

NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at **6:00 p.m.** on **August 10, 2021** in the Chateau at 955 Fairway Boulevard, Incline Village, Nevada.

In accordance with the Governor's Emergency Directive, all those in attendance will be required to wear a mask. Thank you, in advance, for your compliance

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF TRUSTEES*
- C. INITIAL PUBLIC COMMENTS* - *Unless otherwise determined, the time limit shall be three (3) minutes for each person wishing to make a public comment. Unless otherwise permitted by the Chair, no person shall be allowed to speak more than once on any single agenda item. Not to include comments on General Business items with scheduled public comment. The Board of Trustees may address matters brought up during public comment at the conclusion of the comment period but may not deliberate on any non-agendized item.*
- D. APPROVAL OF AGENDA (for possible action)
- The Board of Trustees may make a motion for a flexible agenda which is defined as taking items on the agenda out of order; combining agenda items with other agenda items; removing items from the agenda; moving agenda items to an agenda of another meeting, or voting on items in a block.*
- OR-**
- The Board of Trustees may make a motion to accept and follow the agenda as submitted/posted.*
- E. DISTRICT GENERAL MANAGER UPDATE (for possible action) – **pages 4 - 13**
- F. REVIEW OF THE LONG RANGE CALENDAR (for possible action) – **page 14**
- G. REPORTS TO THE BOARD* - Reports are intended to inform the Board and/or the public.
1. Verbal report regarding the Audit Committee Meeting of August 10, 2021 (Audit Committee Chairman Raymond Tulloch)
 2. Treasurers Report (for possible action) – **page 15**
 - A. Payment of Bills (for possible action) (For District payments exceeding \$10,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$10,000 provided they are budgeted and the expenditure is approved according to District signing authority policy) (Requesting Trustee: Treasurer Michaela Tonking)
 3. Nevada League of Cities Verbal Report (Requesting Trustee: Treasurer Michaela Tonking)
 4. 4th Quarter and end-of-the-year Investment Report (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 16 - 32**
 5. District General Counsel Joshua Nelson's verbal report on IVGID v. Mark Smith litigation

Incline Village General Improvement District

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

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

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- H. **CONSENT CALENDAR** (*for possible action*) (In cooperation with the Chair, the General Manager may schedule matters for consideration on a Consent Calendar. The Consent Calendar may not include changes to budget, user rates or taxes, adoption or amendment of ordinances, or any other action which is subject to a public hearing. Each consent item shall be separately listed on the agenda, under the heading of "Consent Calendar". A memorandum containing all relevant information will be included in the packet materials for each Consent Calendar item. The memorandum should include the justification as a consent item in the Background Section. Any member of the Board may request the removal of a particular item from the Consent Calendar and that the matter shall be removed and addressed in the General Business section of the meeting. A unanimous affirmative vote shall be recorded as a favorable motion and approval of each individual item included on the Consent Calendar.)
1. Review, discuss, and possibly authorize a procurement contract for Snowmaking Fan Guns; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3464SI1002; Vendor: TechnoAlpin USA Inc., in the amount of \$122,600.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin) – **pages 33 - 61**
 2. Review, discuss and possibly approve a procurement contract for the manufacturing and delivery of a replacement Surface Lift; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3467LE1703; Vendor: Star Lifts USA, in the amount of \$55,565.00 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin) – **pages 62 - 90**
 3. Annual Report to Board of Trustees from Audit Committee (Submitted by Audit Committee Chairman Raymond Tulloch) – **pages 91 - 98**
- I. **GENERAL BUSINESS** (*for possible action*)
1. Review, discuss and possibly approve: – **pages 99 - 119**
 - A. Sole Source Finding
 - B. Procurement Contract for a Replacement Ski Lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293.59
 - C. Procurement Contract for a Replacement Ski Lift Haul Rope Services – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Wire Rope Services in the amount of \$24,600.
 - D. Budget augmentation of \$100,000 for CIP Project # 3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) - Ski Fund (340) from available Community Services Fund (Fund 300) reserves, to support total project costs
 - E. Staff to execute all purchase documents based on a review by Legal Counsel and Staff

(Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)
 2. Review, discuss and possibly approve a contract with Tri-Strategies, Ltd. to provide legislative advocacy services in the not to exceed amount of \$20,000.00 (Requesting Staff Member: District General Manager Indra Winquest) – **pages 120 - 127**
 3. Review, discuss, and possibly authorize Washoe County Roads Department to replace +/- 2,700 square feet of asphalt pavement damaged by a water line leak; Fund: Utility; Division: Water; Vendor: Washoe County Road Department in the amount of \$97,300. (Requesting Staff Member: Director of Public Works Brad Underwood) – **pages 128 - 131**



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4. Review, discuss and potentially adopt Policy 20.1.0 regarding Board correspondence (Requesting Staff Member: Joshua Nelson; Requesting Trustee: Board Chairman Tim Callicrate) – **pages 132 - 142**
5. Review, discuss, and potentially approve proposed Whistleblower Policy for Financial (Requested by Audit Committee Chairman Raymond Tulloch) – **pages 143 - 147**
- J. MEETING MINUTES (*for possible action*)
 1. Meeting Minutes of July 13, 2021 – **pages 148 - 171**
- K. FINAL PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- L. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Thursday, August 5, 2021 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of August 10, 2021) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were e-mailed to those people who have requested; and a copy was posted, physically or electronically, at the following locations in accordance with Assembly Bill 253:

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

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

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

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

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

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of August 10, 2021

DATE: August 3, 2021

General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Effluent Pond Lining Project	30% Design Documents anticipated 7/30/2021	GM Winqest/Director PW Underwood/Trustee Dent	Partnering meeting with all stakeholders June 16, 2021. Site field visit by Granite, Jacobs, NDEP, PW Staff 6/29/2021. Preliminary review of liner types ongoing. Review of pipeline alignment to pond #2.
Effluent Pipeline Project	Phase I ongoing	GM Winqest/ Director PW Underwood/Trustee Dent	Partnering meeting with all stakeholders June 14, 2021. Evaluation of pipe material/construction method ongoing.
Burnt Cedar Pool Project	Completion Date scheduled for May 2022	Engineering Manager Nelson/GM Winqest	Guaranteed Maximum Price (GMP) presented for approval, 4/28/21. CMAR Contractor mobilized to site on 5/3/2021. New pool piping, structural rebar and concrete floor pour 8/2/21. Wading pool piping installation in process.
<u>Internal Controls Project(s)</u> Review of Internal Control Policies and Procedures	Winter/Spring	Director of Finance Navazio	Staff continues to make progress in implementing contract management and change order process improvements; procurement card authorizations updated; reviewing internal controls with new auditors. Update provide to Audit Committee (8/10/21).

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Consultant review of four (4) Accounting Practices – Moss Adams 2	Completed	GM Winquest/Director of Finance Navazio/Audit Committee	Final Report by Moss Adams presented at the 1/28/21 BOT meeting. Next steps include updating Board capitalization policy (agendized for discussion at 4/29 BOT mtg.).
Project & Contract Consultant Review - Moss Adams 1	Completed	GM Winquest/Director of Finance Navazio	Final Moss Adams report presented at BOT meeting held on 1/13/21. Implementation plan for management responses presented at 3/10 BOT mtg.
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)	Sept. 2021	Director of Finance Navazio	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.
RFP for Independent Audit Services / Financial Reporting	Completed	Audit Committee / Director of Finance Navazio	Board approved contract with new Independent Auditor at meeting of 3/24/21.
Ordinance 7 GM Advisory Committee	Summer 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 th , 2021. Over 2,300 completed surveys were received. Next meeting will be 8/3/21.
Smith vs IVGID Litigation	Ongoing	Legal Counsel/Board of Trustees/GM Winquest	Updates provided to the board on 4/14/21. Board of Trustees authorized payment to the court special master in the amount of \$12,500 at the 6/9/21 BOT meeting.
Utilities Performance/Asset Management Review	Schedule for completion June 2021	GM Winquest/Board	Final Draft Raftelis Report presented to the BOT at the 7/13/21 meeting. Report to be finalized pending feedback from Trustees.

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
2021 - 2023 Strategic Plan	Summer 2021	Senior Management Team/Board of Trustees	Draft Plan was agendized on 6/9/2021 for Board discussion and potential feedback and direction. Staff has taken direction and presented an updated draft at the 7/13/21 meeting. Additional feedback was given and a final draft will be brought back at the 8/25 BOT Meeting.
USFS Parcel Acquisition – Potential Dog Park	Ongoing	GM Winqest	District has formally filed for a special use permit for utilization of the forest service parcel across from Incline High School on Village Blvd. USFS has requested additional information 7/30/21. USFS internal team comments are due back 8/6/21.
Transition to Enterprise Fund Accounting for beginning 2021-22 Fiscal Year	Ongoing	GM Winqest/Director of Finance Navazio	State of Nevada, CLGF considered IVGID request in January. Staff filed Tentative Budget with Dept. of Taxation, initiating the District's transition to Enterprise Fund reporting beginning with the 2021-22 Fiscal Year. FY2021/22 Budget is on Board agenda for May 26 th .
Recreation Punch card accounting	2021-22 Budget	Director of Finance Navazio	Punch Card accounting has been adjusted for the 2021-22 fiscal year. Additional changes will be evaluated based on any revisions to Ordinance 7.
USACE Grant Funding for Pond Lining/Pipeline Projects	TBD	GM Winqest/ Director PW Underwood	Laura Whitney (USACE) shared new model agreements on 11/23. New target for completion of agreements is 10/31/21. Laura Whitney visited project site on 7/13/21.

IVGID Golf Courses Update

Two and half months into the golf season, both courses are enjoying higher than normal play. The Championship course is 16% higher than 2020 and the Mountain course is 20% higher (*Note: Last year was one of the highest play totals at both courses in the last 10 years*). For the Championship, the high number of rounds has equated to revenues being 18% higher than budget and the Mountain course is right at 6% ahead of budget revenue. Both courses combined are right at 13.5% ahead of budgeted revenue. Expenses have not been fully vetted yet, but year-to-date looks to be well below budget. Just as a reminder, the Mountain course will be closing the front-nine on September 16 for the start of the Mountain course cart path project and we will keep the back-nine open as long as the weather permits, which we hope will be one week longer than normal. Jeff Clouthier and his staff will use the early closure of the Mountain course to accomplish much needed tree and bunker work, as well as yearly aeration.

Season-to-Date Statistics

<u>STD Champ -Course Statistics</u>		
Avg. Rounds Per Day :		168
Avg. \$ Per Round:	\$	83.02
Merchandise \$ Per Round	\$	21.49
Total Golf Rev Per Round:	\$	120.32

<u>STD MT -Course Statistics</u>		
Avg. Rounds Per Day :		134
Avg. \$ Per Round:	\$	33.82
Merchandise \$ Per Round	\$	3.63
Total Golf Rev Per Round:	\$	40.22

<u>STD Championship Course Rounds by Type</u>		
Type	Rounds	% of Total Rounds
PPH	4,048	32%
Play Pass	4,663	37%
Guest	1,236	10%
Non PPH	2,298	18%
Other	372	3%
Total	12,617	100%

STD Mountain Course Rounds by Type		
Type	Rounds	% of Total Rounds
PPH	4,381	42%
Play Pass	2,230	22%
Guest	891	9%
Non PPH	2,635	25%
Other	235	2%
Total	10,372	100%

Key Project Updates

See 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.

Utilities Management Review and Asset Assessment

The Utilities Management Review and Asset Assessment includes evaluation of IVGID Public Works' organizational structure and staffing, review of operational efficiency, and review of financial and capital investment. At the January 13, 2021 Board Meeting, Trustees authorized a professional services contract with Raftelis. Raftelis has completed their draft report and presented the draft report, findings and recommendations to Board at their meeting of July 13, 2021 Board meeting. The report is being finalized pending feedback provided to Raftelis from Trustees. Target completion date: August 2021.

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. New pool piping and structural re-bar has been installed. Concrete floor was poured on 8/2/21. Western Water Features crew had to work two (2) Saturdays at their expense to maintain the schedule. Shotcrete for the sides of the pool is to be completed on 8/4/21. The wading pool has been excavated and piping installation is ongoing. Construction will require complete closure of the pool and pool deck for the entire 2021 season.

Tennis Center Renovation – 4588BD1604

The project includes remodeling the pro-shop and restrooms, enclosing the existing kitchenette area, expanding and enhancing the deck area, and layout improvements to make the venue more welcoming. The construction contract was awarded at the June 10, 2020 Board of Trustees meeting. Construction is substantially complete. Final project close-out has been received and final payment has been approved.

Daniel Fraiman 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)
\$709,000	\$42,114.08	\$751,114.08	\$698,182.85	\$52,931.23*

*Final payment has been approved and is processing.

Effluent Pipeline Project – 2524SS2010

The immediate priority is to replace all of the remaining Segment 3 pipeline (12,385 linear feet) and to make immediate repairs to the Segment 2 pipeline (17,314 linear feet) to extend its life and mitigate a potential future leak site. 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 work on Phase I Critical Repairs investigation/design. Granite, HDR, NDEP, TRPA, and IVGID Staff attended the kick off partnering meeting which established open lines of communication between all stakeholders and developed milestone dates for the team to meet. The design team is working on a hydraulic analysis of the pipeline to assist in determining appropriate pipe material and installation method.

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. A key part of the Effluent Pipeline Project will be providing enough effluent storage capacity to allow Granite a full work week on the effluent pipeline repairs to optimize production, reduce construction time, and construction costs. Granite, Jacobs Engineering, NDEP, and IVGID Staff attended the kick off partnering meeting which established open lines of communication between all stakeholders and developed milestone dates for the team to meet. Jacobs has put together the scope of work for the design phase of the pond project utilizing Pond #2. They are reviewing the pipeline alignment from the effluent storage reservoir to Pond #2.

Rec 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 has provided submittals for approval and has staged the construction fencing and dumpster. Staff worked with the contractor to obtain a deductive change order to remove the penny tile, individual mirrors, and sconces. These items are to be replaced with wall to wall mirror, undercounter subway tile, general lighting, and a backsplash that matches the countertop material. The overall deductive change order is \$1,836.45. Some of the materials have a longer than normal lead time, which will result in extending the construction time. Staff requested that the contractor not begin demolition until all materials are in stock.

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	(\$1,836.45)	\$157,995.95	\$12,160.00	\$145,835.95

Championship Golf Maintenance Building Drainage, Wash Pad, and Pavement Improvements Project #3141GC1501

The Championship Golf Maintenance Building was constructed in 1992 and was in need of several improvements. The building houses a variety of services including offices for golf maintenance personnel, breakroom/kitchen, and a fleet garage that operates a year-round golf course equipment service area. The capital improvements project completed in the Spring 2021, included construction of drainage improvements, a recycled water wash pad, modern fertilizer loading system, ADA accessible sidewalk, a staircase, and reconstruction of pavement. Construction bids came in under budget and to take advantage of the favorable asphalt pricing, an additional 5,000 sf of pavement was included (Change Order 1 = \$50,000) with the contract award.

The drainage improvements included replacement of the existing foundation drainage system that was no longer functioning, replacement of curb and gutter to direct flows to new permanent BMPs, re-routing concentrated stormwater flows to spread the flow over the driving range to slow the flow and provide increased time for infiltration, reconstruction of a vegetated swale to replace an existing rock lined swale, and retrofitting the existing retention basin with a low flow outlet.

A new ClearWater Recycling System was installed to create a closed system that recycles, filters, and treats the water used to wash down the golf course equipment. Previously, the wash area was connected to the storm drain system. The new system is a closed loop that sequesters all vegetation and particulates and treats the water prior to re-use with microbes.

This system drastically reduces the potential for discharge of wash water laden with fertilizers to the stormwater system.

Due to the unique and sustainable nature of this project, the design engineer is submitting this project for the Best in the Basin Award.

From the beginning of this project a collaborative effort was made between Public Works, Golf Maintenance, and the design team. The collaborative effort, communication, and construction oversight resulted in a successful project that was under budget.

Task	Actual Project Costs
Base Construction Contract	\$425,433.00
Change Orders (1-6)	\$66,516.95
District Staff Time	\$26,300.00
Permit Fees	\$8,026.34
Materials Testing & Inspection (Holdrege & Kull)	\$1,783.00
PR Design & Engineering Construction Administration	\$13,962.50
Building Crack Repair	\$2,904.36
TOTAL	\$544,926.15
Maintenance Building Drainage, Wash Pad, and Pavement Improvements, 3141GC1501	\$700,000 budgeted

Financial Transparency

Staff continues to work on the June 2021/Year-end close with preliminary financial results expected by mid-August, following the year-end account payables cut-off and year-end account reconciliations.

The new fiscal year began on July 1. FY2021/22 budget guidelines have been issued to District staff and training are being prepared to inform District Staff of updates to accounting changes being implemented with the new fiscal year budget. These include transition to Enterprise Fund accounting for Community Services and Beach funds, changes in accounting treatment to expense items previously recorded as capital assets, as well as methodology for charges related to central services overhead cost recovery.

Staff is preparing an agenda item for the Board meeting of August 25th seeking Board approval for Blanket Purchase Orders estimated to exceed \$50,000 for FY2021/22.

A fourth quarter budget update presenting unaudited FY2020/21 year-end results is scheduled to come to the Board in early September, the report will also include staff recommendation for Board action on carry-over of FY2020/21 appropriations required for capital projects continuing into the new fiscal year.

The District's Independent Auditor (DavisFarr) continues to perform work related to the audit of the District's financials for the fiscal year ended June 30, 2021. Staff continues to respond to information requests ranging from internal control documentation, back-up for invoice

payments selected by the Auditor for testing, as well as status report on issued identified by the District's previous auditors in conjunction with the FY2019/20 year-end audit.

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

From July 1, 2021 to August 1, 2021

PO Number	Vendor	Description	PO Amount
21-0262	Abigail Edwards dba Kaufman Edwards Planning & Con	Burnt Cedar Water Disinfection Plant Emergency Generator Fuel Tank Upgrades; permitting assistance	\$8,250
22-0008	Air Products and Chemicals, Inc.	LOX	\$24,000.
22-0013	Douglas County Parks and Weed Control	Wetlands, various sites	\$5,000.
22-0015	Waste Mgmt Lockwood (refuse)	Grit removal	\$3,000.
22-0016	Praxair	Nitrogen dewar cleanser	\$7,000.
22-0017	Full Circle Compost, LLC.	Compost	\$4,000.
22-0018	GS O3 Services, LLC	Annual calibration of ozone analyzers at Burnt Cedar WDP	\$8,000.
22-0019	USRelay Corp.	Video streaming – webcams – Ski Beach & DP	\$11,988.
22-0014	Integrity Pest Management, LLC	Wetlands, various sites	\$5,000.
22-0027	Abigail Edwards dba Kaufman Edwards Planning & Con	Burnt Cedar Water Disinfection Plant Emergency Generator Fuel Tank Upgrades; permitting services	\$8,250.
22-0031	Harris Enterprise Resource Planning	Financials: July 2021 to June 2022	\$19,717.50
22-0033	Kassbohrer All Terrain Vehicles, Inc.	Track belts and bolts	\$12,000.
22-0034	FARR Construction Corp dba Resources Development Co.	Sewer Pump Station Improvements, SPS 1, Influent Channel Repairs	\$24,300.
22-0040	Polaris Sales Inc.	Snowmobile	\$14,218.
22-0041	SILegacy Floor Finishing, LLC	Sewer Pump Station Improvements SPS 2 Roof Repairs	\$9,220.
22-0042	Polaris Sales Inc.	Replacing 2014 Yamaha ATV	\$17,896.20
22-0052	Capital Glass Inc.	WRRF Bldg Upgrades, Window Replacement	\$23,775.

Public Records Requests

Following are the public records requests from July 7, 2021 through August 2, 2021.

Date Requested	By Whom	Subject	Date Responded	Status/Comments
06/28/2021	Gumz, Joy	Salary Information for 2020 (plus other employee items)		Established a due date of 8/13 or before
07/11/2021	Katz, Aaron	Community Event	07/12/2021	Complete
07/12/2021	Katz, Aaron	Raftelis Report Details		Due 08/13/2021
07/13/2021	Gumz, Joy	Two Receipts – Rector and Gibbs	07/20/2021	Complete
07/14/2021	Martini, Margaret	FY 2021/2022 Rec Roll	07/26/2021	Complete

Date Requested	By Whom	Subject	Date Responded	Status/Comments
07/16/2021	Dobler, Cliff	Senior Transportation Van Purchase	07/29/2021	Complete
07/16/2021	Dobler, Cliff	Lacrosse Tournaments – 07/2021	07/29/2021	Complete
07/16/2021	Dobler, Cliff	CO#9 – Ballfields	07/20/2021	Complete
07/16/2021	Dobler, Cliff	Parks Fund again	07/29/2021	Complete
07/19/2021	Wright, Frank	E-Mails between Trustee Schmitz and Margaret Martini	07/22/2021	Complete
07/22/2021	Dobler, Cliff	PICA E-Mails	07/22/2021	Complete – think it is a duplicate to a record request of 11/7/2019 that was fulfilled on 1/14/2020; Mr. Dobler replied that he really wanted the reports – I sent him the dates he received all reports.
07/26/2021	Katz, Aaron	La Crosse Tournament, Taste of Incline and Unknown Fashion Show		La Crosse Tournament documents – COMPLETE (07/29/2021)
07/29/2021	Katz, Aaron	La Crosse Tournament – approved application, copy of payment check and info about IHS athletic fields		IHS athletic fields – Complete (7/30/2021)

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS/STAFF DUE DATES	ITEMS SLATED FOR CONSIDERATION
TBD	TBD	TBD		Special Board Meeting		GM's Ordinance 7 Committee recommendations
08/25	Wednesday	6 p.m.		Regular Board Meeting	08/17/2021 8 a.m.	Clear Creek Lot 5 Easement Pond Lining Project Effluent Pipeline Project Easement for Alibi Ale Works Blanket Purchase Order Approvals (Navazio) Review and discussion of Policy 16.1.0 (Winquest) District Strategic Plan (approval) EXL Media Contract Award
09/09	Thursday	6 p.m.		Regular Board Meeting	08/30/2021 8 a.m.	General Manager Performance Review and Review of Goals for FY 2020/2021 Public Records Update (in GM report) Award construction contract for Phase 1 of the cart paths at Mountain Golf Course Carryover Request (Navazio) 4 th Quarter and Year-End Financial Report (Navazio) Board Policies/Practices review and/or status report (Navazio) Award Contract to conduct a Utility Rate Study Utility fund analysis Golf cart contract award Outside legal counsel contract award (property rights and beach access)
09/30	Thursday	6 p.m.		Regular Board Meeting	09/21/2021 8 a.m.	Incline Beach House – revisit where we have been, revisit financing options and how does the Board want to move forward (tentative)
10/13	Wednesday	6 p.m.		Regular Board Meeting	10/04/2021 8 a.m.	Public Records Update (in GM report)
10/28	Thursday	6 p.m.		Regular Board Meeting	10/19/2021 8 a.m.	
11/10	Wednesday	6 p.m.		Regular Board Meeting	11/01/2021 8 a.m.	Public Records Update (in GM report) 1 st Quarter Budget Update (Navazio)
12/08	Wednesday	6 p.m.		Regular Board Meeting	11/29/2021 8 a.m.	Public Records Update (in GM report) Golf Season Wrap Update (Howard) Key Rates (Golf and Facilities)
				2022		
01/12	Wednesday					
01/26	Wednesday					
02/09	Wednesday					
02/23	Wednesday					
03/09	Wednesday					
03/30	Wednesday					
04/13	Wednesday					
04/27	Wednesday					
05/11	Wednesday					
05/25	Wednesday					

Items sitting in the parking lot (to be discussed but (a) not yet scheduled for a specific Regular Board Meeting) or (b) a future Board not on this calendar

- RFID Picture Passes – Item for next Strategic Plan or three years from now
- Revisions to/Split Ordinance 7 (allow 45 days ahead of action)
- Tyler Technologies project status report will be in the General Manager's report – To be determined
- Possible discussion on IVGID needs as it relates to potential land use agreement with DPSEF (Request by Trustee Schmitz – 01/18/2021)
- Develop a policy and criteria for Professional Services (see Moss Adams 1 Report) (Request by Trustee Schmitz – 03/10/2021; asked again on 4/29/2021)
- Framework for pricing across the District (Request by Trustee Schmitz – 03/10/2021)
- Tax implications for benefits for employees (Request by Trustee Schmitz – 03/10/2021 – District General Counsel Nelson is working on an opinion)
- Review of service levels – Golf will be coming first – date to be determined
- Discussion, by the Board of Trustees, what they want to see in the Staff submitted memorandums (Request by Trustee Schmitz – 04/29/2021)
- Trustee Tonking asked for a Policy 3.1.0 review (5/26/2021)
- Policy 13.2.0 review (Request by Trustee Dent – 05/12/2021) – Moss Adams contract awarded to do this work
- Next step on Diamond Peak parking lot/Ski Way

*Budget approval is required after the third Monday however whatever date is selected, a 10-day notice must be given. Must accomplished no later than June 1, 2022.

