least she couldn't find them so she thinks that would be helpful if you would post those online so that we would have

a better understanding of what these projects are and why they are needed or conversely why they are not needed. So thank you and have a wonderful evening as she knows you all need some rest so take care and until next time.

H. ADJOURNMENT (for possible action)

The meeting was adjourned at 7:15 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.