Payment of Bills (for possible action) (For District payments exceeding \$10,000 or any item of capital expenditure, in the aggregate in any one transaction, a summary of payments made shall be presented to the Board at a public meeting for review. The Board hereby authorizes payment of any and all obligations aggregating less than \$10,000 provided they are budgeted and the expenditure is approved according to District signing authority policy)

Date	Check #	Payment Type	Vendor	Amount	Status
07/08/2021	776567	Check	Patrick Gene Donald DBA Avail Enterprises LLC	12,160.00	Paid
07/08/2021	776558	Check	MS Govern Systems Design, Inc.	44,337.54	Paid
07/08/2021	776551	Check	JP Engineering LLC	10,985.00	Paid
07/08/2021	776535	Check	First Nonprofit Companies, Inc.	103,250.00	Paid
07/08/2021	776532	Check	Elevator Services DBA:Koch Elevator Company	11,567.60	Paid
07/08/2021	776525	Check	Davis Farr LLP	13,073.00	Paid
07/08/2021	776521	Check	Core West, INC DBA Core Construction Serv. of NV	302,850.06	Paid
07/08/2021	-	Auto Pay	AT&T	15,498.50	Paid
07/08/2021	-	Auto Pay	Acushnet Company	12,750.04	Paid
07/08/2021	-	Auto Pay	US Foodservice, Inc.	19,068.16	Paid
07/15/2021	776626	Check	Raftelis Financial Consultants Inc	11,766.37	Paid
07/15/2021	776624	Check	OpenGov, Inc.	25,754.00	Paid
07/15/2021	776623	Check	NV Energy	84,126.59	Paid
07/15/2021	776618	Check	Hill Brothers Chemical Company	10,766.78	Paid
07/15/2021	776606	Check	Core West, INC DBA Core Construction Serv. of NV	410,260.39	Paid
07/15/2021	5015	EFT	Sierra Meat Co	10,916.32	Paid
07/22/2021	5028	EFT	ARMAC Construction, LLC	12,557.00	Paid
07/29/2021	776747	Check	The Prestwick Group DbA:Prestwick Limited	\$ 14,694.79	Paid
07/29/2021	776736	Check	North Lake Tahoe Fire Protection District	85,554.78	Paid
07/29/2021	776713	Check	Clean Tahoe Program	10,000.00	Paid
07/29/2021	776711	Check	Brown & Read Engineering, Inc	32,000.00	Paid
				<u>\$ 1,253,936.92</u>	

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Investment Report for the Quarter ended June 30, 2021

DATE: August 10, 2021

I. RECOMMENDATION

Staff recommends that the Board of Trustees receive a report summarizing treasury and investment activity for the period ending June 30, 2021. This is an informational report and, as such, no Board action is required.

II. BACKGROUND

The District manages its cash and investments consistent with the statutory requirements contained in applicable provisions of NRS 355 and 356, as well as Board Policies 10.1.0 and 11.1.0 and Board Practice 11.2.0.

Specifically, Board Practice 11.2.0 establishes that the District's Investment Officer provide 1) quarterly reports to the Board of Trustees on the performance of the District's investments as well as 2) an annual report, prepared no later than 60 days after the close of the fiscal year, summarizing the investment portfolio's performance during the preceding twelve months and indicating areas of concern with respect to policy and investment strategy matters, to include recommended corrective actions.

This report has been prepared to serve as the investment report for the quarter and fiscal year ending June 30, 2021. While Staff has been unable to ascertain the time frame for which the Board previously received a formal Investment Report, as contemplated in Board Practice 11.2.0, Section 15, Staff intends to commence providing quarterly Investment Reports to the Board of Trustees to comply with current Board policy as well as conform to best practices related to reporting of investment and cash management activities.

The District's funds are to be managed consistent with the District's investment policy (Board Policy 11.1.0 and Board Practice 11.2.0), as well as requirements of NRS 355.170 (re authorized investments). Specifically, as a public agency, the primary objective of the treasury function should be a) safety (i.e. preservation of principle), b) liquidity (i.e. ensure that the District is able to meet its cash flow obligations) and, lastly, c) yield (i.e. seek to achieve a market rate of return on its investments) consistent with the restrictions related to authorized investments and without compromising the primary goals of safety and liquidity (see Board Policy 11.2.0 section 3).

The District manages its cash and investments through participation in the State of Nevada Local Government Investment Pool (LGIP) program, an investment account held through Wells Fargo Securities, and cash held in the District's bank account(s), established with Wells Fargo Bank, NA.

The State's LGIP program is a pooled-investment fund, managed by the State Treasurer's Office. The District has historically utilized the LGIP for purposes of short-term investment of funds that support the liquidity and cash flow needs to meet District obligations, and currently maintains four separate LGIP accounts (IVGID, EPA/SRF, Public Works and TRPA). The District's participation in the LGIP program is authorized by Board Policy 10.1.0.

The District's account with Wells Fargo Securities has been established for funds that may be invested over a period of 6-months to 5-years (or more), and also includes a money market account holding funds not currently held through investment instruments.

The District utilizes Wells Fargo Bank, NA, for its banking services and currently has four separate accounts (Operating Checking, Payroll, Flexible Spending and Health Savings).

III. DISCUSSION

Authority for management of the District's investment program is delegated to the Director of Finance via Board Policy 11.2.0 (section 4). The current Director of Finance was hired in March 2020, and since that time, the portfolio has been passively managed, resulting in a significant increase in the liquidity of the overall treasury portfolio.

With historically low interest rates over the past 16 months, maturing securities and Certificates of Deposit (CD's) have been rolled into the money market segment of the District's portfolio, managed by Wells Fargo Securities. In addition, the cash balances in the District's primary operating checking account have also increased

significantly. While the increase in liquidity has impacted interest earnings across the portfolio, this impact is largely mitigated, again, by the historically low interest environment that has characterized the past 12-18 months.

The following table summarizes the period-ending balances in each of the District's cash and investment accounts as of June 30, 2021, as well historical balances for the preceding four quarters:

Summary of Cash and Investments as of June 30, 2021

Incline Village General Improvement District Investment Summary For the Quarter Ended June 30, 2021					
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
State Treasurer's Local Government Investment Pool					
Local Government Investment Pool (LGIP) Accounts					
IVGID GID	\$ 10,916,394	10,898,452	10,890,708	10,897,796	13,187,048
IVGID EPA SRF	230,527	230,154	229,990	229,778	229,223
IVGID Public Works	4,486,139	5,127,253	5,123,613	5,118,876	5,106,514
IVGID TRPA	230,667	230,564	230,440	230,186	229,631
IVGID Workers' Comp	-	-	-	-	-
Sub-Total LGIP	\$ 15,863,727	\$ 16,486,423	\$ 16,474,751	\$ 16,476,636	\$ 18,752,416
Investment Portfolio (Wells Fargo Securities)					
Money Market	\$ 14,562,109	12,265,738	10,967,938	8,144,050	5,821,442
Certificates of Deposit	5,038,830	7,322,109	8,616,794	11,419,037	13,728,997
Securities	-	-	-	-	-
Sub-Total Investments	\$ 19,600,939	\$ 19,587,847	\$ 19,584,732	\$ 19,563,087	\$ 19,550,439
Bank Accounts					
Wells Fargo Bank, NA					
IVGID - Holding Account	\$ 243,512	243,415	243,319	243,221	243,123
IVGID - Flexible Spending Account	5,806	5,310	5,310	14,968	9,059
IVGID - Operating Checking	9,897,222	8,710,403	4,076,625	3,741,629	2,028,104
IVGID - Payroll Account	-	-	-	-	-
IVGID - St. Mary's Health Reimbursement Account	36,016	46,819	16,239	28,519	18,960
Sub-Total Bank Accounts	\$ 10,182,556	\$ 9,005,947	\$ 4,341,493	\$ 4,028,337	\$ 2,299,247
TOTAL CASH AND INVESTMENTS	\$ 45,647,222	\$ 45,080,217	\$ 40,400,976	\$ 40,068,060	\$ 40,602,102

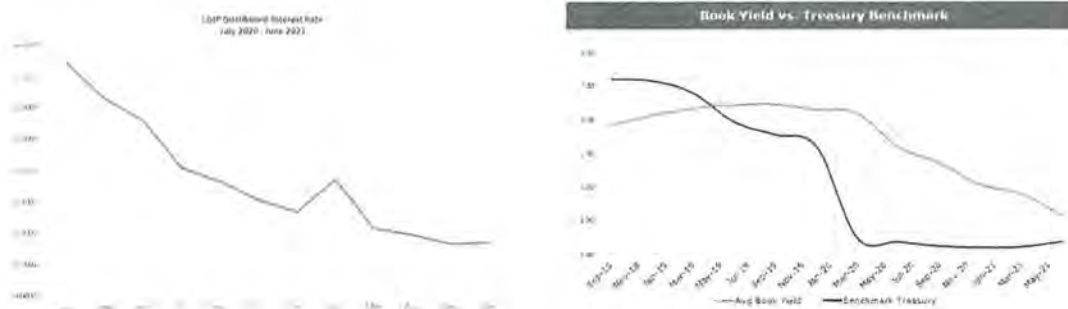
A summary of the District's holdings within the investment account with Wells Fargo Securities, reported at par value as of June 30, 2021, is provided in Attachment A of this report.

Performance for the quarter ending June 30, 2021 Relative to Benchmark(s)

The yield on the District's invested funds for the quarter ending June 30, 2021 was 0.609%, which compares favorably to the performance benchmark of 0.07% (1-year Treasury Index). The District's yield for the fourth quarter reflects the yields for the funds held in the LGIP fund (0.198%) and the yield for the funds held in the Wells Fargo Securities portfolio (0.949%). The following table summarizes the yields for each quarter of the fiscal year:

	Q1	Q2	Q3	Q4
Wells Securities	1.438%	1.582%	0.981%	0.949%
LGIP	0.804%	0.451%	0.315%	0.198%
Compined (Portfolio & LGIP)	1.141%	1.063%	0.678%	0.609%

The following charts demonstrate the recent trends in interest rates for the State’s LGIP funds, as well as the District’s investment portfolio, relative to the Treasury benchmark.

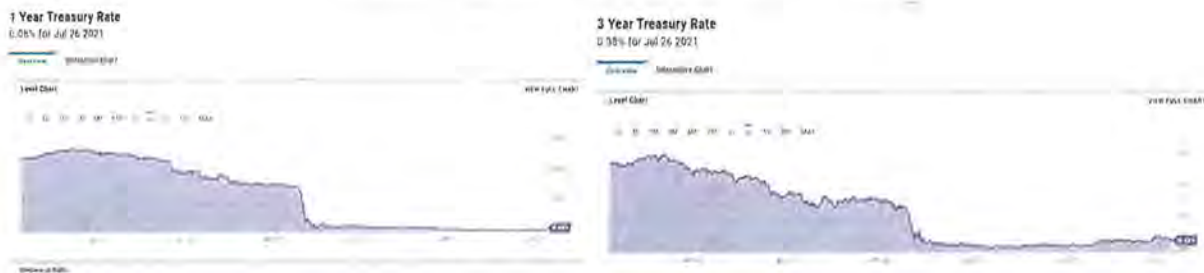


Investment Outlook and Strategy

As noted, the past 18 months has been characterized by an historically low interest rate environment. This has resulted in a sharp decline in yields across the short-to medium-term yield curve for U.S. Treasuries, and the markets have reacted by exercising a “call” on securities with above-market interest.

U.S. Treasury Yield Rates

	3 mos	6 mos	1 yr	3 yr
9/30/2021	0.10	0.11	0.12	0.16
12/31/2020	0.09	0.09	0.10	0.17
3/31/2021	0.03	0.05	0.07	0.35
6/30/2021	0.05	0.06	0.07	0.05



This has been a contributing factor to the increase in the liquidity position of the District’s portfolio (average maturity of 0.1 years as of June 30, 2021).

A major focus of treasury activities over the next 6 months will be the re-investment of District funds within a portfolio structured so as to meet the cash flow and liquidity needs of the District, while also ensuring compliance with NRS requirements as well as the District’s Investment Policy objectives that prioritize safety and liquidity of invested funds. At the same time, the goal of the investment strategy is to maintain flexibility to take advantage of interest earnings

opportunities without over-committing to long-term investments in the current interest rate environment.

The re-positioning of the District's investment portfolio will necessarily be informed by an updated analysis of both short-term and long-term cash flow requirements.

Typically, a public agency cash management and investment strategy entails:

- 1) Establishing adequate liquidity and coverage ratios - ensures 2x or 3x coverage of short-term cash flow requirements; informs funds to be maintained in overnight money-market funds (bank and LGIP)
- 2) Gradual re-investment of funds not needed for short-term cash flow in a "laddered" approach (i.e. spread over 6-month, 1-year, 3-year and 5-year instruments;
- 3) and doing so in a matter that ensures diversification of holding across securities and sectors to mitigate both interest rate and sector risk across the portfolio.

Review and Update of Board-approved Investment Policy and Practices related cash management

The Board policies and practices related to management of the District's investments were last updated in 2008. At a minimum, the policies should be reviewed (if not updated) on an annual basis to ensure that the policies and practices continue to meet the District's needs while ensuring compliance with applicable statutory requirements for management of public funds.

A review of the District's current policies and practices suggests two primary areas warranting review and update. These include:

- 1) Clarification and update of the "benchmarks" used to compare performance of the District's investments and
- 2) Consideration of adding policy or practice language related to diversification (or concentration) of securities held within the District's portfolio.

Attachments

- Attachment A – Holdings as of June 30, 2021
- Board Policy 10.1.0 – Use of Local Government Investment Pools
- Board Policy 11.1.0 – Investment Management
- Board Practice 11.2.0 – Investment Management

Attachment A

Positions by Sector

ID	CUSIP	Issuer	% Port	Cpn	Final Maturity	Rating	Moody's	BBB	Net Call Date	Call Type	Par	Acquired Date	Book Price	Market Price	B / L	Book Yield	Market Yield	WAM	EFF Dur	EFF Crs	
2	030070H51	ALLY BANK	1.3%	2.10	07/12/21	-	-	-	-	Bullet	250,000	07/11/19	100.00	100.00	100.07	1.70	2.09	0.06	0.0	0.0	
3	549104H9	LUANA SAVINGS BANK	1.3%	1.90	07/19/21	-	-	-	-	Bullet	250,000	07/19/19	100.00	100.00	100.10	2.43	1.89	0.06	0.1	0.1	
5	512105QP1	LAKESIDE BANK	1.3%	2.00	07/29/21	-	-	-	-	Bullet	250,000	07/29/19	100.00	100.00	100.16	3.93	2.01	0.05	0.1	0.1	
4	296679S8G	ESSA BANK & TRUST PA	1.3%	1.65	07/29/21	-	-	-	-	Bullet	250,000	01/29/20	100.00	100.00	100.13	3.20	1.64	0.06	0.1	0.1	
6	292787CH1	ENTERBANK USA	1.3%	2.95	07/30/21	-	-	-	-	Bullet	250,000	07/31/18	100.00	100.00	100.24	6.03	2.97	0.06	0.1	0.1	
7	38149MDX8	GOLDMAN SACHS BANK USA	1.3%	2.05	07/30/21	-	-	-	-	Bullet	250,000	07/31/19	100.00	100.00	100.17	4.15	2.04	0.06	0.1	0.1	
8	140427BG1	CAPITAL ONE BANK USA NA	1.3%	2.10	08/02/21	-	-	-	-	Bullet	250,000	07/31/19	100.00	100.00	100.12	3.03	2.09	0.73	0.1	0.1	
9	41919HAT9	HAVEN SAVINGS BANK	1.3%	1.95	08/09/21	-	-	-	-	Bullet	250,000	08/09/19	100.00	100.00	100.21	5.13	1.96	0.06	0.1	0.1	
10	41943DL1	HANNI BANK	1.3%	2.95	08/17/21	-	-	-	-	Bullet	250,000	08/17/18	100.00	100.00	100.38	9.45	2.97	0.05	0.1	0.1	
11	13905AV7	CAPITAL BK NA/BROOKLE MD	1.3%	1.70	11/05/21	-	-	-	-	Bullet	250,000	11/06/19	100.00	100.00	100.58	1,443	1.71	0.04	0.4	0.4	
12	856285S4	STATE BANK OF INDA	1.3%	1.85	11/29/21	-	-	-	-	Bullet	250,000	11/27/19	100.00	100.00	100.76	1,898	1.85	0.02	0.4	0.4	
13	32056GD4	FIRST INTERNET BK OF TN	1.3%	3.05	12/31/21	-	-	-	-	Bullet	250,000	12/31/18	100.00	100.00	101.51	3,768	3.07	0.04	0.5	0.5	
16	949495A66	WELLS FARGO NATL BK WEST	1.3%	1.80	01/31/22	-	-	-	-	Bullet	250,000	01/29/20	100.00	100.00	101.02	2,560	1.81	0.04	0.6	0.6	
15	87164DQ70	SYNOVUS BANK GA	1.3%	1.65	01/31/22	-	-	-	-	Bullet	250,000	01/30/20	100.00	100.00	100.94	2,340	1.65	0.05	0.6	0.6	
14	59013KF03	HERRICK BANK	1.3%	1.65	01/31/22	-	-	-	-	Bullet	250,000	01/31/20	100.00	100.00	100.94	2,340	1.66	0.05	0.6	0.6	
17	57116ASE9	HARLIN BUSINESS BANK	1.3%	2.65	02/01/22	-	-	-	-	Bullet	250,000	02/01/19	100.00	100.00	101.52	3,605	2.66	0.05	0.6	0.6	
18	723408S9	PIONEER BANK SSB	1.3%	1.60	02/14/22	-	-	-	-	Bullet	250,000	02/14/20	100.00	100.00	100.97	2,415	1.60	0.05	0.6	0.6	
19	10033AP67	COHENITY CAPITAL BANK	1.3%	2.85	02/15/22	-	-	-	-	Bullet	250,000	02/15/19	100.00	100.00	101.75	4,368	2.87	0.05	0.6	0.6	
20	227563AM5	CROSS RIVER BANK	1.3%	2.50	04/18/22	-	-	-	-	Bullet	250,000	04/17/19	100.00	100.00	101.96	4,903	2.50	0.05	0.8	0.8	
21	56065GAF5	MAINSTREET BANK	1.3%	2.45	04/26/22	-	-	-	-	Bullet	250,000	04/26/19	100.00	100.00	101.96	4,895	2.46	0.07	0.8	0.8	
Domestic CD			25.6%	3.17							5,000,000		100.00	100.77	38,639	2.17	0.08	0.4	0.4	0.0	
1	94975PA05	Wells Fargo Government Money M	74.4%	0.01						Bullet	14,562,109	06/30/21	100.00	100.00	100.00	0	0.01	0.01	0.0	0.0	0.0
NHP			74.4%	0.01							14,562,109		100.00	100.00	100.00	0	0.01	0.01	0.0	0.0	0.0
Total Portfolio			100.0%	0.96							19,562,109		100.00	100.00	100.20	38,639	0.86	0.03	0.1	0.1	0.0



**Cash Management
Use of Local Government Investment Pools
Policy 10.1.0**

POLICY. The District will consider the following when using Local Government Investment Pools (LGIPs):

- 0.1** The District will confirm LGIPs are eligible investments under governing law and the District's Investment Management Policy.
- 0.2** The District will fully understand the investment objectives, legal structure and operating procedures of the investment pool before placing any money in the pool. When evaluating an LGIP, the District obtains the pool's offering statement, investment policy, and audited financial statements.
- 0.3** Particular attention must be paid to the investment objectives of a pool to determine whether a pool seeks to maintain a constant Net Asset Value (NAV) of \$1.00 or could have a fluctuating NAV. This information is essential in order to determine which pools are appropriate for liquidity strategies (constant NAV) and which ones are only appropriate for longer-term strategies (fluctuating NAV).
- 0.4** The pool's list of eligible securities should be reviewed to determine compliance with the District's Investment Management Policy. Portfolio maturity restrictions and diversification policies should be evaluated to determine potential market and credit risks.
- 0.5** Portfolio pricing practices should be evaluated.
- 0.6** Custodial policies should be reviewed.
- 0.7** The qualifications and experience of the portfolio manager, management team and/or investment adviser should be evaluated.
- 0.8** The earnings performance history should be studied and reviewed relative to other investment alternatives. On constant NAV LGIP funds, the current yield of the portfolio can be compared with competitive institutional money market funds, or overnight repurchase agreement rates. Any pool with consistent above-



**Cash Management
Use of Local Government Investment Pools
Policy 10.1.0**

average yields or longer maturities should be further evaluated for risk.

- 0.9** Variable NAV LGIPs should be evaluated in relation to appropriate benchmarks.
- 0.10** Although ratings are not mandatory at this time, the District should seek LGIPs with the highest ratings, where possible or understand the reason a rating is not available.
- 0.11** Procedures for establishing an account, making deposits and withdrawals, and allocating interest earnings should be fully understood.
- 0.12** Any additional services offered by an LGIP should be considered to make use of the fund as effective as possible.
- 0.13** The District will confirm that an LGIP provides regular, detailed reporting to pool participants and follows generally accepted reporting standards.



**Cash Management
Investment Management
Policy 11.1.0**

POLICY. The District will properly manage the risk in its portfolios to achieve investment objectives and comply with investment constraints. The use of diversification in the District's portfolio is an important strategy for managing risk. Diversification strategies will consider the following:

- 0.1 Carefully and clearly defining what the objectives mean for safety, liquidity, and return to the District.
- 0.2 Preparing a cash flow projection to determine liquidity needs and the level and distribution of risk that is appropriate for the portfolio.
- 0.3 Considering political climate, stakeholders' view toward risk, and risk tolerances.
- 0.4 Ensuring liquidity to meet ongoing obligations by investing a portion of the portfolio in readily available funds, such as Local Government Investment Pools, money market funds, or overnight repurchase agreements.
- 0.5 Establishing limits on positions in specific securities to protect against default risk.
- 0.6 Limiting investments in securities that have higher credit and/or market risks.
- 0.7 Defining parameters for maturity/duration ranges.
- 0.8 Establishing a targeted risk profile for the portfolio based on investment objectives and constraints, risk tolerances, liquidity requirements and the current risk/reward characteristics of the market.



**Cash Management
Investment Management
Practice 11.2.0**

RELEVANT POLICIES: 10.1.0 Use of Local Government Investment Pools and 11.1.0 Investment Management

PRACTICE. It is the practice of the Incline Village General Improvement District, hereinafter referred to as the District, to invest public funds in a manner which provides the highest investment return consistent with the need for safety and liquidity, while meeting its routine and non-routine cash flow requirements and complying with all federal, state and local statutes and regulations governing the investment of public funds.

1.0 SCOPE

This practice shall apply to all financial assets under the District's control or in its custody as accounted for in the District's financial accounting records and reported in its periodic financial statements. These funds include financial assets held in the following fiscal entities:

<u>Fund Type</u>	<u>District Fund Name</u>
General.....	General Fund
Enterprise	Utility Fund
.....	Community Services Fund
Capital Improvement	-
Internal Service	Fleet and Maintenance Fund
.....	Workers Compensation Fund
Special Assessment	-
Debt Service	-
Special Revenue	-

All other funds, unless specifically excluded from this practice by Board of Trustees resolution.

2.0 PRUDENCE

The District intends to utilize standards established by the Uniform Prudent Investors Act. The Act has been adopted by the State of Nevada. The standard of care; portfolio strategy; risk and return objectives from the Act consider:



**Cash Management
Investment Management
Practice 11.2.0**

- 2.1 The District shall invest and manage its assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the District. In satisfying this standard, the District shall exercise reasonable care, skill, and caution.
- 2.2 The District's investment and management decisions respecting individual assets must be evaluated not in isolation but in the context of the District's portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the District's purposes.
- 2.3 Among circumstances that the District shall consider in investing and managing its assets are such of the following as are relevant:
 - 2.3.1 general economic conditions;
 - 2.3.2 the possible effect of inflation or deflation;
 - 2.3.3 the expected tax consequences of investment decisions or strategies;
 - 2.3.4 the role that each investment or course of action plays within the overall investment portfolio
 - 2.3.5 the expected total return from income and the appreciation of capital;
 - 2.3.6 other resources of the District
 - 2.3.7 needs for liquidity, regularity of income, and preservation or appreciation of capital; and
 - 2.3.8 an asset's special relationship or special value, if any, to the purposes of the District
- 2.4 The District shall make a reasonable effort to verify facts relevant to the investment and management of its assets.
- 2.5 The District may invest in any kind of property or type of investment consistent with the standards of this Practice.



Cash Management Investment Management Practice 11.2.0

3.0 FINANCIAL OBJECTIVES AND CONSTRAINTS

The District's primary investment objective is to obtain the maximum investment return in light of the following constraints:

- 3.1 **Safety.** Safety of principal is the foremost constraint of the District's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- 3.2 **Risk.** To minimize the risk associated with any one security, diversification is required to ensure that the potential (or actual) losses on individual securities do not exceed the total return generated from the remainder of the portfolio.
- 3.3 **Liquidity.** The District's portfolio shall remain sufficiently liquid - in terms of cash and near-term maturities of non-cash assets - to enable it to meet all operating requirements, and near term capital investment requirements, which are planned or which might be reasonably anticipated.
- 3.4 **Cash Flow Requirements.** The size and composition (maturity, security type, etc.) of the District's portfolio(s) shall be determined so as to provide funds to meet the District's projected cash consumption requirements, over time.
- 3.5 **Statutes and Regulations.** At all times, the District's investments shall be restricted to those specifically identified within Nevada Revised Statutes (NRS) Chapter 355.170, as amended from time to time, and any other statutes or regulations which may be promulgated by the State of Nevada or the United States Government.

4.0 DELEGATION OF AUTHORITY

Authority to manage the District's investment program is derived from the NRS Chapter 355.175, wherein the District's governing body may appoint an



**Cash Management
Investment Management
Practice 11.2.0**

Investment Officer to handle the day-to-day administration of the program. The Board of Trustees hereby expressly delegates Investment Officer responsibilities to the Director of Finance, Accounting and Information Technology or to the General Manager in the Director's absence.

This practice further requires that the Investment Officer shall establish written procedures for the operation of the program, consistent with this and other provisions of this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for executing investment transactions, if other than the Investment Officer. No person shall engage in an investment transaction except as provided within this practice or the written procedures. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials or third-party agents who assist in the investment program.

5.0 PORTFOLIO MANAGEMENT

The Investment Officer or their designee will routinely and continuously monitor the financial markets, the performance of the District's portfolio securities and competing securities instruments and adjust the District's portfolio, so as to accomplish the aforementioned investment objectives.

This portfolio management function may, subject to the District's Board of Trustees approval, be contracted out to one or more professional investment managers, knowledgeable in the markets, investment instruments and the District's unique constraints and investment needs. The investment manager(s) shall exercise discretion in its (their) decision-making with respect to portfolio transactions to the extent allowed within the constraints of this policy, unless specifically restricted in writing by the District's Board of Trustees.

Additionally, with respect to decisions which adversely impact the short-term performance of District portfolios, as in the instance where individual securities are liquidated at a loss in order to reposition the portfolio to maximize anticipated future returns, managers must first obtain the Investment Officer's concurrence prior to executing transactions which will result in losses which exceed 5% of an individual security's value or which will exceed, when aggregated, 2% of the value of the overall portfolio under management.



Cash Management Investment Management Practice 11.2.0

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers, employees and agents involved in the investment process shall refrain from personal business activity that could conflict, or might appear to conflict, with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. All such individuals or firms shall disclose any material financial interests in financial institutions that conduct business with the District, and they shall further disclose any large personal financial/investment positions, if any, that could be related to the performance of the District's portfolio. Officers, employees and agents shall subordinate their personal investment transactions to those of the District's, particularly with regard to the timing of purchases and sales.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Investment Officer will maintain a list of financial institutions authorized to provide investment services. Additionally, a list of competent security broker/dealers shall be maintained. These may be primary dealers or regional dealers who qualify under Securities and Exchange Commission (SEC) Rule 15C3-1, Uniform Net Capital Rule. No public deposit shall be made except in a qualified public depository as established under NRS Chapter 356.

All financial institutions and broker/dealers who wish to become qualified for investment transactions must supply the Investment Officer with the following information, in order to demonstrate their economic viability: audited financial statements, proof of National Association of Securities Dealers certification, proof of state registration and certification of understanding and professed adherence to this Investment Management Practice in executing transactions.

The District will, at its option, establish relationships with one or more institutions or broker/dealers and its Investment Officer shall, at least annually, review the financial condition, registrations/certifications status and general performance of selected institutions or broker/dealers.



Cash Management Investment Management Practice 11.2.0

8.0 AUTHORIZED INVESTMENTS

The instruments which the District is authorized to hold are prescribed in NRS Chapter 355.170, as revised from time to time.

9.0 COLLATERALIZATION

Collateralization will be required on deposit-type securities - e.g., certificates of deposit and repurchase agreements - for deposits which exceed the insured limits of the securities under Federal Deposit Insurance Corporation (FDIC), Federal Saving and Loan Insurance Corporation (FSLIC), or other, successor federal deposit insurance program. Collateral will be limited to obligations of the United States and the State of Nevada and must, at all times, have a fair market value equal to or greater than the fair market value of the collateralized deposits. All other securities shall be collateralized by the actual security held in safekeeping by the appointed custodian.

10.0 SAFEKEEPING AND CUSTODY

All securities purchased by or on behalf of the District, excepting securities subject to repurchase by the seller, and all securities pledged as collateral pursuant to section 9.0, above, must be physically held by the District or its appointed custodian meeting the requirements of NRS 355.172, who shall hold the securities in trust for the District.

Securities subject to repurchase by the seller may, in lieu of the requirement for possession, be evidenced by a fully perfected, first-priority security interest in those securities, held and acknowledged by the third party custodian. Securities so purchased must, at the time of purchase by the District, have a fair market value equal to or greater than the repurchase price of the securities.

11.0 DIVERSIFICATION

The District will diversify its portfolio by security type, maturity and issuing institution. Asset allocation guidelines, as deemed necessary from time to time, shall be prescribed by the District's Board of Trustees. Such asset allocation



Cash Management Investment Management Practice 11.2.0

guidelines (maximum maturities) will be in writing and will become an integral part of this policy.

12.0 MAXIMUM MATURITIES

To the extent possible, the maturities of securities held within District portfolios shall be closely matched to the District's cash flow requirements for 1) day-to-day operations, 2) planned capital projects, 3) unknown future contingencies, and known or stated reserves

In no event shall the District hold securities with maturities which exceed ten years, this being the maximum maturity allowed the District under NRS Chapter 355.170. Investments will be allocated to maturities that match the stated needs for which the District has established the Fund or account.

13.0 INTERNAL CONTROL

The Investment Officer shall establish a system of written internal controls which shall be reviewed for adequacy, annually, by the District's external auditors. The controls shall be designed to prevent loss of public funds arising from fraud or abuse, employee error, misrepresentation by third parties, or imprudent actions by officers, employees or agents of the District.

14.0 PERFORMANCE BENCHMARK STANDARDS

Theoretically, the District's investment portfolio would have a simple average maturity of less than five years. As a practical matter, the average maturity of the portfolio will vary as economic conditions change and will be dependent upon market factors and the actual investment strategy selected. Accordingly, for purposes of measuring and comparing returns among investments, the performance of District portfolio(s) shall be measured against the 1 year or less, 1-3 year, 1-5 year, and 1-10 year U.S. Government Treasury Indices.

15.0 REPORTING

The Investment Officer shall prepare a quarterly report of investment activity that will be made available to the Board of Trustees within thirty days of the



**Cash Management
Investment Management
Practice 11.2.0**

close of the calendar quarter. The report will include sufficient content to indicate how the District's investments are being managed to meet the objectives of safety, risk, liquidity, cash flow and regulations. The report shall contain a measure of the portfolio's return for the quarter, and when annualized shall compare its actual performance with the aforementioned benchmarks.

At least once annually, and not later than sixty days after the close of the fiscal year, the Investment Officer shall present a comprehensive report summarizing the investment program's performance during the preceding twelve month period. This report shall contain, at a minimum, the same information required in the quarterly reports but, also, shall indicate areas of concern with respect to policy and strategy matters and shall recommend appropriate corrective action.

Additionally, at least quarterly, the Investment Officer shall prepare a projection of cash flows for the succeeding five year investment period. Estimates for the first two years of the investment period shall be on a quarterly basis, while estimates for the remaining periods may be on an annual basis. This cash flow projection shall serve as the basis for adjustments to asset allocations among and between the investment maturities.

16.0 INVESTMENT PRACTICE ADOPTION

This investment practice shall be adopted by motion of the District's Board of Trustees. It shall be reviewed at least annually and any modifications made hereto must be approved by the District's Board of Trustees.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

Paul Navazio
Director of Finance

FROM: Mike Bandelin
Diamond Peak General Manager

SUBJECT: Review, discuss, and possibly authorize a procurement contract for Snowmaking Fan Guns; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3464SI1002; Vendor: TechnoAlpin USA Inc., in the amount of \$122,600.00

DATE: August 10, 2021

I. RECOMMENDATION

Staff recommends that the Board of Trustees make a motion to:

1. Award a procurement contract to TechnoAlpin USA Inc. totaling \$122,600.00 for the manufacturing and delivery of Four Snowmaking Fan Guns to Diamond Peak Ski Resort.
2. Authorize Staff to execute all purchase documents based on a review by General Counsel and Staff.

II. BACKGROUND

The general purpose of this project is to maintain District operations through the necessary maintenance and replacement cycles. The contract proposed for award addresses the end of life cycle replacement of snowmaking fan guns. Diamond Peak currently operates and maintains a fleet of eighteen snowmaking fan guns. The proposed purchase will replace four fan guns that were purchased and have been in service since 1987 and 1993. The purchase allows Diamond Peak to make more efficient use of electricity and reduce noise levels in the base area of the mountain as well as increasing the probability to guarantee an early December opening of the ski area with an acceptable quantity of terrain on only machine made snow for the community of Incline Village and Crystal Bay including season pass holders. Given adequate snowmaking temperatures, the new snowmaking fan guns also aid in providing a greater opportunity to open Lakeview lift and Snowflake Lodge earlier, doing so increases Diamond Peak's services levels and potential revenue opportunities. Modernization and updating snowmaking

Award a Procurement Contract
 for the Procurement and Delivery
 of Snowmaking Fan Guns – 2021/2022; CIP Project: Fund:
 Community Services; Program: Ski;
 Project #3461SI1002; Vendor:
 TechnoAlpin USA Inc., in the
 Amount of \$122,600.00

capacity and efficiency at the Districts ski area is and has been part of the operation and continues to be relevant as we are seeing a change in the climate and a need to ensure a quality product to our growing picture pass ski pass holders which has increased 70% from 2,562 passes in 2017 to 4,364 passes purchased during the 2020/2021 ski season.

Diamond Peak’s snowmaking operations typically begin at the end of October or early November and are planned to continue through January depending on snowfall. On average snowmaking operates for 45 days annually or an average of 622 run time hours each season. The key elements to any snowmaking operation is to maximize the efficiency of snow production when temperatures allow. This proposed purchase of replacing older technology equipment will assist in our efforts to become more efficient with run time hours, produce better quality snow for our customers and provide technology to aid in the long term strategy of reducing the number of operating days which equates to expense savings in wages and utility costs.

In accordance with Board Policy 3.1.0., 0.15 Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget.

III. BID RESULTS

The District publicly advertised this project for bidding and specifications were sent out to three potential bidders. Two bids were received and opened on July 22, 2021, a third vendor was unresponsive. The bid results are as follows:

Vendor	Unit Price	Shipping	Total Bid Four fan guns
Snow Machines, Inc.	\$30,900.00	Included	\$123,600.00
TechnoAlpin USA Inc.	\$29,800.00	\$3,400.00	\$122,600.00
Snow Economics (d.b.a. HKD Snowmakers)	Declined to Bid		

The lowest responsive bidder is TechnoAlpin USA Inc. District Staff has reviewed the bid documents and checked references for the vendor and is recommending award of this procurement to TechnoAlpin USA Inc.

IV. FINANCIAL IMPACT AND BUDGET

A total of \$128,000 is included in the 2021/2022 Capital Budget for the purchase of Snowmaking Fan Guns (see attached data sheet). The purchase price proposed for

Award a Procurement Contract
for the Procurement and Delivery
of Snowmaking Fan Guns – 2021/2022; CIP Project: Fund:
Community Services; Program: Ski;
Project #3461SI1002; Vendor:
TechnoAlpin USA Inc., in the
Amount of \$122,600.00

-3-

August 10, 2021

award of four snowmaking fan guns totals \$122,600.00, which is \$5,400.00 below the approved budgeted amount.

V. ALTERNATIVES

The Board of Trustees could defer or eliminate the replacement project. Doing so will result in an impact to the customer experience as well as puts the District at risk of increased maintenance expenses or potential increased snowmaking down time.

VI. COMMENTS

District Staff has operated the four fan guns purchased from TechnoAlpin in 2019 without any issues. Staff continues to be impressed with the performance, reliability and snow quality of the equipment in comparison to the existing fleet of snowmakers, as well as by the technical support received from the manufacturer.

VII. BUSINESS IMPACT

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

VIII. ATTACHMENTS

- A. Procurement agreement documents; IVGID - TechnoAlpin USA Inc.
- B. Proposal documents TechnoAlpin USA Inc.
- C. District project summary #3464SI1002 data sheet
- D. District Purchase Order

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT PURCHASE AGREEMENT

This Equipment Purchase Agreement (“Agreement”) is entered into on Date by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”), and **TechnoAlpin USA Inc.**, with its principal place of business at 8536 Concord Center Drive, Unit B, Englewood, Colorado (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

Section 1 - **Definitions.**

- A. “Equipment” means all machinery, equipment, items, parts, materials, labor or other services, including design, engineering and installation services, provided by Contractor as specified in Exhibit A, original Request for Proposals for the **Diamond Peak Ski Resort Snowmaking Fan Gun Procurement**, and Contractor’s Proposal dated July 14, 2021 provided by Contractor, attached hereto and incorporated herein by reference.
- B. “Delivery Date(s)” means that date or dates upon which the Equipment is to be delivered to District, ready for approval, testing and/or use as specified in Exhibit A.

Section 2 - **Materials and Workmanship.**

When Exhibit A specifies machinery, equipment or material by manufacturer, model or trade name, no substitution will be made without District’s written approval. Machinery, equipment or material installed in the Equipment without the approval required by this Section 2 - will be deemed to be defective material for purposes of Section 4 - . Where machinery, equipment or materials are referred to in Exhibit A as equal to any particular standard, District will decide the question of equality. When requested by District, Contractor will furnish District with the name of the manufacturer, the performance capabilities and other pertinent information necessary to properly determine the quality and suitability of any machines, equipment and material to be incorporated in the Equipment. Material samples will be submitted at District’s request.

Section 3 - **Inspections and Tests.**

District shall have the right to inspect and/or test the Equipment prior to acceptance. If upon inspection or testing the Equipment or any portion thereof are found to be nonconforming, unsatisfactory, defective, of inferior quality or workmanship, or fail to meet any requirements or specifications contained in Exhibit A, then without prejudice to any other rights or remedies, District may reject the Equipment or exercise any of its rights under Section 4 - C. The inspection, failure to make inspection, acceptance of goods, or payment for goods shall not impair District’s right to reject nonconforming goods, irrespective of District’s failure to notify Contractor of a rejection of nonconforming goods

or revocation of acceptance thereof or to specify with particularity any defect in nonconforming goods after rejection or acceptance thereof.

Section 4 - **Warranty.**

- A. Contractor warrants that the Equipment will be of merchantable quality and free from defects in design, engineering, material and workmanship for a period of one year, or such longer period as provided by a manufacturer's warranty or set forth in Exhibit A, from the date of final written acceptance of the Equipment by District as required for final payment under Section 7 - . Contractor further warrants that any services provided in connection with the Equipment will be performed in a professional and workmanlike manner and in accordance with the highest industry standards.
- B. Contractor further warrants that all machinery, equipment or process included in the Equipment will meet the performance requirements and specifications specified in Exhibit A and shall be fit for the purpose intended. District's inspection, testing, approval or acceptance of any such machinery, equipment or process will not relieve Contractor of its obligations under this Section 4 - B.
- C. For any breach of the warranties contained in Section 4 - A and Section 4 - B, Contractor will, immediately after receiving notice from District, at the option of District, and at Contractor's own expense and without cost to District:
 - 1. Repair the defective Equipment;
 - 2. Replace the defective Equipment with conforming Equipment, F.O.B. District's plant, office or other location of District where the Equipment was originally performed or delivered; or
- D. Repay to District the purchase price of the defective Equipment.
- E. If District selects repair or replacement, any defects will be remedied without cost to District, including but not limited to, the costs of removal, repair and replacement of the defective Equipment, and reinstallation of new Equipment. All such defective Equipment that is so remedied will be similarly warranted as stated above. In addition, Contractor will repair or replace other items of the Equipment which may have been damaged by such defects or the repairing of the same, all at its own expense and without cost to District.
- F. Contractor also warrants that the Equipment is free and clear of all liens and encumbrances whatsoever, that Contractor has a good and marketable title to same, and that Contractor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Equipment. Contractor agrees to indemnify, defend and hold District harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

- G. In the event of a breach by Contractor of its obligations under this Section 4 - , District will not be limited to the remedies set forth in this Section 4 - , but will have all the rights and remedies permitted by applicable law.

Section 5 - **Prices.**

Unless expressly provided otherwise, all prices and fees specified in Exhibit A, attached hereto and incorporated herein by reference, are firm and shall not be subject to change without the written approval of District. No extra charges of any kind will be allowed unless specifically agreed to in writing by District's authorized representative. Compensation shall be as indicated in Exhibit A, with a total amount of **One Hundred Twenty-Two Thousand Six Hundred Dollars (\$122,600.00)** to be billed as a fixed fee based on percentage complete measured against the estimated time schedule set forth in Exhibit A. In no event shall compensation for any Activity identified in Exhibit A exceed the amount set forth in the attachment. The fixed fee shall include Reimbursable Expenses and all charges for packing, freight and transportation to destination, and Contractor shall not request or receive any additional payments for such expenses.

Section 6 - **Changes.**

District, at any time, by a written order, and without notice to any surety, may make changes in the Equipment, including but not limited to, District's requirements and specifications. If such changes affect the cost of the Equipment or time required for its performance, an equitable adjustment will be made in the price or time for performance or both. Any change in the price necessitated by such change will be agreed upon between District and Contractor and such change will be authorized by a change order document signed by District and accepted by Contractor.

Section 7 - **Payments.**

- A. Terms of payment, are net thirty (30) days, less any applicable retention, after receipt of invoice, or completion of applicable Progress Milestones. Final payment shall be made by District after Contractor has satisfied all contractual requirements. Payment of invoices shall not constitute acceptance of Equipment. All invoices shall be sent to AP@IVGID.ORG, with a copy to JAY@IVGID.ORG.
- B. If progress milestones have been specified within Exhibit A, then payments for the Equipment will be made as the requirements of such progress milestones are met. Progress payments for the Equipment will be made by District upon proper application by Contractor during the progress of the Equipment and according to the terms of payment as specified in Exhibit A. Contractor's progress billing invoice will include progress payments due for the original scope of work and changes. Each "Item for Payment" shown in Exhibit A and each change order will be itemized on the invoice. Invoices for cost plus work, whether part of Exhibit A or a change order, must have subcontractor and/or supplier invoices attached to Contractor's invoice. Other format and support documents for invoices will be determined by District in advance of the first invoice cycle.

- C. Payments otherwise due may be withheld by District on account of defective Equipment not remedied, liens or other claims filed, reasonable evidence indicating probable filing of liens or other claims, failure of Contractor to make payments properly to its subcontractors or for material or labor, the failure of Contractor to perform any of its other obligations under the Agreement, or to protect District against any liability arising out of Contractor's failure to pay or discharge taxes or other obligations. If the causes for which payment is withheld are removed, the withheld payments will be made promptly. If the said causes are not removed within a reasonable period after written notice, District may remove them at Contractor's expense.
- D. Payment of the final progress milestone or any retention will be made by District upon:
1. Submission of an invoice for satisfactory completion of the requirements of a progress milestone as defined in Exhibit A and in the amount associated with the progress milestone;
 2. Written acceptance of the Equipment by District;
 3. Delivery of all drawings and specifications, if required by District;
 4. Delivery of executed full releases of any and all liens arising out of this Agreement; and
 5. Delivery of an affidavit listing all persons who might otherwise be entitled to file, claim or maintain a lien of any kind or character, and containing an averment that all of the said persons have been paid in full.
 6. If any person refuses to furnish an actual release or receipt in full, Contractor may furnish a bond satisfactory to District to indemnify District against any claim or lien at no cost to District.
- E. Acceptance by Contractor of payment of the final progress milestone pursuant to Section 7 - D will constitute a waiver, release and discharge of any and all claims and demands of any kind or character which Contractor then has, or can subsequently acquire against District, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement. However, payment for the final progress milestone by District will not constitute a waiver, release or discharge of any claims or demands which District then has, or can subsequently acquire, against Contractor, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement.

Section 8 - **Schedule for Delivery.**

- A. The time of Contractor's performance is of the essence for this Agreement. The Equipment will be delivered in accordance with the schedule set forth in Exhibit A. Contractor must immediately notify District in writing any time delivery is behind



schedule or may not be completed on schedule. In addition to any other rights District may have under this Agreement or at law, Contractor shall pay District the sum of \$100.00 for each calendar day for which the Equipment is unavailable beyond the scheduled delivery date(s) specified in Exhibit A.

- B. In the event that the Equipment is part of a larger project or projects that require the coordination of multiple contractors or suppliers, then Contractor will fully cooperate in scheduling the delivery so that District can maximize the efficient completion of such project(s).

Section 9 - Taxes.

- A. Per Section 2.B.9, prices quoted for the Equipment must be exclusive of Federal and State taxes, as the District is exempt from such taxes.
- B. Contractor will withhold, and require its subcontractors, where applicable, to withhold all required taxes and contributions of any federal, state or local taxing authority which is measured by wages, salaries or other remuneration of its employees or the employees of its subcontractors. Contractor will deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.
- C. All other taxes, however denominated or measured, imposed upon the price of the Equipment provided hereunder, will be the responsibility of Contractor. In addition, all taxes assessed by any taxing jurisdiction based on Contractor property used or consumed in the provision of the Equipment such as and including ad valorem, use, personal property and inventory taxes will be the responsibility of Contractor.
- D. Contractor will, upon written request, submit to District written evidence of any filings or payments of all taxes required to be paid by Contractor hereunder.

Section 10 - Independent Contractor.

Contractor enters into this Agreement as an independent contractor and not as an employee of District. Contractor shall have no power or authority by this Agreement to bind District in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of District. District shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors or subcontractors or any other person resulting from performance of this Agreement.

Section 11 - Subcontracts.

Unless otherwise specified, Contractor must obtain District's written permission before subcontracting any portion of the Equipment. Except for the insurance requirements in Section 13 - A, all subcontracts and orders for the purchase or rental of supplies, materials or equipment, or any other part of the Equipment, will require that the subcontractor be



bound by and subject to all of the terms and conditions of the Agreement. No subcontract or order will relieve Contractor from its obligations to District, including, but not limited to Contractor's insurance and indemnification obligations. No subcontract or order will bind District.

Section 12 - Title and Risk of Loss.

Unless otherwise agreed, District will have title to, and risk of loss of, all completed and partially completed portions of the Equipment upon delivery, as well as materials delivered to and stored on District property which are intended to become a part of the Equipment. However, Contractor will be liable for any loss or damage to the Equipment and/or the materials caused by Contractor or its subcontractors, their agents or employees, and Contractor will replace or repair said Equipment or materials at its own cost to the complete satisfaction of District. Notwithstanding the foregoing, in the event that the District has paid Contractor for all or a portion of the Equipment which remains in the possession of Contractor, then District shall have title to, and the right to take possession of, such Equipment at any time following payment therefor. Risk of loss for any Equipment which remains in the possession of Contractor shall remain with Contractor until such Equipment has been delivered or District has taken possession thereof. Contractor will have risk of loss or damage to Contractor's property used in the construction of the Equipment but which does not become a part of the Equipment.

Section 13 - Indemnification.

- A. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions, negligence or willful misconduct of Contractor, its officials, officers, employees, agents, subcontractors and subconsultants arising out of or in connection with the Equipment or the performance of this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses except such loss or damage which was caused by the sole negligence or willful misconduct of the District.
- B. Contractor's defense obligation for any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District, its officials, officers, employees, agents or volunteers shall be at Contractor's own cost, expense and risk. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse District and its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

- C. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, officers, employees, agents or volunteers.

Section 14 - **Insurance.**

- A. General. Contractor shall take out and maintain:

1. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage;
2. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per accident for bodily injury and property damage;
3. Workers' Compensation in compliance with applicable statutory requirements; and
4. If Contractor is also the manufacturer of any equipment included in the Equipment, Contractor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than \$1,000,000.

- B. Additional Insured; Primary; Waiver of Subrogation; No Limitation on Coverage. The policies required under this Section shall give District, its officials, officers, employees, agents or volunteers additional insured status. Such policies shall contain a provision stating that Contractor's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any additional insureds shall not be called upon to contribute to any loss, and shall contain or be endorsed with a waiver of subrogation in favor of the District, its officials, officers, employees, agents, and volunteers. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement.

- C. Insurance Carrier. All insurance required under this Section is to be placed with insurers with a current A.M. Best's rating no less than A-VII, licensed to do business in Nevada, and satisfactory to the District.

- D. Evidence of Insurance. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by the Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the District. All certificates and endorsements must be received and approved by the District before delivery commences. The District

reserves the right to require complete, certified copies of all required insurance policies, at any time.

- E. Subcontractors. All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- F. Freight. Contractor shall ensure that third party shippers contracted by Contractor have adequate insurance coverage for the shipped Equipment.

Section 15 - **Liens.**

- A. Contractor, subcontractors and suppliers will not make, file or maintain a mechanic's or other lien or claim of any kind or character against the Equipment, for or on account of any labor, materials, fixtures, tools, machinery, equipment, or any other things furnished, or any other work done or performance given under, arising out of, or in any manner connected with the Agreement (such liens or claims referred to as "Claims"); and Contractor, subcontractor and suppliers expressly waive and relinquish any and all rights which they now have, or may subsequently acquire, to file or maintain any Claim and Contractor, subcontractor and suppliers agree that this provision waiving the right of Claims will be an independent covenant.
- B. Contractor will save and hold District harmless from and against any and all Claims that may be filed by a subcontractor, supplier or any other person or entity and Contractor will, at its own expense, defend any and all actions based upon such Claims and will pay all charges of attorneys and all costs and other expenses arising from such Claims.

Section 16 - **Termination of Agreement by District.**

- A. Should Contractor at any time refuse or fail to deliver the Equipment with promptness and diligence, or to perform any of its other obligations under the Agreement, District may terminate Contractor's right to proceed with the delivery of the Equipment by written notice to Contractor. In such event District may obtain the Equipment by whatever method it may deem expedient, including the hiring of another contractor or other contractors and, for that purpose, may take possession of all materials, machinery, equipment, tools and appliances and exercise all rights, options and privileges of Contractor. In such case Contractor will not be entitled to receive any further payments until the Equipment is delivered. If District's cost of obtaining the Equipment, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Agreement, Contractor will be liable for and will pay the difference to District.
- B. District may, for its own convenience, terminate Contractor's right to proceed with the delivery of any portion or all of the Equipment by written notice to Contractor.

Such termination will be effective in the manner specified in such notice, will be without prejudice to any claims which District may have against Contractor, and will not affect the obligations and duties of Contractor under the Agreement with respect to portions of the Equipment not terminated.

- C. On receipt of notice under Section 16 - B, Contractor will, with respect to the portion of the Equipment terminated, unless the notice states otherwise,
1. Immediately discontinue such portion of the Equipment and the placing of orders for materials, facilities, and supplies in connection with the Equipment,
 2. Unless otherwise directed by District, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to District; and
 3. Deliver only such portions of the Equipment which District deems necessary to preserve and protect those portions of the Equipment already in progress and to protect material, plant and equipment at the Equipment site or in transit to the Equipment site.
- D. Upon termination pursuant to Section 16 - B, Contractor will be paid a pro rata portion of the compensation in the Agreement for any portion of the terminated Equipment already delivered, including material and services for which it has made firm contracts which are not canceled, it being understood that District will be entitled to such material and services. Upon determination of the amount of said pro rata compensation, District will promptly pay such amount to Contractor upon delivery by Contractor of the releases of liens and affidavit, pursuant to Section 7 - C.

Section 17 - **Miscellaneous Provisions.**

- A. Assignment or Transfer. Contractor shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the District, which will not be unreasonably withheld. Provided, however, that claims for money due or to become due Contractor from the District under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the District.
- B. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.
- C. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.
- D. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit,

privilege or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

- E. Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.
- F. Interpretation. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.
- G. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.
- H. Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective Party.
- I. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- J. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- K. District's Right to Employ Other Contractors. District reserves its right to employ other contractors in connection with the Equipment.
- L. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relative to the Equipment specified herein. There are no understandings, agreements, conditions, representations, warranties or promises with respect to this Agreement, except those contained in or referred to in the writing.
- M. Limitation of Liability. In no event shall this Agreement be interpreted to waive the limitations of liability applicable to the District set forth in NRS Chapter 41 or other applicable law.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

Contractor:
TECHNOALPIN, USA INC.
Agreed to:

By: _____
Mike Bandelin
Diamond Peak General Manager

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Approved as to Form:

Joshua Nelson
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

Date

Owner's address for giving notice:
INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451
775-832-1267- Engineering Division

Contractor's address for giving notice:
TechnoAlpin USA Inc.
8536 Concord Center Dr., Unit B
Englewood, Colorado 80112
720-895-2340



**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)
dba
DIAMOND PEAK SKI RESORT
REQUEST FOR PROPOSALS
Diamond Peak Resort Snowmaking Fan Guns**

SECTION 1 – REQUEST FOR PROPOSALS

Sealed proposals will be received at the offices of the Public Works Department, Incline Village General Improvement District (IVGID or District), 1220 Sweetwater Road, Incline Village, Nevada 89451, until 2:00 p.m, July 22, 2021, at which time they will be publicly opened and read for:

Diamond Peak Resort Snowmaking Fan Gun Procurement

IVGID is accepting proposals to provide new, fully automated snowmaking fan guns for use at the District's Diamond Peak Ski Resort.

Complete Proposal Documents may be obtained from the IVGID Engineering office, or downloaded from our website, at <https://www.yourtahoepace.com/ivgid/resources/purchasing>. It is the Bidder's sole responsibility to obtain a complete set of documents.

All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist, which is included with the Proposal Documents. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting, anticipated to be on August 10, 2021, to award a procurement contract to the most qualified lowest responsive bidder.

The District reserves the right to reject any or all proposals and to waive any irregularities therein.

To request a copy of the Proposal Documents or if you have any questions concerning this procurement bid, contact the District Engineering Office at 775-832-1267.

SECTION 2 INSTRUCTIONS AND GENERAL CONDITIONS

A. GENERAL PROPOSAL INFORMATION

1. SCOPE AND INTENT:

- a. It shall be the intent of this Request for Proposals to select a vendor(s) to provide snowmaking fan guns, meeting the technical specifications described herein, for the District's Diamond Peak Ski Resort.
- b. The merchandise proposed shall be the model in manufacturer's product line that best meets the intent of the technical specifications. Diamond Peak Ski Resort shall utilize the fan guns for snowmaking operations at the ski resort. These specifications are intended to set minimum acceptable standards for such merchandise.



2. **PROPOSAL RESPONSES:** It is assumed that all responses to this request for proposals are made on behalf of the Bidder acting either as an authorized dealer or distributor for the manufacturer of the items being proposed and that these responses are supplied by the manufacturer. If this is not the case, Bidder shall explain, in writing in a statement to be enclosed with the proposal.
3. **PROPOSAL EVALUATION:** All proposals will be evaluated to determine the most qualified lowest responsive proposal. Proposal exceptions are permissible, provided that what the Bidder is offering meets the intent of the proposal specifications, as determined by the Buyer. Proposals will be evaluated per Section 3.

B. SUBMISSION OF PROPOSALS

1. Proposals shall be submitted in a **sealed opaque envelope**, with the outside clearly marked as follows:

"Diamond Peak Snowmaking Fan Gun Bid"

 - Bidders are cautioned to mark their envelopes clearly and plainly. If the envelope is not so marked and the Proposal is opened by mistake prior to the specified date and time, the Proposal will **NOT** be considered.
 - All Proposals must be sealed. Proposals submitted unsealed, by telephone, email or facsimile will **NOT** be accepted.
2. Sealed proposals will be received at the offices of the IVGID Engineering Division, 1220 Sweetwater Road, Incline Village, Nevada 89451, until the date and time specified in Section 1, at which time they will be publicly opened and read.
3. Late, incomplete or unsigned Proposals shall receive no consideration.
4. Proposals shall be made on the forms provided herein and all blank spaces in the forms shall be filled in. The Bidder or an authorized agent must sign all Proposals.
5. The District assumes no responsibility for errant delivery of Proposals, including those relegated to a courier agent who fails to deliver in accordance with the time and receiving point specified.
6. Proposals may be withdrawn by written notice, provided the notice of withdrawal is received prior to the Proposal opening time.
7. Proposals are subject to acceptance at any time within sixty (60) days after the Proposal opening.
8. Prices must be stated in units specified. Prices for initial purchase quantities must be effective until delivery.
9. Prices quoted must be exclusive of Federal and State taxes, as IVGID is exempt from such taxes.



C. DELIVERY INFORMATION:

1. Shipping is FOB Destination. Merchandise purchased shall be delivered to the Diamond Peak Ski Resort no later than November 1, 2021. Diamond Peak is located at 1210 Ski Way, Incline Village, Nevada 89451.
2. Liquidated Damages: Supplier and IVGID recognize that time is of the essence with this procurement and that the District will suffer financial loss if delivery of the snowmaking fan guns is not completed within the time specified in Paragraph 2.C.1., above. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the District if the snowmaking fan guns are not received in time. Accordingly, instead of requiring any such proof, District and Supplier agree that, as liquidated damages for delay (but not as a penalty), Supplier shall pay District \$100 for each day that expires after the time specified in Paragraph C.1., above, until all merchandise is delivered.
 - a. With written approval of District, Supplier may deliver comparable loaner equipment prior to time specified in Paragraph 2.C.1., above, to assist with snow making until fan guns purchased through this RFP can be delivered. Such loaner equipment will only be allowed for a duration of 3 weeks, at which time Liquidated Damages clause will be reinstated.
3. Merchandise shall be ready for full operation at the time of delivery.

D. COMPLETE PROPOSAL PACKAGE:

1. A complete Proposal shall include this document, pages 1 through 8 inclusive, together with the following:
 - a. Warranty information per Section 5 of this Proposal Package.
 - b. A list of references for a minimum of four (4) years of snowmaking equipment manufacturing and/or supply. B-8
 - c. A guarantee to provide 24-hour service/technical support during our snowmaking season with purchased equipment.
2. To aid in the proposal evaluation process, the proposal package submitted by Bidder should also include product specifications, brochures, pictures and other support data for the merchandise proposed.

E. ADDITIONAL ORDERS: Additional orders that meet the successful bidder's minimum order requirements shall include coordination of delivery as specified above.

F. FIRM PRICING REQUIRED: Prices submitted shall remain firm for all deliveries specified in this Invitation and Proposal. For any additional orders, bidders shall guarantee their prices for a minimum of one (1) year from proposal award.



G. EXCEPTIONS:

1. Proposals shall note any and all exceptions to the specifications and/or the terms and conditions that are contained herein.
2. All exceptions to the proposal must be stated in writing on the Proposal Form, so that they may be considered. If exceptions are not stated, it will be assumed that the bidder meets all requirements.

H. DAMAGED GOODS: Damaged goods shall be replaced by the successful bidder at no cost to the District, whether damage is observed at time of delivery or upon the unpacking of the equipment. District is to notify supplier within 2 weeks of discovery of any damaged or faulty goods. Such notice shall be provided in writing.

I. TERMS AND CONDITIONS: Bidders shall be aware of, and agree to abide by, the terms and conditions contained in this Invitation and Proposal.

J. OPEN MEETING LAW: The Incline Village General Improvement District shall adhere to NRS 241 which provides that public business shall be conducted in an open meeting.

K. DISCLOSURE OF PRINCIPALS: Bidders shall complete and return with their Proposal response, the attached copy of the form titled "Disclosure of Principals."

L. ACCEPTANCE AND/OR REJECTION OF PROPOSALS: IVGID agencies shall reserve the right to accept or reject any or all resultant proposal response, or parts thereof, including but not necessarily limited to, alternatives offered. Such acceptance and/or rejection shall be based solely on the considered value of such offers to the District.

SECTION 3 PROPOSAL EVALUATION CHECKLIST

A. Proposals shall be reviewed for responsiveness by District Staff on the following parameters:

- Conformance to the Specifications
- Unit cost
- Warranty
- Defined Exceptions

SECTION 4 SNOWMAKING FAN GUN TECHNICAL SPECIFICATIONS:

A. GENERAL INFORMATION

- All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist included in Section 3. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting (refer to Section 1), to award a procurement contract to the lowest responsive qualified bidder.



- The District requires the most innovative and cutting-edge technologies for this purchase of snowmaking equipment. A focus on efficiencies, automation and sustainability is at the forefront of this snowmaking fan gun purchase.

B. REQUIREMENTS/EXPECTATIONS OF FAN GUNS

COMPLETE ALL CATEGORIES

Latest/Newest Model	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Model: <u>TR8 AM and TT10</u>
Carriage or Tower	<input checked="" type="checkbox"/> Carriage TR8	<input checked="" type="checkbox"/> Tower TT10	
If Tower included: Vault, electrical disconnect, auto valve, hoses, safety padding and all necessary hardware	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, what items listed are not included:
If carriage included: Frame, wheels, tow hitch, lifting mounts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	If no, what items listed are not included:
Produces own compressed air	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Automatic barrel elevation Jack (up/down tilt)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Carriage TR8 unit has manual jack
Automatic oscillation	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Machine weight with all accessories (carriage fans only)	Lbs: <u>2,131 lbs 14oz total weight</u>		B-1
Noise output at 50m	Front dB: <u>63 TR8</u>	Back dB: <u>63 TR8</u>	Side dB: <u>57 TR8</u> B-2
Ceramic Nozzles	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
LED lights (flood and warning)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
On board weather station	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Dual shaft fan/compressor motor	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Automatic/Remote controls and communications	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Touch screen HMI/control panel	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	B-3
Customer hotline/24 hour technical support department	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Automated hydrant actuator (Compatible with HTM hydrants)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	

Continued...



Power Cable length	<input type="checkbox"/> 50'	<input checked="" type="checkbox"/> 100'	<input type="checkbox"/> 150'	<input type="checkbox"/> 200'	B-4
Compatibility with Atass/Smartsnow (OS)	<input checked="" type="checkbox"/> Atass	<input type="checkbox"/> Smartsnow	<input type="checkbox"/> Both		
Able to run on 3 phase 480 volt, 50A service or less	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No			
Total HP (fan + compressor)	HP: <u>24.4 TR8 AM; 29.5 TT10</u>				
Energy efficiencies/current draw in amps	In rush: <u>34A TR8; 40A TT10</u>		Operating <u>29-34A TR8; 34-40A TT10</u>		
Annual service parts and cost estimate per machine	\$0 annual cost on parts, every 3,000 hours of operation TechnoAlpin \$ <u>recommends a compressor</u> rebuild kit at \$675.60				B-5
Wind direction monitor (option)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	B-6		
Can meet November 1, 2021 delivery date	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No			

SECTION 5 PRODUCT WARRANTY

A. **General:** All warranty offerings from the manufacturer shall cover the quality of labor, workmanship and materials that go into the combination of components that make up the complete equipment. Warranty conditions and limitations considered standard in this equipment's manufacturing industry are acceptable.

As a condition of product final acceptance, all warranties offered from all manufacturers shall be available in written form and be included, properly filled out, with the merchandise when delivered. All warranties shall be directly from the appropriate manufacturer of that portion of the merchandise, and not modified or backed by a subsequent manufacturer who performed work on the merchandise at a later stage in the manufacturing process.

B. **Basic Warranty:** Total shall be covered for materials and workmanship for a minimum of one (1) year from the date of the Buyer's first use.

All warranty work required during the operating season shall be completed in a time period not to exceed two (2) weeks. All warranty work stated above shall be at no cost to IVGID, including materials, labor, travel time, and travel expense and/or equipment transportation.



SECTION 6 PROPOSAL FORM

The undersigned vendor shall provide new fully-automated snowmaking fan guns for the District's Diamond Peak Ski Resort meeting the attached specifications.

A price should be stated in both numbers and in words in the spaces provided on this form.

Proposals returned on a form other than this one will not be accepted.


Item No.	Description	Unit Price in Numbers	Unit Price in Words
1	Carriage Fan Gun	\$ 29,800	twenty-nine thousand eight hundred
2	Tower Fan gun	\$ 42,600	forty-two thousand and six-hundred

NOTE: Quantities ordered will be based on District's budget constraints and mutually agreed upon in the Board-awarded Purchase Contract Agreement. For Proposal purposes, we estimate purchasing 2 to 4 carriage fan guns and 1 tower fan gun.

Exceptions (attach additional pages if necessary): Supporting documents attached . See
references on this RFP document. Shipping not included in Price.

Firm Name: TechnoAlpin USA, Inc.

Business License #: 22-3857446

Signature of Bidder: 

Date: 14th, July 2021

Title: CEO



SECTION 7 DISCLOSURE OF PRINCIPALS

PRINT OR TYPE:

Firm Name: TechnoAlpin USA, Inc.

Address: 8536 Concord Center Dr. Unit B

City, St, Zip: Englewood, CO 80112

Date Business Started: 1990

Principal Address of Company: 8536 Concord Center Dr. Unit B, Englewood, CO 80112

NAMES OF OFFICERS, MEMBERS, OR OWNERS OF CONCERN, PARTNERSHIP

Name: Taylor Ogilvie Official Capacity: CEO TechnoAlpin USA, Inc.

Address: 8536 Concord Center Dr. Unit B, Englewood, CO 80112

Name: Erich Gummerer Official Capacity: Owner

Address: 2 Via P. Agostini, 39100 Bolzano, Province of Bolzano, Italy

Name: Niklas Eisath Official Capacity: Area Manager

Address: 2 Via P. Agostini, 39100 Bolzano, Province of Bolzano, Italy

END OF PROPOSAL DOCUMENT

Diamond Peak Resort Snowmaking Fan guns
Bid number: 3464SI1002

Appendix

T&C and Warranty details can be found under the following link:
<https://www.technoalpin.com/us/tc-privacy.html>

Additional supporting documents as product specifications, brochures and pictures can be found attached.



B-1:
TR8 AM

Items	Weights
Snow Gun	1257 lbs. 11oz
Transport frame with jacks	363 lbs. 12oz
Lifting hook	28 lbs. 11 oz
Kit for mobile carriage tow	165 lbs. 6oz
Cable - electrical power supply	66 lbs. 2oz
Cable - control	17 lbs. 10oz
Total weight [max.] TR8 AM	2131 lbs. 14oz

B-2:

noise level

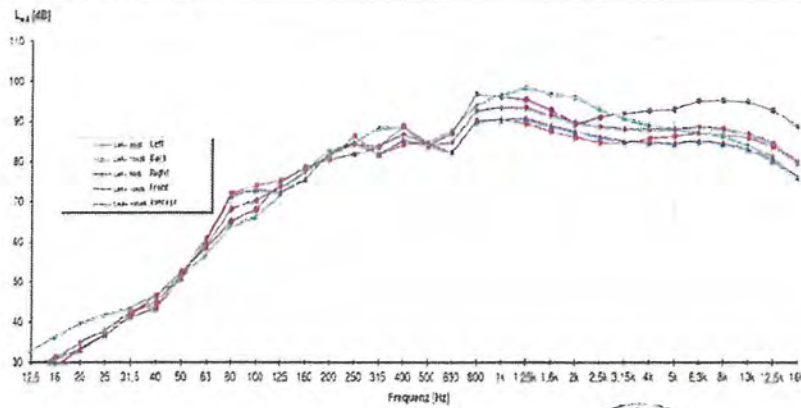
Noise level L_A - calculated results				
Distance (m)	Front (F) [dB]	Back (B) [dB]	Left (L) [dB]	Right (R) [dB]
20	72	71	65	65
25	70	69	63	63
50	63	63	57	57
100	57	57	51	51
200	50	50	44	44

Results at 50Hz full load with compressor and water emission
 Technical report: 27-190-1
 Sea level: ca. 1.750 m

Air temperature: +9 °C
 Air humidity: 85%
 Pressure pipeline: ca. 28,0 bar

sound power level



STAATLICHES BERUFSGERICHT FÜR INGENIEURBERUFE
DIPL. ING. PETER FIBY
 ANGEHEBTER BERUFSTRASSE 10 • 6020 GRISSGARTEN

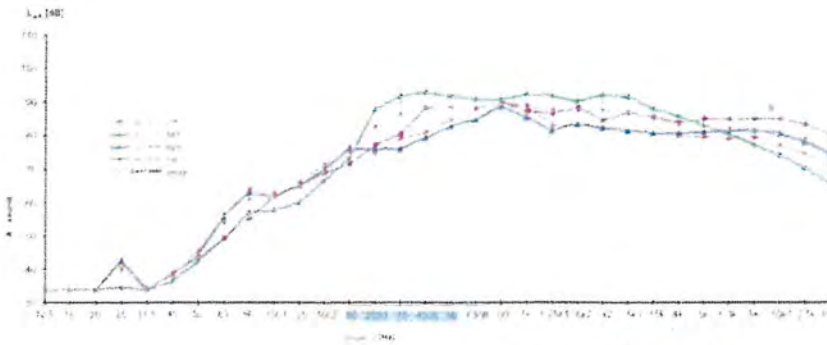


noise level L_{pA}				
Distance (m)	Front (V) (dB)	Back (H) (dB)	Left (L) (dB)	Right (R) (dB)
20	65	69	62	62
25	63	67	60	60
50	57	60	54	54
100	50	54	47	47
200	45	49	42	42

Results at full load with centralized air and water emission
 Number of revolutions: **1.500 min⁻¹**
 Technical report: **30-464-2 | 22.12.2020**

sound L_{pA}				
Average value (dB)	Front (V) (dB)	Back (H) (dB)	Left (L) (dB)	Right (R) (dB)
99	99	103	96	96

Results at full load with centralized air and water emission
 Number of revolutions: **1.500 min⁻¹**
 Technical report: **30-464-2 | 22.12.2020**
 Air temperature: **-1,0 °C**
 Air humidity: **94%**
 Water pressure: **19 - 20 bar**



Staat betriebl. Zivildienst Bauwesen
FIBY ZT - GmbH
 Bauwerk Bauwerk Spitz Schwegler
 A-6020 Innsbruck Pilsenerstrasse 35
 Tel 0512 862130 Fax 0512 86 7093speed



B-3:**TR8 AM**

The TR8 AM by definition does not have a touchable HMI screen, however the “SPSED” onboard control panel has a color monitor interface with LED key illumination, protective canopy and anti-vandalism cover.

TT10

The TT10 has an HMI touch screen.

B-4:

Standard operating equipment on the TR8 AM is 100 ft power cable and 100 ft control cable.

The TT10 comes standard with a 33 ft power cable and 33 ft control cable.

However, TechnoAlpin can make custom lengths of these cables up to 200 ft upon customer request.

B-5:

TechnoAlpin’s recommended service on equipment is measured in hours of operation. The following component parts and kits are recommended:

3000-hour service kit – cost \$250.00 (O-ring, ball drains, springs etc.)

3000 hours of operation compressor rebuild kit - cost \$675.60

6000-hour service kit – cost \$250.00 (O-ring, ball drains, springs etc.)

9000-hour service kit - cost \$250.00 (O-ring, ball drains, springs etc.)

Please reference TechnoAlpin’s Snow gun service check list for Annual maintenance.

B-6:

Wind direction monitoring can be placed at any location on the mountain using TechnoAlpin’s Weather stations.

**B-8:
References**

Yellowstone Club, MT	Chris Dullem – Snow Surface Manager chris.dullem@yellowstoneclub.com
Sun Valley Resort, ID	Dennis Harper – Snowmaking Manager dharper@sunvalley.com
Breckenridge Ski Resort, CO	John Anicito – Snowmaking Manager janicito@vailresorts.com
Schweitzer Mountain Resort, ID	Dave Rowe – Snow Surfaces Manager drowe@schweitzer.com
Keystone Ski Resort, CO Manager	Devin Edwards – Snow Making Dedwards4@vailresorts.com

A full international reference list can be seen online at:
[International References](#)



Project Summary

Project Number:	3464SI1002
Title:	Snowmaking Infrastructure Replacement
Project Type:	G - Equipment & Software
Division:	64 - Mountain Operations
Budget Year:	2022
Finance Option:	
Asset Type:	SI - Slope & Mountain Improvements
Active:	Yes

Project Description				
This project describes the procurement and replacement of the aging fleet of snowmaking fan guns. Replacement of aging snowmaking equipment maintains and enhances the District's airless snowmaking technology (fan guns, etc.) to reduce the noise factor associated with conventional snowmaking and to maximize our efficient use of water and electricity. For 2022 and 2023, the project will replace seven aging and non efficient snowmaking fan guns originally purchased in 1987, 1994 and 2001.				
Project Internal Staff				
Mountain and Slope Operations staff will oversee the selection and procurement of the equipment.				
Project Justification				
The primary goal of snowmaking is to be able to better guarantee opening an acceptable quantity of terrain on only machine-made snow for the Christmas holiday each ski season. Snowmaking capacity and efficiency is necessary to keep the ski resort competitive by providing a variety of terrain, depth of snow coverage, timing of our initial opening and duration of the season, so that we may effectively compete with neighboring resorts.				
Replacement of aging to a more efficient fan gun with modern technology enhances our ability to deliver a complete and competitive product in years of light natural snowfall and, more importantly, virtually guarantees (temperatures permitting) our ability to open the mountain with a variety of top-to-bottom skiing for the Christmas holidays. Newer technology of our airless snowmaking capacity (fan guns) will complement our existing compressed air system by allowing us to make more efficient use of electricity as well as reducing noise levels in the base area and other parts of the mountain.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Replace Snowmaking Fan Guns	128,000	0	128,000	
Replace Snowmaking Pump House Controls	32,000	0	32,000	
Year Total	160,000	0	160,000	
2023				
Replace Snowmaking Pump House Water Distribution Piping	150,000	0	150,000	
Year Total	150,000	0	150,000	
	310,000	0	310,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2012	Jul 1, 2021	Jun 30, 2022	Mountain Operations Manager	



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

PURCHASE ORDER

P.O. NUMBER	DATE
22-0060	08/04/2021

THIS NUMBER MUST APPEAR ON ALL INVOICES PACKING LISTS, LABELS, BILLS OF LADING AND CORRESPONDENCE

Vendor Name, Address, and Number	Ship To Address And Phone Number	Please Send Invoices To
3863 TechnoAlpin USA, Inc 8465 Concord Center DR Ste #200 Englewood, CO 80112	775-832-1100	Incline Village GID 893 Southwood Blvd. Incline Village, NV 89451 75-832-1100 ap@ivgid.org

*** This is Not an Approved PO ***

LINE NO.	QUANTITY	UOM	ITEM AND DESCRIPTION	UNIT COST	EXTENDED COST	GL Coding
1	1.00	Each	Procurement purchase per NRS 332; Four Snowmaking Fan Guns; 2021/2022 Capital Improvement Program; Ski Project #3464SI1002; Vendor TechnoAlpin USA Inc.	\$122,600.00	\$122,600.00	340-34-980-8120 Project # 3464SI1002

	TOTAL	\$ 122,600.00
--	--------------	----------------------

Comments:
 USER ID

The District is granted Tax Exempt Status by the State of Nevada, State ID 88-7600004-K, therefore any goods or services delivered to the District within the boundaries of the State of NV are exempt from NV sales and use tax.

All shipments should be freight prepaid F.O.B. destination. Unauthorized shipments will be returned at the seller's expense **Title and risk of loss on all items shipped shall pass to the buyer at the F. O. B. destination.**

Payments of all invoices is net 30 unless expressly written and acknowledged in writing by the District's Director of Finance or Controller. IVGID's Federal Tax ID Number is **88-0099974**.

I CERTIFY THAT THE ABOVE PURCHASE IS FOR AN EXPENDITURE AS DEFINED BY NRS 354.520 OR AN EXPENSE UNDER NRS 354.523 AND THAT THE PURCHASE ORDER HAS BEEN ENCUMBERED AS DEFINED BY NRS 354.516.

 Indra Winqest General Manager

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

Paul Navazio
Director of Finance

FROM: Mike Bandelin
Diamond Peak General Manager

SUBJECT: Review, discuss and possibly approve a Procurement Contract for the Manufacturing and Delivery of a replacement Surface Lift; 2021/2022 Capital Improvement Project; Fund: Community Services; Program: Ski; Project #3467LE1703; Vendor: Star Lifts, USA, in the amount of \$55,565.00

DATE: August 10, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Award a procurement contract to Vendor - Star Lifts USA totaling \$55,565.00 for the manufacturing and delivery of a replacement Surface lift to Diamond Peak Ski Resort.
2. Authorize Staff to execute all purchase documents based on a review by General Counsel and Staff.

II. BACKGROUND

The general purpose of this project is to maintain District operations through the necessary maintenance and replacement cycles. The contract proposed for award addresses the end of life cycle replacement of the Child Ski Center Surface lift. The existing surface lift was purchased in 1997, manufactured by Sunkid North America and has provided service to our customers for 25 operating seasons. The lift is used exclusively by children ages 3-6 participating in a lesson within ski areas Child Ski Center. On an annual basis, the Child Ski Center will provide lessons to an average of 5,976 children, or 4% of total skier visit count. The 2021/2022 Child Ski Center operating budget references a budgeted amount of \$926,258.00 in

Review, discuss and possibly approve a Procurement Contract for the manufacturing and delivery of a replacement surface lift - 2021/2022 CIP Project: Fund: Community Services; Program: Ski; Project # 3467LE1703; Vendor: Star Lifts, USA, in the amount of \$55,565.00

sales and fees revenue and includes \$446,895.29 in total operating expenses. The surface lift proposed for purchase is nearly identical in length as the existing lift at 50 feet in length. The existing lift is equipped with a high density plastic chain-style conveyor, and the proposed lift will be equipped with a rubber belt conveyor and the width of the side platform walkway is increased from 12 inches to 18 inches. Additionally, the motor drive, tension system and safety controls are upgraded and the entire proposed piece of equipment per the bid specifications will be constructed to meet ANSI B77.1 – 2017.

In accordance with Board Policy 3.1.0., 0.15 Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget.

III. BID RESULTS

The District publicly advertised this project for bidding, and Requests for Proposals, including specifications, were sent out to three potential bidders. Two bids were received and opened on July 22, 2021; the third potential bidder declined to submit a bid due to the requested delivery date of the lift. The bid results are as follows:

Vendor	Total Bid Amount
Star Lifts USA (Sunkid)	\$55,565.00
Sun Valley Ski Tools (Team Service)	\$57,720.00
Magic Carpet	Declined

The low responsive bidder is Star Lifts, USA. District Staff reviewed the bid documents and checked references for the vendor and has recommended award of this procurement to Star Lifts USA.

IV. FINANCIAL IMPACT AND BUDGET

A total of \$75,000 is included in the 2021/2022 Capital Improvement Program Budget for the procurement of a surface conveyor lift to replace the existing asset (see attached data sheet). The purchase price proposed for award totals \$55,565.00 which is \$19,435.00 below the budgeted amount.

Review, discuss and possibly approve a Procurement Contract for the manufacturing and delivery of a replacement surface lift - 2021/2022 CIP Project: Fund: Community Services; Program: Ski; Project # 3467LE1703; Vendor: Star Lifts, USA, in the amount of \$55,565.00

-3-

August 10, 2021

V. ALTERNATIVES

The Board of Trustees could defer or eliminate the replacement project. Doing so will result in an impact to the customer experience as well as puts the District at risk of increased maintenance expenses or potential increased lift down time.

VI. 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.

VII. ATTACHMENTS

- A. Procurement agreement documents; IVGID – Star Lifts USA
- B. Proposal documents Star Lifts USA
- C. IVGID project summary #3467LE1703 data sheet
- D. District Purchase Order

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT PURCHASE AGREEMENT

This Equipment Purchase Agreement (“Agreement”) is entered into on Date by and between the Incline Village General Improvement District, a Nevada general improvement district (“District”), and **Star Lifts USA, Inc.**, a Domestic Profit Corporation, with its principal place of business at 54 Depot Road, Sunapee, New Hampshire (“Contractor”). District and Contractor are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement.

Section 1 - Definitions.

- A. “Equipment” means all machinery, equipment, items, parts, materials, labor or other services, including design, engineering and installation services, provided by Contractor as specified in Exhibit A, original Request for Proposals for the **Diamond Peak Ski Resort Conveyor Surface Lift Procurement**, and Contractor’s Proposal dated July 20, 2021 provided by Contractor, attached hereto and incorporated herein by reference.
- B. “Delivery Date(s)” means that date or dates upon which the Equipment is to be delivered to District, ready for approval, testing and/or use as specified in Exhibit A.

Section 2 - Materials and Workmanship.

When Exhibit A specifies machinery, equipment or material by manufacturer, model or trade name, no substitution will be made without District’s written approval. Machinery, equipment or material installed in the Equipment without the approval required by this Section 2 - will be deemed to be defective material for purposes of Section 4 - . Where machinery, equipment or materials are referred to in Exhibit A as equal to any particular standard, District will decide the question of equality. When requested by District, Contractor will furnish District with the name of the manufacturer, the performance capabilities and other pertinent information necessary to properly determine the quality and suitability of any machines, equipment and material to be incorporated in the Equipment. Material samples will be submitted at District’s request.

Section 3 - Inspections and Tests.

District shall have the right to inspect and/or test the Equipment prior to acceptance. If upon inspection or testing the Equipment or any portion thereof are found to be nonconforming, unsatisfactory, defective, of inferior quality or workmanship, or fail to meet any requirements or specifications contained in Exhibit A, then without prejudice to any other rights or remedies, District may reject the Equipment or exercise any of its rights under Section 4 - C. The inspection, failure to make inspection, acceptance of goods, or payment for goods shall not impair District’s right to reject nonconforming goods, irrespective of District’s failure to notify Contractor of a rejection of nonconforming goods

or revocation of acceptance thereof or to specify with particularity any defect in nonconforming goods after rejection or acceptance thereof.

Section 4 - Warranty.

- A. Contractor warrants that the Equipment will be of merchantable quality and free from defects in design, engineering, material and workmanship for a period of one year, or such longer period as provided by a manufacturer's warranty or set forth in Exhibit A, from the date of final written acceptance of the Equipment by District as required for final payment under Section 7 - . Contractor further warrants that any services provided in connection with the Equipment will be performed in a professional and workmanlike manner and in accordance with the highest industry standards.
- B. Contractor further warrants that all machinery, equipment or process included in the Equipment will meet the performance requirements and specifications specified in Exhibit A and shall be fit for the purpose intended. District's inspection, testing, approval or acceptance of any such machinery, equipment or process will not relieve Contractor of its obligations under this Section 4 - B.
- C. For any breach of the warranties contained in Section 4 - A and Section 4 - B, Contractor will, immediately after receiving notice from District, at the option of District, and at Contractor's own expense and without cost to District:
 - 1. Repair the defective Equipment;
 - 2. Replace the defective Equipment with conforming Equipment, F.O.B. District's plant, office or other location of District where the Equipment was originally performed or delivered; or
- D. Repay to District the purchase price of the defective Equipment.
- E. If District selects repair or replacement, any defects will be remedied without cost to District, including but not limited to, the costs of removal, repair and replacement of the defective Equipment, and reinstallation of new Equipment. All such defective Equipment that is so remedied will be similarly warranted as stated above. In addition, Contractor will repair or replace other items of the Equipment which may have been damaged by such defects or the repairing of the same, all at its own expense and without cost to District.
- F. Contractor also warrants that the Equipment is free and clear of all liens and encumbrances whatsoever, that Contractor has a good and marketable title to same, and that Contractor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Equipment. Contractor agrees to indemnify, defend and hold District harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

- G. In the event of a breach by Contractor of its obligations under this Section 4 - , District will not be limited to the remedies set forth in this Section 4 - , but will have all the rights and remedies permitted by applicable law.

Section 5 - Prices.

Unless expressly provided otherwise, all prices and fees specified in Exhibit A, attached hereto and incorporated herein by reference, are firm and shall not be subject to change without the written approval of District. No extra charges of any kind will be allowed unless specifically agreed to in writing by District's authorized representative. Compensation shall be as indicated in Exhibit A, with a total amount of **Fifty-Five Thousand Five Hundred Sixty-Five Dollars (\$55,565.00)** to be billed as a fixed fee, based on percentage complete measured against the estimated time schedule set forth in Exhibit A. In no event shall compensation for any Activity identified in Exhibit A exceed the amount set forth in the attachment. The fixed fee shall include Reimbursable Expenses and all charges for packing, freight and transportation to destination, and Contractor shall not request or receive any additional payments for such expenses.

Section 6 - Changes.

District, at any time, by a written order, and without notice to any surety, may make changes in the Equipment, including but not limited to, District's requirements and specifications. If such changes affect the cost of the Equipment or time required for its performance, an equitable adjustment will be made in the price or time for performance or both. Any change in the price necessitated by such change will be agreed upon between District and Contractor and such change will be authorized by a change order document signed by District and accepted by Contractor.

Section 7 - Payments.

- A. Terms of payment, are net thirty (30) days, less any applicable retention, after receipt of invoice, or completion of applicable Progress Milestones. Final payment shall be made by District after Contractor has satisfied all contractual requirements. Payment of invoices shall not constitute acceptance of Equipment. All invoices shall be sent to AP@IVGID.ORG, with a copy to JAY@IVGID.ORG.
- B. If progress milestones have been specified within Exhibit A, then payments for the Equipment will be made as the requirements of such progress milestones are met. Progress payments for the Equipment will be made by District upon proper application by Contractor during the progress of the Equipment and according to the terms of payment as specified in Exhibit A. Contractor's progress billing invoice will include progress payments due for the original scope of work and changes. Each "Item for Payment" shown in Exhibit A and each change order will be itemized on the invoice. Invoices for cost plus work, whether part of Exhibit A or a change order, must have subcontractor and/or supplier invoices attached to Contractor's invoice. Other format and support documents for invoices will be determined by District in advance of the first invoice cycle.

- C. Payments otherwise due may be withheld by District on account of defective Equipment not remedied, liens or other claims filed, reasonable evidence indicating probable filing of liens or other claims, failure of Contractor to make payments properly to its subcontractors or for material or labor, the failure of Contractor to perform any of its other obligations under the Agreement, or to protect District against any liability arising out of Contractor's failure to pay or discharge taxes or other obligations. If the causes for which payment is withheld are removed, the withheld payments will be made promptly. If the said causes are not removed within a reasonable period after written notice, District may remove them at Contractor's expense.
- D. Payment of the final progress milestone or any retention will be made by District upon:
1. Submission of an invoice for satisfactory completion of the requirements of a progress milestone as defined in Exhibit A and in the amount associated with the progress milestone;
 2. Written acceptance of the Equipment by District;
 3. Delivery of all drawings and specifications, if required by District;
 4. Delivery of executed full releases of any and all liens arising out of this Agreement; and
 5. Delivery of an affidavit listing all persons who might otherwise be entitled to file, claim or maintain a lien of any kind or character, and containing an averment that all of the said persons have been paid in full.
 6. If any person refuses to furnish an actual release or receipt in full, Contractor may furnish a bond satisfactory to District to indemnify District against any claim or lien at no cost to District.
- E. Acceptance by Contractor of payment of the final progress milestone pursuant to Section 7 - D will constitute a waiver, release and discharge of any and all claims and demands of any kind or character which Contractor then has, or can subsequently acquire against District, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement. However, payment for the final progress milestone by District will not constitute a waiver, release or discharge of any claims or demands which District then has, or can subsequently acquire, against Contractor, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement.

Section 8 - Schedule for Delivery.

- A. The time of Contractor's performance is of the essence for this Agreement. The Equipment will be delivered in accordance with the schedule set forth in Exhibit A. Contractor must immediately notify District in writing any time delivery is behind

schedule or may not be completed on schedule. In addition to any other rights District may have under this Agreement or at law, Contractor shall pay District the sum of \$100.00 for each calendar day for which the Equipment is unavailable beyond the scheduled delivery date(s) specified in Exhibit A.

- B. In the event that the Equipment is part of a larger project or projects that require the coordination of multiple contractors or suppliers, then Contractor will fully cooperate in scheduling the delivery so that District can maximize the efficient completion of such project(s).

Section 9 - Taxes.

- A. Per Section 2.B.9, prices quoted for the Equipment must be exclusive of Federal and State taxes, as the District is exempt from such taxes.
- B. Contractor will withhold, and require its subcontractors, where applicable, to withhold all required taxes and contributions of any federal, state or local taxing authority which is measured by wages, salaries or other remuneration of its employees or the employees of its subcontractors. Contractor will deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.
- C. All other taxes, however denominated or measured, imposed upon the price of the Equipment provided hereunder, will be the responsibility of Contractor. In addition, all taxes assessed by any taxing jurisdiction based on Contractor property used or consumed in the provision of the Equipment such as and including ad valorem, use, personal property and inventory taxes will be the responsibility of Contractor.
- D. Contractor will, upon written request, submit to District written evidence of any filings or payments of all taxes required to be paid by Contractor hereunder.

Section 10 - Independent Contractor.

Contractor enters into this Agreement as an independent contractor and not as an employee of District. Contractor shall have no power or authority by this Agreement to bind District in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of District. District shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors or subcontractors or any other person resulting from performance of this Agreement.

Section 11 - Subcontracts.

Unless otherwise specified, Contractor must obtain District's written permission before subcontracting any portion of the Equipment. Except for the insurance requirements in Section 13 - A, all subcontracts and orders for the purchase or rental of supplies, materials or equipment, or any other part of the Equipment, will require that the subcontractor be

bound by and subject to all of the terms and conditions of the Agreement. No subcontract or order will relieve Contractor from its obligations to District, including, but not limited to Contractor's insurance and indemnification obligations. No subcontract or order will bind District.

Section 12 - Title and Risk of Loss.

Unless otherwise agreed, District will have title to, and risk of loss of, all completed and partially completed portions of the Equipment upon delivery, as well as materials delivered to and stored on District property which are intended to become a part of the Equipment. However, Contractor will be liable for any loss or damage to the Equipment and/or the materials caused by Contractor or its subcontractors, their agents or employees, and Contractor will replace or repair said Equipment or materials at its own cost to the complete satisfaction of District. Notwithstanding the foregoing, in the event that the District has paid Contractor for all or a portion of the Equipment which remains in the possession of Contractor, then District shall have title to, and the right to take possession of, such Equipment at any time following payment therefor. Risk of loss for any Equipment which remains in the possession of Contractor shall remain with Contractor until such Equipment has been delivered or District has taken possession thereof. Contractor will have risk of loss or damage to Contractor's property used in the construction of the Equipment but which does not become a part of the Equipment.

Section 13 - Indemnification.

- A. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions, negligence or willful misconduct of Contractor, its officials, officers, employees, agents, subcontractors and subconsultants arising out of or in connection with the Equipment or the performance of this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses except such loss or damage which was caused by the sole negligence or willful misconduct of the District.
- B. Contractor's defense obligation for any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District, its officials, officers, employees, agents or volunteers shall be at Contractor's own cost, expense and risk. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse District and its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

- C. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, officers, employees, agents or volunteers.

Section 14 - Insurance.

- A. General. Contractor shall take out and maintain:
 - 1. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage;
 - 2. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per accident for bodily injury and property damage;
 - 3. Workers' Compensation in compliance with applicable statutory requirements; and
 - 4. If Contractor is also the manufacturer of any equipment included in the Equipment, Contractor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than \$1,000,000.
- B. Additional Insured; Primary; Waiver of Subrogation; No Limitation on Coverage. The policies required under this Section shall give District, its officials, officers, employees, agents or volunteers additional insured status. Such policies shall contain a provision stating that Contractor's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any additional insureds shall not be called upon to contribute to any loss, and shall contain or be endorsed with a waiver of subrogation in favor of the District, its officials, officers, employees, agents, and volunteers. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement.
- C. Insurance Carrier. All insurance required under this Section is to be placed with insurers with a current A.M. Best's rating no less than A-VII, licensed to do business in Nevada, and satisfactory to the District.
- D. Evidence of Insurance. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by the Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the District. All certificates and endorsements must be received and approved by the District before delivery commences. The District

reserves the right to require complete, certified copies of all required insurance policies, at any time.

- E. Subcontractors. All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- F. Freight. Contractor shall ensure that third party shippers contracted by Contractor have adequate insurance coverage for the shipped Equipment.

Section 15 - Liens.

- A. Contractor, subcontractors and suppliers will not make, file or maintain a mechanic's or other lien or claim of any kind or character against the Equipment, for or on account of any labor, materials, fixtures, tools, machinery, equipment, or any other things furnished, or any other work done or performance given under, arising out of, or in any manner connected with the Agreement (such liens or claims referred to as "Claims"); and Contractor, subcontractor and suppliers expressly waive and relinquish any and all rights which they now have, or may subsequently acquire, to file or maintain any Claim and Contractor, subcontractor and suppliers agree that this provision waiving the right of Claims will be an independent covenant.
- B. Contractor will save and hold District harmless from and against any and all Claims that may be filed by a subcontractor, supplier or any other person or entity and Contractor will, at its own expense, defend any and all actions based upon such Claims and will pay all charges of attorneys and all costs and other expenses arising from such Claims.

Section 16 - Termination of Agreement by District.

- A. Should Contractor at any time refuse or fail to deliver the Equipment with promptness and diligence, or to perform any of its other obligations under the Agreement, District may terminate Contractor's right to proceed with the delivery of the Equipment by written notice to Contractor. In such event District may obtain the Equipment by whatever method it may deem expedient, including the hiring of another contractor or other contractors and, for that purpose, may take possession of all materials, machinery, equipment, tools and appliances and exercise all rights, options and privileges of Contractor. In such case Contractor will not be entitled to receive any further payments until the Equipment is delivered. If District's cost of obtaining the Equipment, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Agreement, Contractor will be liable for and will pay the difference to District.
- B. District may, for its own convenience, terminate Contractor's right to proceed with the delivery of any portion or all of the Equipment by written notice to Contractor.

Such termination will be effective in the manner specified in such notice, will be without prejudice to any claims which District may have against Contractor, and will not affect the obligations and duties of Contractor under the Agreement with respect to portions of the Equipment not terminated.

- C. On receipt of notice under Section 16 - B, Contractor will, with respect to the portion of the Equipment terminated, unless the notice states otherwise,
 - 1. Immediately discontinue such portion of the Equipment and the placing of orders for materials, facilities, and supplies in connection with the Equipment,
 - 2. Unless otherwise directed by District, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to District; and
 - 3. Deliver only such portions of the Equipment which District deems necessary to preserve and protect those portions of the Equipment already in progress and to protect material, plant and equipment at the Equipment site or in transit to the Equipment site.

- D. Upon termination pursuant to Section 16 - B, Contractor will be paid a pro rata portion of the compensation in the Agreement for any portion of the terminated Equipment already delivered, including material and services for which it has made firm contracts which are not canceled, it being understood that District will be entitled to such material and services. Upon determination of the amount of said pro rata compensation, District will promptly pay such amount to Contractor upon delivery by Contractor of the releases of liens and affidavit, pursuant to Section 7 - C.

Section 17 - Miscellaneous Provisions.

- A. Assignment or Transfer. Contractor shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the District, which will not be unreasonably withheld. Provided, however, that claims for money due or to become due Contractor from the District under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the District.

- B. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

- C. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

- D. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit,

privilege or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

- E. Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.
- F. Interpretation. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.
- G. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.
- H. Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective Party.
- I. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- J. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- K. District's Right to Employ Other Contractors. District reserves its right to employ other contractors in connection with the Equipment.
- L. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relative to the Equipment specified herein. There are no understandings, agreements, conditions, representations, warranties or promises with respect to this Agreement, except those contained in or referred to in the writing.
- M. Limitation of Liability. In no event shall this Agreement be interpreted to waive the limitations of liability applicable to the District set forth in NRS Chapter 41 or other applicable law.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

Contractor:
STAR LIFTS USA
Agreed to:

By: _____
Mike Bandelin
Diamond Peak General Manager

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Approved as to Form:

Joshua Nelson
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

Date

Owner's address for giving notice:
INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451
775-832-1267- Engineering Division

Contractor's address for giving notice:
Star Lifts USA
PO Box 798
Sunapee, New Hampshire 03782
603-863-0241



**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)
dba
DIAMOND PEAK SKI RESORT
REQUEST FOR PROPOSALS
Diamond Peak Ski Resort Conveyor Surface Lift Procurement**

July 12, 2021

SECTION 1 – REQUEST FOR PROPOSALS

Sealed proposals will be received at the offices of the Engineering Division, Incline Village General Improvement District (IVGID or District), 1220 Sweetwater Road, Incline Village, Nevada 89451, until 3:00 p.m., July 22, 2021, at which time they will be publicly opened and read for:

Diamond Peak Ski Resort Conveyor Surface Lift Procurement

IVGID is accepting proposals to provide one (1) new Surface Conveyor Lift for use at the District's Diamond Peak Ski Resort.

Complete Proposal Documents may be obtained at the IVGID Engineering office, or downloaded from our website, at <https://www.yourtahoeplace.com/ivgid/resources/purchasing>. It is the Bidder's sole responsibility to obtain a complete set of documents.

All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist, which is included with the Proposal Documents. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting, anticipated to be on August 10, 2021, to award a procurement contract to the most qualified lowest responsive bidder.

The District reserves the right to reject any or all proposals and to waive any irregularities therein.

To request a copy of the Proposal Documents or if you have any questions concerning this procurement bid, contact the District Engineering Office at 775-832-1267.

SECTION 2 INSTRUCTIONS AND GENERAL CONDITIONS

A. GENERAL PROPOSAL INFORMATION

1. SCOPE AND INTENT:

It shall be the intent of this Invitation to Bid to select a vendor(s) to provide one (1) conveyor surface lift for the District's Diamond Peak Ski Resort meeting the technical specifications included herein. The merchandise proposed shall be the model in manufacturer's product line that best meets the intent of the technical specifications. Diamond Peak Ski Resort shall utilize the conveyor surface lift to transport skiers and snowboarders at the ski resort. These bid specifications are intended to set minimum acceptable standards for such merchandise.

2. PROPOSAL RESPONSES: It is assumed that all responses to this proposal specification are on behalf of the Bidder acting either as an authorized dealer or distributor for the manufacturer



of the items being proposed and that these responses are supplied by the manufacturer. If this is not the case, Bidder shall explain, in writing in a statement to be enclosed with the proposal.

3. **PROPOSAL EVALUATION:** All proposals will be evaluated to determine the most qualified lowest responsive proposal. Proposal exceptions are permissible, provided that what the Bidder is offering meets the intent of the proposal specifications, as determined by the Buyer. Proposals will be weighted on Section 3.

B. SUBMISSION OF PROPOSALS

1. Proposals shall be submitted in a **sealed opaque envelope**, with the outside clearly marked as follows:

"Diamond Peak Conveyor Surface Lift Bid"

- Bidders are cautioned to mark their envelopes clearly and plainly. If the envelope is not so marked and the Proposal is opened by mistake prior to the specified date and time, the Proposal will **NOT** be considered.
 - All Proposals must be sealed. Proposals submitted unsealed, by telephone, email or facsimile will **NOT** be accepted.
2. Sealed proposals will be received at the offices of the IVGID Engineering Division, 1220 Sweetwater Road, Incline Village, Nevada 89451, until the date and time specified in Section 1, at which time they will be publicly opened and read.
 3. Late, incomplete or unsigned Proposals shall receive no consideration.
 4. Proposals shall be made on the forms provided herein and all blank spaces in the forms shall be filled in. The Bidder or an authorized agent must sign all Proposals.
 5. The District assumes no responsibility for errant delivery of Proposals, including those relegated to a courier agent who fails to deliver in accordance with the time and receiving point specified.
 6. Proposals may be withdrawn by written notice, provided the notice of withdrawal is received prior to the Proposal opening time.
 7. Proposals are subject to acceptance at any time within sixty (60) days after the Proposal opening.
 8. Prices must be stated in units specified. Prices for initial purchase quantities must be effective until delivery.
 9. Prices quoted must be exclusive of Federal and State taxes, as IVGID is exempt from such taxes.

C. DELIVERY INFORMATION:

1. Shipping is FOB Destination. Merchandise purchased shall be delivered to the Diamond Peak Ski Resort preferably no later than November 1, 2021. Bidder to list alternately-proposed delivery date in the Bid Form, if after said date. Diamond Peak is located at 1210 Ski Way, Incline Village, Washoe County, Nevada 89451. Exception 1
2. Liquidated Damages: Supplier and IVGID recognize that time is of the essence with this procurement and that the District will suffer financial loss if delivery of the Conveyor Surface

Lift is not completed within the time specified in Paragraph C.1., above, or as may be agreed upon in awarded Purchase Agreement, based on proposed delivery date provided with Bid. The parties also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by the District if the Conveyor Surface Lift are not received in time. Accordingly, instead of requiring any such proof, District and Supplier agree that, as liquidated damages for delay (but not as a penalty), Supplier shall pay District \$100 for each day that expires after the time specified in Paragraph C.1., above, until all merchandise is delivered.

D. COMPLETE PROPOSAL PACKAGE:

1. A complete Proposal shall include this document, pages 1 through 7 inclusive, together with the following:
 - a. Warranty information per Section 5 of this Proposal Package Exception 2
 - b. A guarantee to provide 24-hour service/technical support during our operating season.
2. To aid in the proposal evaluation process, the proposal package submitted by Bidder should also include product specifications, brochures, pictures and other support data for the merchandise proposed.

F. FIRM PRICING REQUIRED: Prices submitted shall remain firm for all deliveries specified in this Invitation and Proposal. For any additional orders, bidders shall guarantee their prices for a minimum of one (1) year from proposal award exclusive of itemized shipping costs. District reserves the right to purchase additional items at any point during the three (3) year product availability guarantee. Exception 3

G. EXCEPTIONS:

1. Proposals shall note any and all exceptions to the specifications and/or the terms and conditions that are contained herein.
2. All exceptions to the proposal must be stated in writing on the Proposal Form, so that they may be considered. If exceptions are not stated, it will be assumed that the bidder meets all requirements.

H. DAMAGED GOODS: Damaged goods shall be replaced by the successful bidder at no cost to the District, whether damage is observed at time of delivery or upon the unpacking of the equipment. District is to notify supplier within 2 weeks of discovery of any damaged or faulty goods. Such notice shall be provided in writing.

I. TERMS AND CONDITIONS: Bidders shall be aware of, and agree to abide by, the terms and conditions contained in this Invitation and Proposal.

J. OPEN MEETING LAW: The Incline Village General Improvement District shall adhere to NRS 241 which provides that public business shall be conducted in an open meeting.

K. DISCLOSURE OF PRINCIPALS: Bidders shall complete and return with their Proposal response, the attached copy of the form titled "Disclosure of Principals."

- L. ACCEPTANCE AND/OR REJECTION OF PROPOSALS:** IVGID agencies shall reserve the right to accept or reject any or all resultant proposal response, or parts thereof, including but not necessarily limited to, alternatives offered. Such acceptance and/or rejection shall be based solely on the considered value of such offers to the District.

SECTION 3 PROPOSAL EVALUATION CHECKLIST

- A.** Proposals shall be reviewed for responsiveness by District staff on the following parameters:
- Conformance to the Specifications
 - Unit cost
 - Warranty
 - Defined Exceptions

SECTION 4 SURFACE CONVEYOR LIFT TECHNICAL SPECIFICATIONS:

A. GENERAL INFORMATION

All proposals will be evaluated by District Staff for responsiveness in accordance with the Proposal Evaluation Checklist included in Section 3. Following this evaluation, District Staff will make a recommendation to the IVGID Board of Trustees at its next regularly scheduled Board Meeting, anticipated to be on **August 10, 2021**, to award a procurement contract to the lowest responsive qualified bidder.

B. REQUIREMENTS/EXPECTATIONS OF SURFACE CONVEYOR LIFT

- Conveyor shall be constructed to meet the ANSI B77.1 - 2017 Standards. Successful Bidder shall provide Engineering submittals and certifications showing compliance with ANSI B77.1 - 2017
- Conveyor shall accommodate a desired travel length of 50' (15.24 meters)
- Conveyor belt shall be a minimum of 24" (610 mm) wide and be equipped with a mechanical splice
- Special tools required for service of conveyor and belt splice shall be included
- Conveyor shall be equipped with walkways of a minimum 18" (457 mm) in width
- Conveyor shall be equipped with a desired top drive and bottom return terminal
- Conveyor mid-sections shall be equipped with a galvanized finish
- Conveyor belt tensioning system shall be equipped with a **hydraulic tensioning mechanism or equivalent.** ← Exception 4
- Conveyor shall be equipped with a variable frequency drive designed for a 480VAC 60 Hz 3-ph power supply
- Conveyor belt shall be capable of a speed of 0.8 m/s (160 fpm)
- Conveyor low voltage control system shall be equipped with a fault annunciation panel and certified as a UL industrial control panel or equivalent

- ❑ Conveyor shall be equipped with an exterior mounted drive control cabinet
- ❑ A detailed operation and maintenance manual must be provided
- ❑ Conveyor shall be equipped with an additional Stop including a 20' cord and quick connect plug to control cabinet
- ❑ Height adjustable support jacks shall be included per design specifications

Bidder should list any optional equipment and pricing to the proposed surface conveyor lift on their proposal.

Bidders may submit multiple separate bid proposals for additional products that they feel may meet or exceed these bid specifications.

SECTION 5 PRODUCT WARRANTY

- A. General:** All warranty offerings from the manufacturer shall cover the quality of labor, workmanship and materials that go into the combination of components that make up the complete equipment. Warranty conditions and limitations considered standard in this equipment's manufacturing industry are acceptable.

As a condition of product final acceptance, all warranties offered from all manufacturers shall be available in written form and be included, properly filled out, with the merchandise when delivered. All warranties shall be directly from the appropriate manufacturer of that portion of the merchandise, and not modified or backed by a subsequent manufacturer who performed work on the merchandise at a later stage in the manufacturing process.

- B. Basic Warranty:** Total shall be covered for materials and workmanship for a minimum of one (1) year from the date of the Buyer's first use.

Exception 5

All warranty work required during the operating season shall be completed in a time period not to exceed two (2) weeks. All warranty work stated above shall be at no cost to IVGID, including materials, labor, travel time, and travel expense and/or equipment transportation.



SECTION 6 PROPOSAL FORM

Multiple bids may be submitted based on Bidder's proposed equipment, and must be provided separately, using additional copies of this Form.

The undersigned vendor shall provide a new Surface Conveyor Lift meeting the specifications listed in the Request for Proposals dated July 12, 2021.

A price should be stated in both numbers and in words in the spaces provided on this form.

Proposals returned on a form other than this one will not be accepted.

Description	Bid Price in Numbers	Bid Price in Words
Surface Conveyor Lift	\$ 49,995.00	Forty Nine Thousand Nine Hundred
		Ninety Five and no cents

Bidder can meet the required November 1, 2021 delivery date: Yes No
 If "No," what delivery date does Bidder propose: See Exception 1

Describe Any Optional Equipment Proposed	Bid Amount
'Blue-Eye' belt surface in lieu of 'Rufftop' belt surface	\$ 1,640.00 additional
Rotating powered snow brush to clean belt surface	\$ 1,320.00 additional
Drive drum surface hot air blower system	\$ 2,610.00 additional
	\$
	\$
	\$

Exceptions (attached additional pages if necessary): See attached page with 10 exceptions

Firm Name: Star Lifts USA, Inc.

Signature of Bidder: 

Date: July 20, 2021 Phone # (603) 863-0241

Title: Vice President Email: conor@starlifts.com



SECTION 7 DISCLOSURE OF PRINCIPALS

PRINT OR TYPE:

Firm Name: Star Lifts USA

Address: PO Box 798

City, St, Zip: Sunapee, NH 03782

Date Business Started: 1998

Principal Address of Company: PO Box 798, 52 Depot Rd
Sunapee, NH 03782

NAMES OF OFFICERS, MEMBERS, OR OWNERS OF CONCERN, PARTNERSHIP

Name: Emanuel Wohlfarter Official Capacity: President

Address: PO Box 798, 52 Depot Rd, Sunapee, NH 03782

Name: Conor Rowan Official Capacity: Vice President

Address: PO Box 798, 52 Depot Rd, Sunapee, NH 03782

Name: _____ Official Capacity: _____

Address: _____

END OF PROPOSAL DOCUMENT



22 July 2021

EXCEPTIONS TO IVGID dba DIAMOND PEAK SKI RESORT RFP FOR CONVEYOR LIFT dated 12 July 2021:

1. Section 2.Paragraph C.1 (Alternately-proposed delivery date): Equipment shall be delivered within 18 weeks (126 days) of the date that the procurement contract is awarded.
2. Section 2. Paragraph D.1.b (Service/technical support): The service guarantee shall be from 8 AM to 5 PM (local time at Diamond Peak), including weekends and holidays, during the winter operating season.
3. Section 2. Paragraph F (Price guarantee): Pricing for any additional orders beyond the (1) conveyor shall be guaranteed for a maximum of 60 days from the proposal award.
4. Section 4. Paragraph B (Conveyor belt tensioning system): The conveyor belt tensioning system shall be equipped with a equivalent 'dual screw thread tensioning with tension force indicator'. (This system has been proven in service for conveyors up to 200 ft length since 2001).
5. Section 5. Paragraph B (Warranty length): Total shall be covered for materials and workmanship for a minimum of two (2) years from the date of delivery of the conveyor.
6. The RFP does not include (must be supplied by Buyer):
 - Off-loading equipment from trucks or out of containers upon arrival at ski area.
 - Ground profile survey, design layout, snow vault design.
 - Any costs in connection with government or authority having jurisdiction permits.
 - Any additional engineering or submittals required for obtaining local building permits.
 - Any required signs, fencing, or other materials for operational requirements.
 - Communications system and/or related wiring between the top and bottom terminals.
 - External grounding, GFI, and/or lightning protection.
 - Material or labor for any anchorages, foundations, cribbing, snow vaults, or enclosure anchorages.
 - Assembly and construction (mechanical or electrical) of conveyor, wind anchors, foundations, snow-pits, or skirting.
 - Material or labor to supply 480V 3 phase power to SunKid control cabinet on drive terminal (including sourcing and installing isolation or step-down transformer, if required).
7. Scope of engineering work under this RFP is limited to:
 - Verification of conveyor equipment design conformance to the ANSI B77-2017 Standard.
 - Development of the Acceptance Testing procedures.
 - Attendance during the Acceptance Testing.
 - Verification of construction in accordance with the conveyor equipment drawings and specifications.
 - Verification of electrical system acceptance test.
 - Delivery of Acceptance Testing results including software security procedures.
8. Guarding: Buyer shall make provisions to keep the public away from the return belt and any moving components other than the up-going belt.
9. Force Majeure: No party shall be responsible to the other party for delay or failure in performance of any the obligations imposed by this Agreement, provided such failure shall be occasioned by fire, flood, explosion, lightning, wind storm, hailstorm, earthquake, failure of machinery or equipment or supply of materials, court order or governmental interference, terrorist attacks, civil commotion, riot, war, strikes, labor disturbances, transportation difficulties, labor shortage, or by any other cause of like or unlike nature beyond the reasonable control and without fault or negligence of such party.
10. Full payment due upon delivery of conveyor to Diamond Peak Ski Resort (net 30).



**Proposal for 50 ft
Snow School Conveyor
At Diamond Peak Ski Resort, NV
(belt conveyor)**



22 July 2021



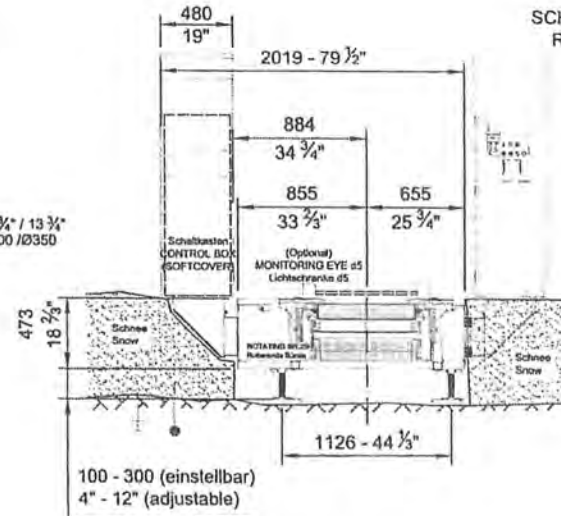
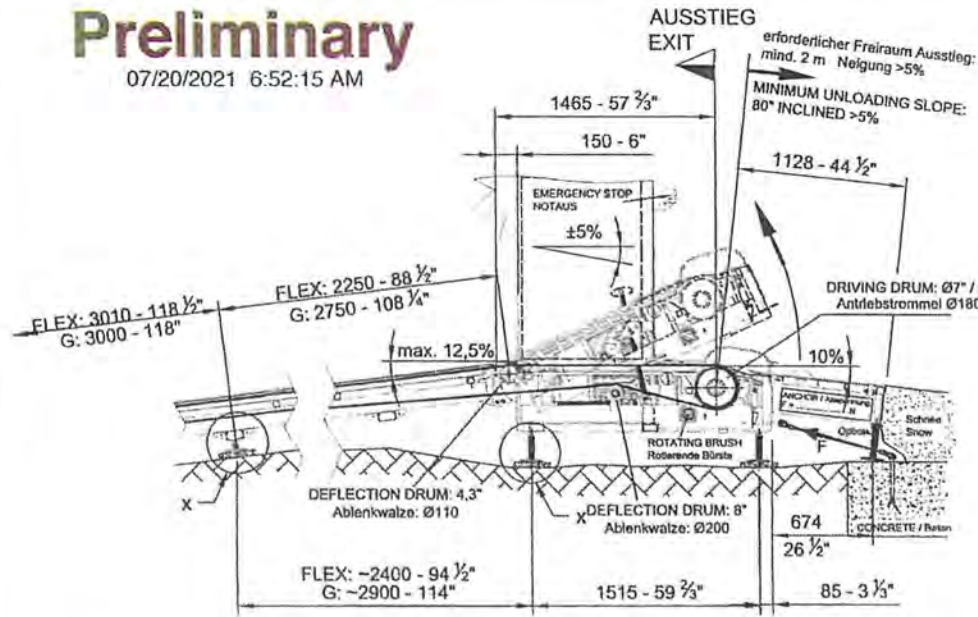
Prepared for: **InclineVillage GID dba
Diamond Peak Ski Resort**
1210 Ski Way
Incline Village, NV 89451

Description	Total (USD):
<p><u>50-ft SunKid Conveyor with 'Endless Belt' technology:</u> (1450 pph @ 0.8m/s (160 fpm) at 6.6 ft spacing and <15% avg. grade)</p> <ul style="list-style-type: none"> o Top Drive terminal consisting of a 'Standard' drive terminal w/ a 3.0 kW (5 hp) gearmotor drive, 180 mm drive drum, hinged terminal covers, and ABB variable frequency drive designed for 480VAC 60 Hz 3-ph power supply. o Exterior mounted pedestal drive control cabinet w/ SunKid foam cover. o Low voltage control system with fault annunciation panel, Pluto S20 safety PLC, Mitsubishi fault annunciation PLC, Adam safety sensor monitored transition stop gate & step plate, and start warning tone. Panel is cUL certified as Industrial Control Panel. o Bottom Return terminal with 'Standard' return terminal with screw thread tensioning, 200 mm (8") return drum, and adjustable inclined entrance ramp. o Hinged & quick removable panels for easy top entry access to the Drive and Return Terminals. o 24"-wide 400/3-ply belting <ul style="list-style-type: none"> • "Rufftop" standard belt surface • Mechanical splices (RS187) o 'Type-G' galvanized midsections 3m long (~10-ft) w/ belt edge guides. (qty. 4) <ul style="list-style-type: none"> • Superslide smooth HDPE belt running surface • Walkways (18" wide) w/ belt edge guides & fleece covering between belt edge guides and Gallery enclosure walls. • Open-bottom frame to eliminate snow and ice from being trapped within the conveyor machinery. • 12" adjustable staging jacks every 3 m (10 ft) for fine tune leveling. o Basic Maintenance package that includes 4x 24" splice rods, Adam safety switch, proximity sensor, basic hand tools, and belt clamping & pulling system for splicing. o Designed and built to meet the ANSI B77.1-2017 Standard. o Engineering Submittals and certifications showing compliance with ANSI B77.1-2017 Standard. o Delivered DDP Diamond Peak, NV base area parking lot per Incoterms 2010. 	<p>\$ 49,995.00</p>
<p>Options:</p> <p>"Blue-Eye" Belt surface w/ soft rubber dots on a hard rubber primary belt: superior user traction, and improved snow shedding performance in lieu of 'Rufftop" belt surface-ADD:</p> <p>Rotating Snow Brush to clean belt surface (powered by separate gearmotor)-ADD:</p> <p>Drive Drum Surface Hot Air Blower System for minimizing drum glazing-ADD:</p>	<p>+ \$ 1,640.00</p> <p>+ \$ 1,320.00</p> <p>+ \$ 2,610.00</p>

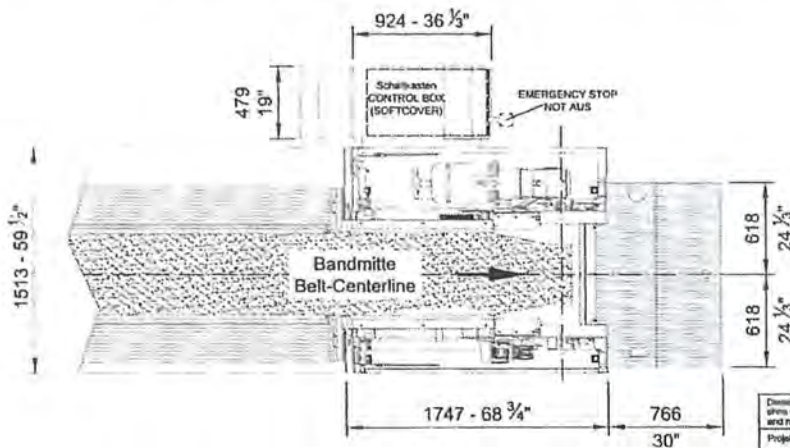


Preliminary

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Optional:
CONTROL BOX ON
RIGHT SIDE
SCHALKASTEN AUF
RECHTER SEITE



Detail X - Stellfuß / ADJUSTMENT LEG
(ohne Maßstab / WITHOUT SCALE)

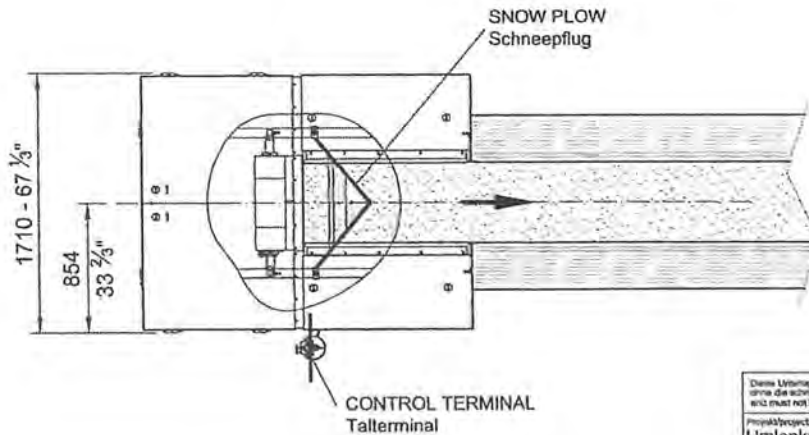
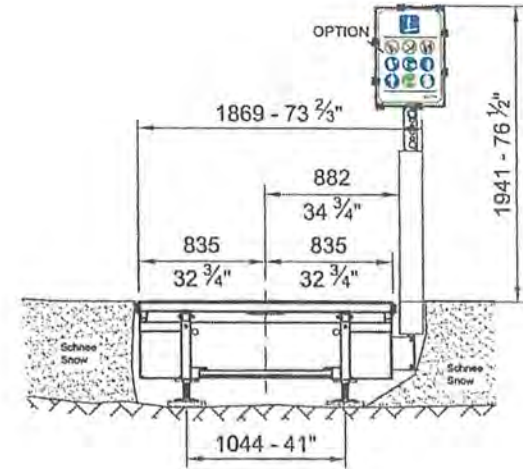
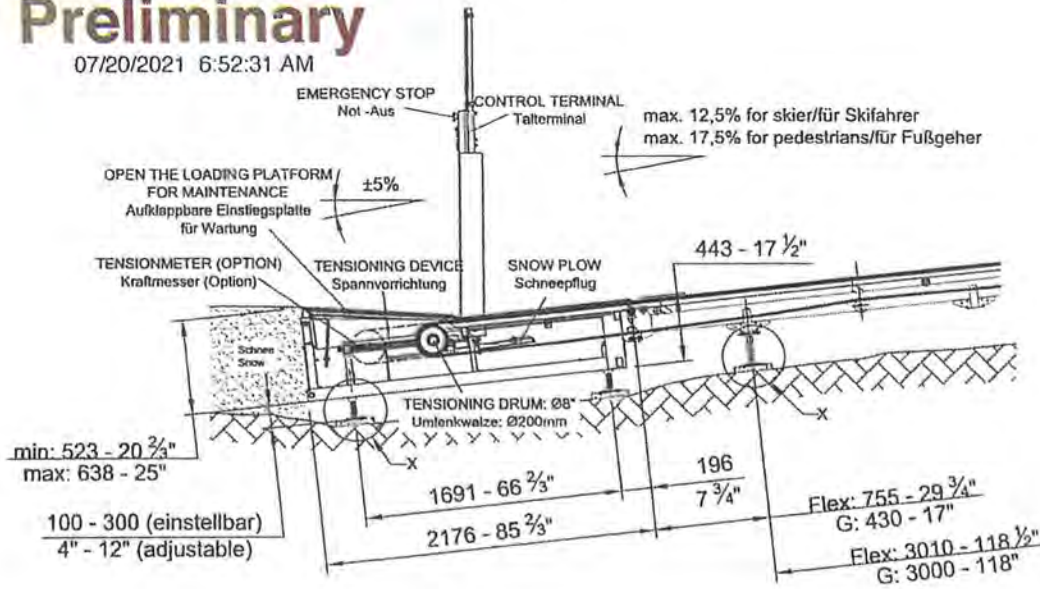
<p>Unterlage für Stellfüße support for adjustment legs</p>	Belastung "F" pro Stellfuß LOAD "F" PER ADJUSTMENT LEG	
	Mittelsegment MIDDLE SECTION	3000N
	Antriebsstation DRIVING STATION	6500N

MASSE IN MM
MEASURES IN MM

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<p>Projektprojekt: Antriebsstation 2,2 - 11kW Ausstieg + Abspannung DRIVE STATION 2,2 - 11kW EXIT + ANCHOR</p>	<p>Hersteller/Manufacturer: BRUCKSCHLÖGL GMBH MAGSCHNIEDERBAUFORDITENBERG 4322 BAD GLEICHENBERG A-4322 Bad Gleichenberg, Austria / Tel. 132</p>	<p>Produkt/Product: SUNKID ZAUBERTEPPICH SUNKID MOVING CARPET</p>	<p>Revised/ Medienrange SKD 26 Datum/Date 28.01.2021</p>
<p>entwurf durch/ designed by: - Anspruchspartner/ Responsibility: -</p>	<p>entwurf mit AutoCAD LT 2014</p>	<p>Detail/Details: Endlosband - 600mm breit/BELT - 24" WIDE</p>	<p>Medienart/ Scale 1:30 (A3) Seite/Page 1/1</p>
		<p>EDV Nr.: m21-10-101.dwg</p>	

Preliminary

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Detail X - Stellfuß / ADJUSTMENT LEG
(ohne Maßstab / WITHOUT SCALE)

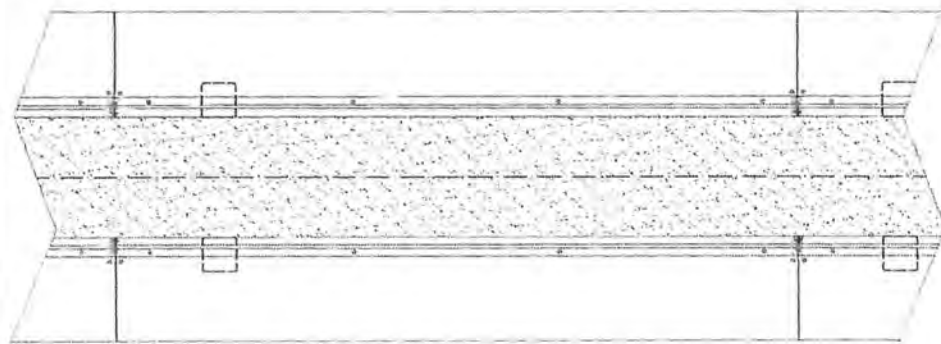
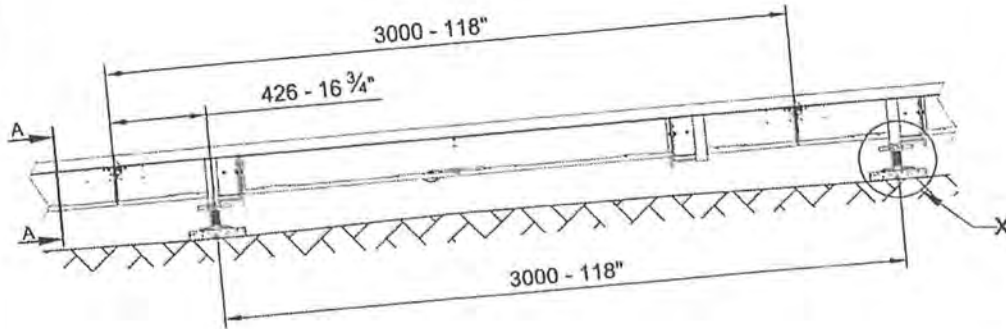
<p>Unterlage für Stellfüße support for adjustment legs</p>	Belastung "F" pro Stellfuß LOAD "F" PER ADJUSTMENT LEG	
	Mittelsegment MIDDLE SECTION	3000N
	Umlenkstation RETURN STATION	2500N

MASSE IN MM
MEASURES IN MM

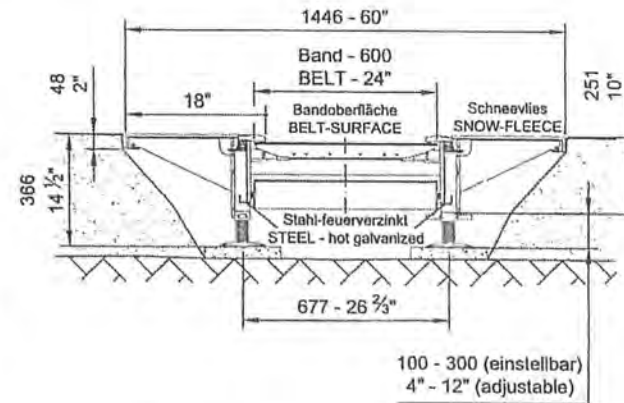
<p><small>Diese Unterlagen sind Eigentum der Firma Bruckschlögl Österreich, 4822 Bad Gleichenberg und dürfen als Ganzes oder teilweise weder vervielfältigt noch Dritten ohne schriftliche Genehmigung der Eigentümerin zur Verfügung gestellt werden. These documents remain the sole property of Bruckschlögl Österreich, 4822 Bad Gleichenberg and must not be copied or reproduced in whole or in part or made available to third parties without written permission from the owners. Violation signifies compensation for damages.</small></p>			
<p>Projektbezeichnung: Umlenkstation Standard RETURN STATION STANDARD and LOADING AREA</p>	<p>Hersteller/Manufacturer: BRUCKSCHLÖGL OES.M.E.H. MASCHINENBAU / ORDNUNGSTECHNIK GEBÄUDETECHNIK A-4822 Bad Gleichenberg am Hallstättersee / No 132</p>	<p>Produktprodukt: SUNKID ZAUBERTEPPICH SUNKID MOVING CARPET</p>	<p>Struktur-/ Modellrange SKD 26</p>
<p>Erstellt von: LP</p>	<p>Geprüft von: MIO</p>	<p>Detailmaßstab: Endlosband - 600mm breit / BELT - 24" WIDE</p>	<p>Datum/Date 01.02.2021</p>
<p>erstellt mit AutoCAD LT 2014</p>	<p>EDV Nr.: m21-10-201_8600.dwg</p>	<p>Maßstab/ Scale 1:30 (A3)</p>	<p>Seiten/Pages 1/1</p>

Preliminary

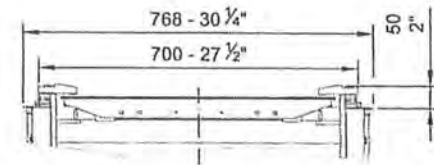
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Querschnitt A-A (Maßstab 1:15)
CROSS SECTION A-A (SCALE 1:15)



Optional ohne Abdeckung
(Maßstab 1:10)
OPTIONAL WITHOUT
WALKWAY DESIGN
(SCALE 1:10)



Detail X - Stellfuß / ADJUSTMENT LEG
(ohne Maßstab / WITHOUT SCALE)



Belastung "F" pro Stellfuß
LOAD "F" PER ADJUSTMENT LEG

Mittelsegment
MIDDLE SECTION

3000N

MASSE IN MM
MEASURES IN MM

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Projekt/project: Mittelsegment Type G 18 Zoll - Abdeckung MIDDLE SECTION TYPE G 18 INCH - COVER	Hersteller/Manufacturer: BRUCKSCHLÖGL GMBH MASCHINENBAU FÜR ELEKTROTECHNISCHE BELASTUNGSTECHNIK A-4822 Bad Gleichen 61111, Österreich / Austria	Produkt/product: SUNKID ZAUBERTEPPICH SUNKID MOVING CARPET	Zeichnung/ Model range: SKP 28 Datum/Date: 01.02.2021
erstellt durch/ created by: LP	Approbierter partner/ Representative: MO	Details/details: Endlosband - 600mm breit/BELT - 24" WIDE	Maßstab/ Scale: 1:20 (A3) Seiten/Pages: 1/1
erstellt mit AutoCAD LT 2018		EDV Nr.: m21-10-301_18Z.dwg	



Project Summary

Project Number:	3467LE1703
Title:	Replace Child Ski Center Surface Lift
Project Type:	D - Capital Improvement - Existing Facilities
Division:	67 - Child Ski Center
Budget Year:	2022
Finance Option:	
Asset Type:	HE - Heavy Duty Service Equipment
Active:	Yes

Project Description					
This project describes the procurement and replacement of the original 1997 Surface Lift at Diamond Peak located within the Child Ski Center Program learning area.					
Project Internal Staff					
Mountain and Operations staff will oversee the selection and procurement and installation of the equipment.					
Project Justification					
The Diamond Peak Child Ski Center offer ski lessons to our customers and community programs to Children ages 3 -7 years old. The learn to ski program is designed with children using the Surface Lift in the lesson prior to the progression of ridding the Schoolhouse lift. The current surface lift was purchased and installed in 1997 and is due for replacement as the equipment and machinery is nearing the end of its useful life. The general purpose of this project is to improve our facilities through required maintenance and replacement improvements that directly or indirectly reflect on our guest's experience. This project is designed to maintain the value of the Diamond Peak Ski Resort asset and customer service.					
Forecast					
Budget Year	Total Expense	Total Revenue	Difference		
2022					
Child Ski Center Surface Lift	75,000	0	75,000		
Year Total	75,000	0	75,000		
	75,000	0	75,000		
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner	
2017	Jul 1, 2021	Jun 30, 2022	Ski Resort General Manager		



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

PURCHASE ORDER

P.O. NUMBER	DATE
22-0053	08/02/2021

THIS NUMBER MUST APPEAR ON ALL INVOICES PACKING LISTS, LABELS, BILLS OF LADING AND CORRESPONDENCE

Vendor Name, Address, and Number	Ship To Address And Phone Number	Please Send Invoices To
2498 Star Lifts USA, Inc P.O. Box 798 Sunapee, NH 03782	775-832-1100	Incline Village GID 893 Southwood Blvd. Incline Village, NV 89451 75-832-1100 ap@ivgid.org

*** This is Not an Approved PO ***

LINE NO.	QUANTITY	UOM	ITEM AND DESCRIPTION	UNIT COST	EXTENDED COST	GL Coding
1	1.00	Each	Procurement purchase per NRS 332: Replace Surface Ski Lift 2021/2022 Capital Improvement Project; Ski #3467LE1703; Vendor; Star Lifts USA	\$55,565.00	\$55,565.00	340-34-990-8120 Project # 3467LE1703

TOTAL	\$ 55,565.00
--------------	---------------------


Comments:
USER ID

The District is granted Tax Exempt Status by the State of Nevada, State ID 88-7600004-K, therefore any goods or services delivered to the District within the boundaries of the State of NV are exempt from NV sales and use tax.

All shipments should be freight prepaid F.O.B. destination. Unauthorized shipments will be returned at the seller's expense Title and risk of loss on all items shipped shall pass to the buyer at the F. O. B. destination.

Payments of all invoices is net 30 unless expressly written and acknowledged in writing by the District's Director of Finance or Controller. IVGID's Federal Tax ID Number is 88-0099974.

I CERTIFY THAT THE ABOVE PURCHASE IS FOR AN EXPENDITURE AS DEFINED BY NRS 354.520 OR AN EXPENSE UNDER NRS 354.523 AND THAT THE PURCHASE ORDER HAS BEEN ENCUMBERED AS DEFINED BY NRS 354.516.


Indra Winquest General Manager

MEMORANDUM

TO: Board of Trustees

FROM: Ray Tulloch
Audit Committee Chair

SUBJECT: Annual Report to Board of Trustees from Audit Committee

DATE: July 30, 2021

I. BACKGROUND

Under Board Policy 15.1.2.9 the Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

At the Audit Committee meeting on July 13, 2021, the Audit Committee reviewed a draft of Audit Committee actions during the previous year and also discussed and reviewed Audit committee compliance with, and completion of, a checklist of delegated responsibilities for the Audit Committee as specified in Board policy 15.1.0.

II. Actions

Based on discussions and review the Audit Committee members prepared the attached Exhibits A&B for the consideration of the Board as requested by Chair Callicrate at the Board meeting of July 13.

As the Board will see from Exhibit A, the audit Committee has had a high success rate in meeting its responsibilities. The review process also helped the committee identify some of the responsibilities that were no longer applicable and which the committee will incorporate in their scheduled review of Board Policy 15.1.0.

Exhibit B provides details of the meetings of the Audit Committee during the year and the topics covered. This involved a total of 14 meetings and with a duration of over 40 hours

It is the Committee's view that, for a first year of operation under the revised policy 15.1.0, this represents a successful record which has also provided the community with additional transparency on financial aspects of the District's operations.

The Committee will be happy to discuss further with the Board.



EXHIBIT A

July 30, 2021

Audit Committee annual Report to Board of Trustee assessing the results of its fulfillment of its duties and responsibilities required by Policy 15.1.2.9

2.0	Responsibilities	
2.1	Be independent, effectively communicate, and reinforce accountability	Accomplished
2.2	External independent audit procurement process	
2.2.1	Request for Proposal RFP	Completed
2.2.2	Select Auditor	Completed
2.3	Recommend to the Board of Trustees an external auditor	
2.3.1	Recommendations on scope of work and funds to be audited	Completed
2.3.2	Identify and recommend additional services	No recommendation at this time
2.3.3	Board action to designate auditor	Board Responsibility
2.3.4	Replace auditor when appropriate	Completed
2.3.5	Approve scope of work and audit plan by June of each year	Completed
2.4	Facilitate the external audit process	
2.4.1	Review and approve formal reports submitted to external auditor	Unable - not provided to AC
2.4.2	Provide an independent forum for auditors to report findings or difficulties	Accomplished
2.4.3	Review the Auditors' report of findings and recommendations with management and the auditor	Completed
2.4.4	Review the 2020 CAFR	Accomplished, minimal time available due to delayed submission
2.4.5	Follow -up on any corrective action identified	Completed
2.4.6	Submit an annual Report of the Board of Trustees of the Audit	Completed
2.4.7	Assess the performance of the independent auditors	Completed
2.5	Review financial statements quarterly and annually for fair and accurate reporting	N/A Quarterly reports are submitted directly to the Board
2.5.1	Review change in accounting policy	Accomplished via Moss Adams Report
2.5.2	Ensure accounting policies are followed	No authority
2.5.3	Review any off-balance sheet financing	No off-balance sheet financing identified
2.6	Review the framework of internal controls - ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.	Work in progress
2.6.1	Review the annual internal control audit plan	Not provided
2.6.2	Review managements annual assessment of their internal controls for prior year's audit plan.	Not provided
2.6.3	Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be acceptable in any form.	Developed Whistle blower procedure
2.6.4	Committee may identify a need to engage an external internal auditor	Under review
2.7	Periodically review the Districts Code of Conduct	Not Done
2.8	Review and refine the procedures for the receipt, retention and treatment of complaints	Whistle blower procedure
2.9	Submit annual report to the board of Trustees assessing the results of its fulfillment of its duties	As attached for August 10 meeting
3.0	Meetings	
3.1	Meeting conducted according to state requirements	Accomplished
3.2	Meeting held once per quarter	14 Meetings

3.3	Review correspondence to determine action. If needed assign responsibility to investigate and resolve to the appropriate organizational leader	Accomplished Moss Adams & Management
3.4	Review past correspondence with action outstanding . Ensure responses is taken in a timely manner	No authority
3.5	Committee may Invite members of management	Accomplished
3.6	Committee Chair to establish agenda and provide briefing materials	Accomplished
3.7	Annual meeting to be held with external auditor, General Manager, the Director of Finance, legal counsel and anyone else to review the annual financial statements and the Comprehensive Annual Financial Report and auditors letter of findings	Accomplished

EXHIBIT B

July 30, 2021

History of Audit Committee Meetings for fiscal year ending June 30, 2021

July 29, 2020 (1 hour 34 minutes)

- Acknowledgement of new Audit Committee members
- Review Board Policy 15.1
- Review Members Roles and Responsibilities
- Elected Matthew Dent as Chairman
- Review liaison to Edie Bailly
- documented by Clifford Dobler and Linda Newman POSTPONED
- Verbal Update of Audit by Director of Finance
- Audit Time line 6-8-2020 to 10-30-2020
- Presentation of IVGID System of Internal Controls by Director of Finance - POSTPONED
- Referral of 14 point of errors in 2019 CAFR by Cliff Dobler and Linda Newman - REMOVED

August 19, 2020 (2 hours and 55 minutes)

- Long Range Calendar
- Nominated Matt Dent as liaison with Eddie Bailly
- Presentation by Director of Finance on IVGID System of Internal Controls
- Director of Finance response to 14 points of errors in 2019 CAFR submitted by citizens Dobler and Newman
- Legal Counsel Joshua Nelson response to Dillion's Rule relating to Donations and Employee Benefits

September 1, 2020 (1 hour 51 minutes)

- Long Range Calendar - Concern about obtaining information from management
- Engagement of Moss Adams to report on four issues regarding accounting and reporting
- Discussion with Josh Nelson on Dillion's rule applying to donations and employee expenditures - Nelson to provide a written opinion.
- Discuss citizens communication of improper use of Ad Valorem Taxes - Josh Nelson researched and found use was proper

September 30, 2020 (1 hour 51 minutes)

- Director of Finance VERBAL update on 2019/2020 CAFR

- Discussion of Timeline for an RFP for an Independent Auditor for fiscal year 2020/2021 - At large members Dobler and Aaron to draft RFP - Staff on vacation.
- Review Whistleblower procedure for financial matters - requested by Indra Winquest (POSTPONED)
- Review of legal Opinion by Josh Nelson regarding application of Dillion's Rule relating to Donations, Community Programming and Employee expenditures. (POSTPONED)

October 27, 2020 (2 hours 42 minutes)

- Director of Finance VERBAL update on Internal Controls
- Approve RFP for Independent Auditor for fiscal year 2020/2021
- Review and provide feedback on 2019 MD&A, Transmittal Letter, Welcome Letter
- Long Range Calendar

November 19, 2020 (5 hours 55 minutes)

- Discussion of MATERIALITY with Tiffany Williamson, representative of Eide Bailey
- Reviewed and discussed DRAFT Basic Financial Statements and Supplemental Schedules
- Reviewed status of Moss Adams report on accounting and reporting matters
- Extension Request to the Department of Taxation to file the CAFR
- Update on RFP for new external auditor
- Director of Finance VERBAL update on System of Internal Controls
- Timeline and next steps of moving Community Services and Beach activities to Enterprise accounting and reporting.
- Receipt of Legal Opinion from Josh Nelson on applicability of Dillon's Rule

December 19, 2020 (2 hours 47 minutes)

- Review and discuss Draft Moss Adams Report on five accounting issues presented by Jim Lanzarotta representative of Moss Adams -
- Expand scope of work to cover the remaining 16 points of potential erroneous accounting and reporting

January 20, 2021 (1 hour 48 minutes)

- Director of Finance Presentation of "Final 2019/2020 CAFR" - Was to be revised
- Acknowledge receipt of letter from Department of Taxation on Notice to Appear for hearing on January 28, 2021 - Transition to Enterprise fund accounting for Community Services and Beach activities

January 27, 2021 (5 hours 10 minutes)

- Presentation of Final 2019/2020 CAFR by Director of Finance and Tiffany Williamson of Edie Bailly
- Whistleblower Procedure for Financial Matters - Discussion only
- Director of Finance - VERBAL update on Internal Controls
- Director of Finance update on Chart of Accounts
- Director of Finance update on new External Auditor contract

February 10, 2021 (1 hour 50 minutes)

- Recommended Davis Farr LLC as new independent auditing firm for fiscal 2020/2021
- Accepted the Moss Adams report on accounting and reporting treatments and an additional spreadsheet of other questions and clarifications.
- Accepted the written annual Audit Committee report to the Board of Trustees as required by Board Policy 15.1.0 2.4.6 and agreed to forward the report to the Board of Trustees with recommendation that the 2019/2020 CAFR Transmittal letter be modified to identify ALL of the concerns and issues brought forth in the report. Opposition by Dobler on recommendation to Board of Trustees

March 11, 2021 (6 hours 24 minutes)

- Extensive review and debate on Whistleblower procedures - No action taken
- Extensive review and debate on moving forward on the Internal control procedures - Obtained 375 pages of documents assumed to be the existing internal controls
- Discussion on a new chart of accounts - No consensus on how the accounts should be established
- Review of five items 1. prior year auditor, items of correction, deliverables, timeline for 2020/2021 audit and Policy 15.1.0 - Agenda item was not clearly defined.
- Compliance with Dillon' Rule - Review of Nelsons opinion on Employees Benefits - Committee made affirmative motion to recommend to Board of Trustees to engage a law firm to create specific policies and practices addressing employee benefits
- Compliance with Dillon's Rule - Review of Nelson's opinion on leasing property to Non Profits - Committee made affirmative motion to recommend to Board of Trustees to price all leases of venue property at market rates and for non profits to cover full operating expenses less 10%
- Compliance with Dillion's rule - Providing community programming - not covered by Nelson's opinion and needs to come back at a future time.
- Correspondence - Dobler on Effluent Pipeline meters and equipment - Chairman decided to put on long range calendar
- Correspondence - Dobler and Newman e mail about failure to include correspondence in Audit committee packet. No resolution but to resubmit.

- Correspondence - Dobler and Newman - E mail and report to Moss Adams James C. Lanzarotta regarding punch cards. Moss Adams report issued - dead.
- Correspondence - Dobler regarding WRRF Aeration Systems Improvements - proper carryover into 2021 - corrected by Staff
- Correspondence - Dobler regarding IT Infrastructure cost overruns failure to abide by Board Policy. Winquest to meet with Dobler - Never done.
- Correspondence - Katz - Whistleblower retaliatory issue - Resolved by changes to draft documents.
- Long Range Calendar

April 29, 2021 (1 hour 56 minutes)

- Reviewed and Discussed Engagement letter with Davis Farr LLC representative Jennifer Farr - No action taken
- Reviewed and Discussed the Nevada Revised Statutes that relate to the annual audit. NRS statute 354.486 states the Audit must "***Evaluate internal controls over financial reporting of the handling of the public money and public property***" but Engagement Letter states Davis Farr will only review. Chairman Dent held over for further review.
- Review, discuss and possibly approve Whistleblower Procedure. Approval of document with changes was not approved and failed on a 2 to 2 vote.
- Review and discuss and possibly take action on funding Parks through the General Fund. Deferred

June 9, 2021 (1 hour 44 minutes)

- Approved Davis Farr LLC Audit Schedule/Work Plan
- Request by Cliff Dobler to have new external auditor review 8 items regarding accounting and financial statement reporting which IVGID management does not agree with reports from citizens and Moss Adams analysis wherein most items are not in compliance with GAAP or are materially misrepresented. Future agenda item
- No progress on overpayments to Contractors
- Determined No policy or internal controls on administering grants
- Agenda item to make a recommendation to Trustees to Expense certain costs on recent projects which had been capitalized - Was not addressed lack of time.
- Seven communications from Cliff Dobler - Was not addressed - lack of time
- Long range calendar
- Resignation of Matt Dent as Chairman and Committee Member

June 19, 2021 (2 hours 36 minutes)

- Elected Ray Tulloch as new Chairman of Audit Committee
- Agreed to modify Policy 15.1 to allow an additional at Large Member (Chris Holet) to fill vacancy of a second Trustee on the Committee since 4 Trustees

declined to accept appointment. Agreed to submit several suggested changes in other sections of the Policy at another future meeting

- Reviewed and made changes to Whistleblower Procedure and agreed to attempt an approval of the final version at the July 13, 2021 Audit Committee Meeting.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Windquest
District General Manager

Paul Navazio
Director of Finance

FROM: Mike Bandelin
Diamond Peak General Manager

SUBJECT: Review, discuss and possibly approve:

- A. Sole Source Finding
- B. Procurement Contract for a Replacement Ski lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293.59
- C. Procurement Contract for a Replacement Ski lift Haul Rope Services – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3462HE1711; Vendor: Wire Rope Services in the amount of \$24,600.
- D. Budget augmentation of \$100,000 for CIP Project # 3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) - Ski Fund (340) from available Community Services Fund (Fund 300) reserves, to support total project costs
- E. Staff to execute all purchase documents based on a review by Legal Counsel and Staff

DATE: August 3, 2021

I. RECOMMENDATIONS

That the Board of Trustees makes a motion to:

- A. Make the following sole source finding:

IVGID's purchase of a replacement Lodgepole Ski Lift Wire Rope from Fatzer LTD. is exempt from competitive bidding for the following reasons:

1. This purchase is from the result the occurrence of a disaster, including but not limited to, fire, flood, hurricane, riot, power outage or disease (NRS 332.112.1.a). The proposed purchase is a result of an electrical discharge associated with lightning in the vicinity of the ski lift.
 2. May lead to impairment of the health, safety or welfare of the public if not immediately attended to (NRS 332.112.1.b). The Wire Rope Service inspection report #21213 dated July 15, 2021 stated (It is highly recommended to replace the entire Lodgepole haul rope immediately).
 3. This purchase is for items which may only be contracted from a sole source (NRS 332.115.1.a). Fatzer LTD. provided a manufacturing and delivery date of the wire rope that may meet the required date for installation where as other manufacturer contacted were unable to meet the desired delivery date.
 4. The equipment proposed for purchase, by virtue of the training of the personnel or of any inventory of replacement parts maintained by the local government is compatible with existing equipment (NRS 332.115.1.d). Diamond Peak's ski lift system use of wire ropes is predominantly Fatzer LTD.
- B. Authorize a procurement contract with Fatzer LTD. In the amount of \$71,293.
- C. Authorize a procurement contract with Wire Rope Services in the amount of \$24,600.
- D. Authorize a budget augmentation of \$100,000 for CIP Project # 3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) Ski Fund (340) from available Community Services Fund (Fund 300) reserves, to support total project costs.

Review, discuss and possibly approve a Sole Source Finding, and review, discuss and possibly authorize a Procurement Contract for a Replacement Ski Lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski Ski; Project #3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293

- E. Authorize Staff to execute all purchase documents based on a review by Legal Counsel and Staff.

II. BACKGROUND

The general purpose of this project is to maintain Diamond Peak Ski Area operations through a necessary replacement of the Lodgepole ski lift haul rope. The haul rope is the term used for the wire rope or cable that the ski lift carriers are attached to.

During a thunderstorm on June 29, 2021, the haul rope was damaged in four locations by an electrical discharge from lightning (an unanticipated act of nature) in the vicinity of the ski lift. The haul rope was inspected by Wire Rope Service on July 15, 2021 and the field meet revealed that intense heat melted the rope core material and the steel wires in each rope strand have become hard and brittle and will break in the near future. (see attached visual rope inspection report).

Due to the nature of this incident and the requirements for timely replacement of the Lodgepole Ski Lift haul rope, the project is exempt from competitive bidding. In addition, as the supply vendor has provided a 32-week lead time for delivery of the new haul rope, a procurement contract needs to be issued as soon as possible in order for the work to be completed prior to, or as close to, the start of the 2021/22 ski season.

The estimated project budget based on price quotes from supply and installation contractors is listed in the table below.

Estimated Project Budget

Description	Vendor	Amount
Procurement of wire rope	Fatzer LTD.	\$71,293
Wire rope removal and installation	Wire Rope Service	\$19,800
Splicing on new wire rope	Wire Rope Service	\$4,800
Estimated Project Total		\$95,893

Due to the nature of this incident, District Staff has submitted a claim with our property insurance provider, and on July 28, 2021 a representative from Envista Forensics provided field inspection of the damaged haul rope. At this time, Staff has not received a determination as to whether the replacement of the haul rope will be covered under the District’s insurance policy.

Review, discuss and possibly approve a Sole Source Finding, and review, discuss and possibly authorize a Procurement Contract for a Replacement Ski Lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski Ski; Project #3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293

III. BID RESULTS

The proposed procurement agreement, in compliance with NRS 332.115, is a sole source and Staff did not seek competitive bids for the proposed purchase.

IV. FINANCIAL IMPACT AND BUDGET

The estimated cost to replace the Lodgepole Ski Lift haul rope is \$95,893, Funding to support this work is proposed through a recommended budget augmentation of \$100, 000 from available Community Services Fund reserves.

The approved FY2021/22 Capital budget includes funding in the amount \$55,000 for CIP Project #3462HE1711 (Lodgepole Ski Lift Maintenance and Improvements) for planned capital equipment improvements. However, as the proposed replacement of the haul rope due to a lightning is an unanticipated capital replacement, and necessitates expanding the scope of the approved FY2021/22 capital project as well as a budget augmentation to supplement capital project appropriations included in the FY2021/22 budget. The proposed budget augmentation would come from available reserves within the District's Community Services Enterprise Fund.

Should the District's insurance claim prove successful, any insurance proceeds would be used to replenish the reserve funding currently recommended to support this project.

(It should be noted that due to the transition of the Community Services Fund from Special Revenue to Enterprise fund-type for FY2021/22), the recommended budget augmentation requires only approval by a majority of the Board of Trustees. No formal Board resolution is required, nor would the budget augmentation required subsequent approval by the State Department of Taxation).

V. ALTERNATIVES

The Board could not authorize the procurement contract and defer or eliminate replacement of the proposed project. Doing so puts the District at risk of high maintenance expenses and increased equipment down time or complete loss of equipment usage during Diamond Peak's operating season.

Review, discuss and possibly approve a Sole Source Finding, and review, discuss and possibly authorize a Procurement Contract for a Replacement Ski Lift Haul Rope – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski Ski; Project #3462HE1711; Vendor: Fatzer LTD. in the amount of \$71,293

-5-

August 3, 2021

VI. 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.

VII. ATTACHMENTS

- A. Wire Rope Service Lodgepole ski lift inspection report
- B. Fatzer LTD. Lodgepole ski lift wire rope purchase quote and agreement
- C. Wire Rope Service Lodgepole ski lift rope installation and splicing quote

VISUAL ROPE INSPECTION (VRI) REPORT of DAMAGED AREAS

Date 7/15/21
Location DIAMOND PEAK SKI RESORT
1210 SKI WAY
INCLINE VILLAGE, NV 89451
Installation LODGEPOLE QUAD

LIFT DATA

Manufacturer DOPPELMAYR
Type FIXED QUAD CHAIRLIFT
Drive UPPER STATION
Tension/ System LOWER STATION/ HYDRAULIC
Year installed 1996

WIRE ROPE SPECIFICATIONS

Manufacturer FATZER
Diameter nominal 38 mm
Construction 6x25 RIGHT LANG LAY
Wire finish BRIGHT
Core Material POLYPROPYLENE
Lubricant ELASKON
Year installed 1996
Last resplice 2014
Last inspection 2020 DIGITALIZED VISUAL ROPE INSPECTION (DVRI)

INSPECTION SPECIFICATIONS

Participants JOHN OLSON
Conditions 28 °C, SUNNY
Location LOWER & UPPER STATION

GENERAL ANALYSIS

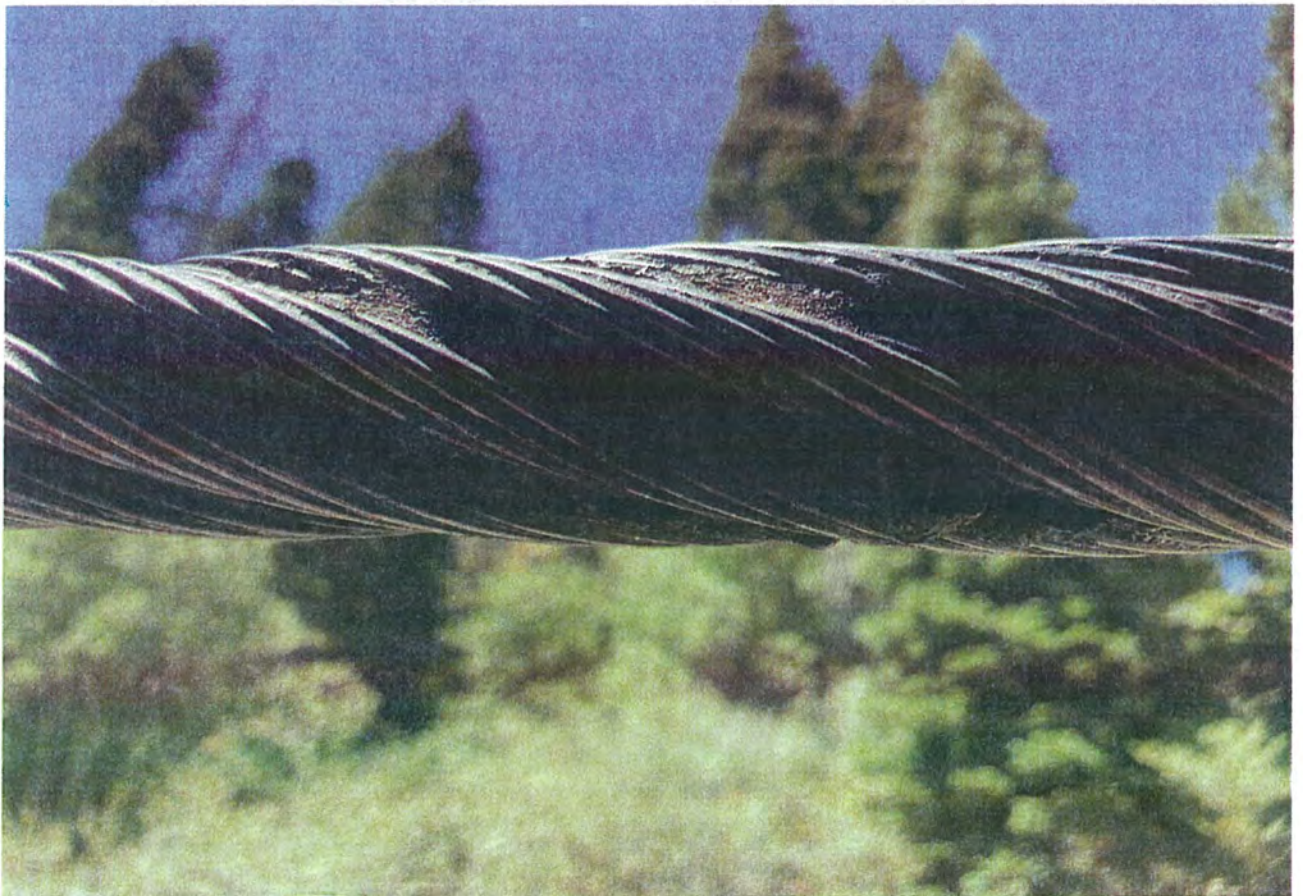
The damaged areas was visually inspected on July 15th.
The rope core melted at four differend locations of the cable.
These locations are the rope entrance and the rope exit at the bullwheels of lower station, and upper station.
Each area with melted core is between 10cm and 20cm long.
Intense heat made the core melt. Also the steel of the wires changed due to the same heat.
Martensite occurred. The wires became hard and brittle. They will most likely break in the very near future.

IT IS HIGHLY RECOMMENDED TO REPLACE THE ENTIRE ROPE IMMEDIATELY.

Jorg Tonett /// wire rope service

INSPECTIONS BY WIRE ROPE SERVICE, INC. PROVIDE A DIAGNOSTIC EVALUATION OF THE ROPE AT THE TIME OF INSPECTION ONLY AND CANNOT BE USED AS A WARRANTY OF THE ROPE'S FUTURE CONDITION.

PICTURES



Quotation

Lodgepole Quad

19.07.2021

Diamond Peak Ski Resort
1210 Ski Way
US-89451 Incline Village

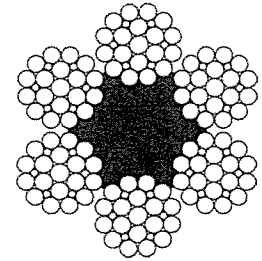
your contact John Olson
Phone +1 775 832 1129
E-Mail jgo@ivgid.org

our contact PhilippENZler
Phone +41 71 466 81 41
E-Mail philipp.enzler@fatzer.com

Sir, dear John,

We are pleased in submitting our quotation, basing on actual tariffs & rates

10 STABILO Haul rope		38.0gr625nb177fp
Length	[m] 1342	
Length	[ft] 4402	
Nominal-Ø	[mm] 38	
Nominal-Ø	[inch] 1 1/2	
Rope design	6x25 Filler Wire	
Core material	FULLPLAST solid plastic core	
Lubrication	Slightly lubricated with Elaskon 20 BB/94	
Type of lay and direction	right Lang lay	
Execution	preformed, pretensioned	
Wire finish	bright-uncoated	
Tensile strenght	[N/mm ²] 1770	
Metallic cross section	[mm ²] 593	
Mass	[kg/m] 5.23	
Mass	[lb/ft] 3.5	
Calculated breaking load	[kN] 1050	
Calculated breaking load	[lb] 236200	
Minimum breaking load	[kN] 914	
Minimum breaking load	[lb] 205500	
Conformity / Standards	EN12385-8	
Conformity & Test certificate	ANSI B77.1 - Country specific internal report (ANSI B77.1)	
Initial splice	1x Splice tape 60d + TRUsplice included, w/o works	
Packaging	1x non-returnable steel reel(s)	
Shipping weight (gross / net)	[kg] ~7748 / 7020	
Price	[USD] 71'293.59	[USD/m] 53.12



*When replacing a rope or new rope, the grooves of the sheaves must be adapted to the new rope.
 Traction and hoisting ropes : R groove = 0.53-0.54 x nominal Ø, depth 20-35% x nom-Ø
 Inappropriate groove geometry can cause premature rope +splice discard*

Quotation

Lodgepole Quad

19.07.2021

FATZER AG • Hofstrasse 44 • 8590 Romanshorn / Switzerland
Tel. +41 71 466 81 11 • www.fatzer.com • info@fatzer.com

FATZER
BRUGG

29. FATZER'S obligation to eliminate the defects is conditional on the CLIENT giving FATZER written notice of the relevant defects during the warranty period within 7 days after receiving the SUPPLIES (see clause 23) or, in the case of concealed defects, within 7 days of their discovery.
30. FATZER shall only bear the costs of remedial action that it incurs through its own work. All other costs shall be chargeable to the CLIENT. In the event that a "warranty claim" is not covered by the warranty, the CLIENT shall bear all costs arising for FATZER as a result of the assertion of the respective claim.
31. Any involvement by FATZER in investigating or rectifying defects shall have no impact on the existence and scope of the warranty.
32. The warranty period shall be 12 months from the date of delivery of the relevant SUPPLIES. In the event that SUPPLIES are replaced or repaired by FATZER, the relevant 12-month period shall commence upon delivery of the original SUPPLIES.
33. The CLIENT shall not be entitled to any rights and claims in relation to defects or the absence of any warranted quality (properties) except as expressly specified in the clauses 26-33. This limitation of warranty claims and liability shall not apply in the event of gross negligence, unlawful intent or fraudulent concealment by FATZER, or to the extent otherwise excluded by mandatory law.
- Services**
34. The object and scope of the SERVICES shall be specified exhaustively in the relevant contract. Additional terms and conditions may apply to the SERVICES. The SERVICES provided by FATZER in the area of assembly or supervision of the assembly of the SUPPLIES shall be governed on a subsidiary basis by separate conditions of assembly and instructions for vicarious agents/vicarious assembly/aplicing.
35. The CLIENT shall examine the SERVICES promptly after they have been provided and notify FATZER of any complaints in writing immediately and under no circumstances within more than 7 days from the provision of the SERVICES (date of the postmark is decisive). In the event that the CLIENT fails to make such a notification, the SERVICES shall be deemed to have been accepted.
36. Unless expressly agreed otherwise, FATZER shall be liable to the CLIENT only for performing the SERVICES with due care, and thus shall not be liable for specific results, especially not in the case of consulting services related to the SUPPLIES. FATZER shall provide consulting services to the best of its knowledge and belief, but does not warrant that the SUPPLIES are suitable for their intended usage by the CLIENT. The SERVICES of FATZER shall be based on the documentation of the CLIENT or of third parties made available. The CLIENT is responsible for ensuring that the documentation is up to date, complete and correct. FATZER does not accept any liability for deficient documentation or instructions. Otherwise, liability shall be determined in accordance with the clauses 39-42 (Liability, limitation of liability).
37. Clauses 26-33 (Warranty) shall apply *mutatis mutandis* in the event that liability as to specific results is expressly agreed to by FATZER.
- Retention of title**
38. The SUPPLIES shall remain the property of FATZER until the CLIENT has complied with the duty to make payment and FATZER has received in full all payments in accordance with this contract. The CLIENT shall be obliged to cooperate promptly in any action to uphold the ownership of FATZER. The CLIENT also authorises FATZER to enter its right of ownership in the relevant register of retention of title, in the event that FATZER wishes such an entry to be made.
- Liability, limitation of liability**
39. FATZER's liability arising out of or in connection with this contract or the improper performance thereof shall be limited to a total amount of 50% of the agreed contract price. This includes, in particular, any claims relating to delayed performance under clause 19.
40. The CLIENT shall not be entitled to claim compensation for indirect, collateral and consequential damages, loss of profit and unrealised savings, irrespective of the legal basis for claiming such damages. The same shall apply for damages attributable to the causes regulated under clause 27 (the CLIENT's own fault, improper assembly, ordinary wear and tear, etc.) as well as actions and omissions of vicarious agents.
41. All rights and claims of the CLIENT under or in relation to the contract or its deficient performance, irrespective of the legal basis, are expressly and exhaustively specified in these TERMS. There shall be no further rights and claims.
42. These limitations of liability shall not apply in the event of gross negligence or of unlawful intent by FATZER, or to the extent otherwise excluded by mandatory law.
- Return of (parts of the) supplies**
43. Subject to a prior written agreement, FATZER agrees to take back any or all of the SUPPLIES under the terms and conditions set forth in such agreement.
- Data protection**
44. FATZER processes particular personal data of its CLIENTS in relation to the contractual relationship or prior to entering into a contract. Data are processed by FATZER in accordance with the relevant provisions of the EU General Data Protection Regulation (GDPR), taking into account of the relevant national data protection law. All relevant information relating to data processing is set out in the document CRM 1215-200 (Data protection guidelines), which may be downloaded from the FATZER website at www.fatzer.com/data-protection-guidelines and may also be made available to the CLIENT upon request.
- Involvement of third parties**
45. FATZER shall be entitled to involve third parties in contractual performance. FATZER shall bear responsibility for the services of any third parties involved in the same manner as for its own.
- Intellectual property rights**
46. FATZER or any licensors shall retain all rights over all SUPPLIES and SERVICES, descriptions, brochures, plans, documents and data carriers, including rights under patent law and copyright or any other intellectual property rights. The CLIENT acknowledges these rights of FATZER or its licensors.
47. FATZER confirms that, as far as it is aware, the descriptions of SUPPLIES and SERVICES, brochures, plans, documents and data carriers provided to the CLIENT do not infringe any third party rights. However, FATZER does not provide any guarantee or warranty that the descriptions of SUPPLIES and SERVICES, brochures, plans, documents and data carriers provided to the CLIENT do not infringe any third party rights.
- Severability clause**
48. Should any individual terms of these TERMS be invalid or unenforceable, this shall not affect the validity of the remaining terms and of these TERMS as a whole. The invalid or unenforceable term shall be replaced by a valid term that comes as close as possible to the economic purpose of the invalid or unenforceable term.
- Jurisdiction and applicable law**
49. The exclusive place of jurisdiction shall be Romanshorn, Switzerland. FATZER shall however also be entitled to take action against the CLIENT at the CLIENT's domicile/registered office. If the CLIENT has its domicile/registered office abroad, Romanshorn, Switzerland shall also be the place of debt enforcement.
50. The legal relationship shall be governed by substantive Swiss law, to the exclusion of conflict of law principles and the UN Convention of 11 April 1980 on the international sale of goods (Vienna Sales Convention, CISG).

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT PURCHASE AGREEMENT

This Equipment Purchase Agreement ("Agreement") is entered into on **Date** by and between the Incline Village General Improvement District, a Nevada general improvement district ("District"), and **Fatzer, LTD.**, with its principal place of business at **Hofstrasse 44, 8590 Romanshorn, Switzerland** ("Contractor"). District and Contractor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

Section 1 - Definitions.

- A. "Equipment" means all machinery, equipment, items, parts, materials, labor or other services, including design, engineering and installation services, provided by Contractor as specified in Exhibit A, Contractor's **Proposal dated July 19, 2021** provided by Contractor, attached hereto and incorporated herein by reference.
- B. "Delivery Date(s)" means that date or dates upon which the Equipment is to be delivered to District, ready for approval, testing and/or use as specified in Exhibit A.

Section 2 - Materials and Workmanship.

When Exhibit A specifies machinery, equipment or material by manufacturer, model or trade name, no substitution will be made without District's written approval. Machinery, equipment or material installed in the Equipment without the approval required by this Section 2 - will be deemed to be defective material for purposes of Section 4 - . Where machinery, equipment or materials are referred to in Exhibit A as equal to any particular standard, District will decide the question of equality. When requested by District, Contractor will furnish District with the name of the manufacturer, the performance capabilities and other pertinent information necessary to properly determine the quality and suitability of any machines, equipment and material to be incorporated in the Equipment. Material samples will be submitted at District's request.

Section 3 - Inspections and Tests.

District shall have the right to inspect and/or test the Equipment prior to acceptance. If upon inspection or testing the Equipment or any portion thereof are found to be nonconforming, unsatisfactory, defective, of inferior quality or workmanship, or fail to meet any requirements or specifications contained in Exhibit A, then without prejudice to any other rights or remedies, District may reject the Equipment or exercise any of its rights under Section 4 - C. The inspection, failure to make inspection, acceptance of goods, or payment for goods shall not impair District's right to reject nonconforming goods, irrespective of District's failure to notify Contractor of a rejection of nonconforming goods or revocation of acceptance thereof or to specify with particularity any defect in nonconforming goods after rejection or acceptance thereof.

Section 4 - Warranty.

- A. Contractor warrants that the Equipment will be of merchantable quality and free from defects in design, engineering, material and workmanship for a period of one year, or such longer period as provided by a manufacturer's warranty or set forth in Exhibit A, from the date of final written acceptance of the Equipment by District as required for final payment under Section 7 - . Contractor further warrants that any services provided in connection with the Equipment will be performed in a professional and workmanlike manner and in accordance with the highest industry standards.
- B. Contractor further warrants that all machinery, equipment or process included in the Equipment will meet the performance requirements and specifications specified in Exhibit A and shall be fit for the purpose intended. District's inspection, testing, approval or acceptance of any such machinery, equipment or process will not relieve Contractor of its obligations under this Section 4 - B.
- C. For any breach of the warranties contained in Section 4 - A and Section 4 - B, Contractor will, immediately after receiving notice from District, at the option of District, and at Contractor's own expense and without cost to District:
 - 1. Repair the defective Equipment;
 - 2. Replace the defective Equipment with conforming Equipment, F.O.B. District's plant, office or other location of District where the Equipment was originally performed or delivered; or
- D. Repay to District the purchase price of the defective Equipment.
- E. If District selects repair or replacement, any defects will be remedied without cost to District, including but not limited to, the costs of removal, repair and replacement of the defective Equipment, and reinstallation of new Equipment. All such defective Equipment that is so remedied will be similarly warranted as stated above. In addition, Contractor will repair or replace other items of the Equipment which may have been damaged by such defects or the repairing of the same, all at its own expense and without cost to District.
- F. Contractor also warrants that the Equipment is free and clear of all liens and encumbrances whatsoever, that Contractor has a good and marketable title to same, and that Contractor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Equipment. Contractor agrees to indemnify, defend and hold District harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.
- G. In the event of a breach by Contractor of its obligations under this Section 4 - , District will not be limited to the remedies set forth in this Section 4 - , but will have all the rights and remedies permitted by applicable law.

Section 5 - Prices.

Unless expressly provided otherwise, all prices and fees specified in Exhibit A, attached hereto and incorporated herein by reference, are firm and shall not be subject to change without the written approval of District. No extra charges of any kind will be allowed unless specifically agreed to in writing by District's authorized representative. Compensation shall be as indicated in Exhibit A, with a total amount of **Seventy-One Thousand Two Hundred Ninety-Three Dollars and Fifty-Nine Cents (\$71,293.59)**, to be billed as a fixed fee based on percentage complete measured against the estimated time schedule set forth in Exhibit A. In no event shall compensation for any Activity identified in Exhibit A exceed the amount set forth in the attachment. The fixed fee shall include Reimbursable Expenses and all charges for packing, freight and transportation to destination, and Contractor shall not request or receive any additional payments for such expenses.

Section 6 - Changes.

District, at any time, by a written order, and without notice to any surety, may make changes in the Equipment, including but not limited to, District's requirements and specifications. If such changes affect the cost of the Equipment or time required for its performance, an equitable adjustment will be made in the price or time for performance or both. Any change in the price necessitated by such change will be agreed upon between District and Contractor and such change will be authorized by a change order document signed by District and accepted by Contractor.

Section 7 - Payments.

- A. Terms of payment, are net thirty (30) days, less any applicable retention, after receipt of invoice, or completion of applicable Progress Milestones. Final payment shall be made by District after Contractor has satisfied all contractual requirements. Payment of invoices shall not constitute acceptance of Equipment. All invoices shall be sent to AP@IVGID.ORG, with a copy to MLB@IVGID.ORG.
- B. If progress milestones have been specified within Exhibit A, then payments for the Equipment will be made as the requirements of such progress milestones are met. Progress payments for the Equipment will be made by District upon proper application by Contractor during the progress of the Equipment and according to the terms of payment as specified in Exhibit A. Contractor's progress billing invoice will include progress payments due for the original scope of work and changes. Each "Item for Payment" shown in Exhibit A and each change order will be itemized on the invoice. Invoices for cost plus work, whether part of Exhibit A or a change order, must have subcontractor and/or supplier invoices attached to Contractor's invoice. Other format and support documents for invoices will be determined by District in advance of the first invoice cycle.
- C. Payments otherwise due may be withheld by District on account of defective Equipment not remedied, liens or other claims filed, reasonable evidence indicating probable filing of liens or other claims, failure of Contractor to make

payments properly to its subcontractors or for material or labor, the failure of Contractor to perform any of its other obligations under the Agreement, or to protect District against any liability arising out of Contractor's failure to pay or discharge taxes or other obligations. If the causes for which payment is withheld are removed, the withheld payments will be made promptly. If the said causes are not removed within a reasonable period after written notice, District may remove them at Contractor's expense.

D. Payment of the final progress milestone or any retention will be made by District upon:

1. Submission of an invoice for satisfactory completion of the requirements of a progress milestone as defined in Exhibit A and in the amount associated with the progress milestone;
2. Written acceptance of the Equipment by District;
3. Delivery of all drawings and specifications, if required by District;
4. Delivery of executed full releases of any and all liens arising out of this Agreement; and
5. Delivery of an affidavit listing all persons who might otherwise be entitled to file, claim or maintain a lien of any kind or character, and containing an averment that all of the said persons have been paid in full.
6. If any person refuses to furnish an actual release or receipt in full, Contractor may furnish a bond satisfactory to District to indemnify District against any claim or lien at no cost to District.

E. Acceptance by Contractor of payment of the final progress milestone pursuant to Section 7 - D will constitute a waiver, release and discharge of any and all claims and demands of any kind or character which Contractor then has, or can subsequently acquire against District, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement. However, payment for the final progress milestone by District will not constitute a waiver, release or discharge of any claims or demands which District then has, or can subsequently acquire, against Contractor, its successors and assigns, for or on account of any matter or thing arising out of, or in any manner connected with, the performance of this Agreement.

Section 8 - Schedule for Delivery.

A. The time of Contractor's performance is of the essence for this Agreement. The Equipment will be delivered in accordance with the schedule set forth in Exhibit A. Contractor must immediately notify District in writing any time delivery is behind schedule or may not be completed on schedule. In addition to any other rights District may have under this Agreement or at law, Contractor shall pay District the

sum of \$100.00 for each calendar day for which the Equipment is unavailable beyond the scheduled delivery date(s) specified in Exhibit A.

- B. In the event that the Equipment is part of a larger project or projects that require the coordination of multiple contractors or suppliers, then Contractor will fully cooperate in scheduling the delivery so that District can maximize the efficient completion of such project(s).

Section 9 - Taxes.

- A. Per Section 2.B.9, prices quoted for the Equipment must be exclusive of Federal and State taxes, as the District is exempt from such taxes.
- B. Contractor will withhold, and require its subcontractors, where applicable, to withhold all required taxes and contributions of any federal, state or local taxing authority which is measured by wages, salaries or other remuneration of its employees or the employees of its subcontractors. Contractor will deposit, or cause to be deposited, in a timely manner with the appropriate taxing authorities all amounts required to be withheld.
- C. All other taxes, however denominated or measured, imposed upon the price of the Equipment provided hereunder, will be the responsibility of Contractor. In addition, all taxes assessed by any taxing jurisdiction based on Contractor property used or consumed in the provision of the Equipment such as and including ad valorem, use, personal property and inventory taxes will be the responsibility of Contractor.
- D. Contractor will, upon written request, submit to District written evidence of any filings or payments of all taxes required to be paid by Contractor hereunder.

Section 10 - Independent Contractor.

Contractor enters into this Agreement as an independent contractor and not as an employee of District. Contractor shall have no power or authority by this Agreement to bind District in any respect. Nothing in this Agreement shall be construed to be inconsistent with this relationship or status. All employees, agents, contractors or subcontractors hired or retained by the Contractor are employees, agents, contractors or subcontractors of the Contractor and not of District. District shall not be obligated in any way to pay any wage claims or other claims made against Contractor by any such employees, agents, contractors or subcontractors or any other person resulting from performance of this Agreement.

Section 11 - Subcontracts.

Unless otherwise specified, Contractor must obtain District's written permission before subcontracting any portion of the Equipment. Except for the insurance requirements in Section 13 - A, all subcontracts and orders for the purchase or rental of supplies, materials or equipment, or any other part of the Equipment, will require that the subcontractor be bound by and subject to all of the terms and conditions of the Agreement. No subcontract or order will relieve Contractor from its obligations to District, including, but not limited to

Contractor's insurance and indemnification obligations. No subcontract or order will bind District.

Section 12 - Title and Risk of Loss.

Unless otherwise agreed, District will have title to, and risk of loss of, all completed and partially completed portions of the Equipment upon delivery, as well as materials delivered to and stored on District property which are intended to become a part of the Equipment. However, Contractor will be liable for any loss or damage to the Equipment and/or the materials caused by Contractor or its subcontractors, their agents or employees, and Contractor will replace or repair said Equipment or materials at its own cost to the complete satisfaction of District. Notwithstanding the foregoing, in the event that the District has paid Contractor for all or a portion of the Equipment which remains in the possession of Contractor, then District shall have title to, and the right to take possession of, such Equipment at any time following payment therefor. Risk of loss for any Equipment which remains in the possession of Contractor shall remain with Contractor until such Equipment has been delivered or District has taken possession thereof. Contractor will have risk of loss or damage to Contractor's property used in the construction of the Equipment but which does not become a part of the Equipment.

Section 13 - Indemnification.

- A. To the fullest extent permitted by law, Contractor shall defend, indemnify and hold the District, its officials, officers, employees, volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner arising out of or incident to any alleged acts, omissions, negligence or willful misconduct of Contractor, its officials, officers, employees, agents, subcontractors and subconsultants arising out of or in connection with the Equipment or the performance of this Agreement, including without limitation the payment of all consequential damages and attorneys' fees and other related costs and expenses except such loss or damage which was caused by the sole negligence or willful misconduct of the District.
- B. Contractor's defense obligation for any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the District, its officials, officers, employees, agents or volunteers shall be at Contractor's own cost, expense and risk. Contractor shall pay and satisfy any judgment, award or decree that may be rendered against District or its officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. Contractor shall reimburse District and its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.
- C. Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the District, its officials, officers, employees, agents or volunteers.

Section 14 - Insurance.

- A. General. Contractor shall take out and maintain:
1. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage;
 2. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per accident for bodily injury and property damage;
 3. Workers' Compensation in compliance with applicable statutory requirements; and
 4. If Contractor is also the manufacturer of any equipment included in the Equipment, Contractor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than \$1,000,000.
- B. Additional Insured; Primary; Waiver of Subrogation; No Limitation on Coverage. The policies required under this Section shall give District, its officials, officers, employees, agents or volunteers additional insured status. Such policies shall contain a provision stating that Contractor's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by the District or any additional insureds shall not be called upon to contribute to any loss, and shall contain or be endorsed with a waiver of subrogation in favor of the District, its officials, officers, employees, agents, and volunteers. The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability. Requirements of specific coverage or limits contained in this section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. Any available coverage shall be provided to the parties required to be named as additional insured pursuant to this Agreement.
- C. Insurance Carrier. All insurance required under this Section is to be placed with insurers with a current A.M. Best's rating no less than A-VII, licensed to do business in Nevada, and satisfactory to the District.
- D. Evidence of Insurance. Contractor shall furnish District with original certificates of insurance and endorsements effecting coverage required by the Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms supplied or approved by the District. All certificates and endorsements must be received and approved by the District before delivery commences. The District reserves the right to require complete, certified copies of all required insurance policies, at any time.

- E. Subcontractors. All subcontractors shall meet the requirements of this Section before commencing work. In addition, Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.
- F. Freight. Contractor shall ensure that third party shippers contracted by Contractor have adequate insurance coverage for the shipped Equipment.

Section 15 - Liens.

- A. Contractor, subcontractors and suppliers will not make, file or maintain a mechanic's or other lien or claim of any kind or character against the Equipment, for or on account of any labor, materials, fixtures, tools, machinery, equipment, or any other things furnished, or any other work done or performance given under, arising out of, or in any manner connected with the Agreement (such liens or claims referred to as "Claims"); and Contractor, subcontractor and suppliers expressly waive and relinquish any and all rights which they now have, or may subsequently acquire, to file or maintain any Claim and Contractor, subcontractor and suppliers agree that this provision waiving the right of Claims will be an independent covenant.
- B. Contractor will save and hold District harmless from and against any and all Claims that may be filed by a subcontractor, supplier or any other person or entity and Contractor will, at its own expense, defend any and all actions based upon such Claims and will pay all charges of attorneys and all costs and other expenses arising from such Claims.

Section 16 - Termination of Agreement by District.

- A. Should Contractor at any time refuse or fail to deliver the Equipment with promptness and diligence, or to perform any of its other obligations under the Agreement, District may terminate Contractor's right to proceed with the delivery of the Equipment by written notice to Contractor. In such event District may obtain the Equipment by whatever method it may deem expedient, including the hiring of another contractor or other contractors and, for that purpose, may take possession of all materials, machinery, equipment, tools and appliances and exercise all rights, options and privileges of Contractor. In such case Contractor will not be entitled to receive any further payments until the Equipment is delivered. If District's cost of obtaining the Equipment, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Agreement, Contractor will be liable for and will pay the difference to District.
- B. District may, for its own convenience, terminate Contractor's right to proceed with the delivery of any portion or all of the Equipment by written notice to Contractor. Such termination will be effective in the manner specified in such notice, will be without prejudice to any claims which District may have against Contractor, and

will not affect the obligations and duties of Contractor under the Agreement with respect to portions of the Equipment not terminated.

- C. On receipt of notice under Section 16 - B, Contractor will, with respect to the portion of the Equipment terminated, unless the notice states otherwise,
 - 1. Immediately discontinue such portion of the Equipment and the placing of orders for materials, facilities, and supplies in connection with the Equipment,
 - 2. Unless otherwise directed by District, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to District; and
 - 3. Deliver only such portions of the Equipment which District deems necessary to preserve and protect those portions of the Equipment already in progress and to protect material, plant and equipment at the Equipment site or in transit to the Equipment site.

- D. Upon termination pursuant to Section 16 - B, Contractor will be paid a pro rata portion of the compensation in the Agreement for any portion of the terminated Equipment already delivered, including material and services for which it has made firm contracts which are not canceled, it being understood that District will be entitled to such material and services. Upon determination of the amount of said pro rata compensation, District will promptly pay such amount to Contractor upon delivery by Contractor of the releases of liens and affidavit, pursuant to Section 7 - C.

Section 17 - Miscellaneous Provisions.

- A. Assignment or Transfer. Contractor shall not assign or transfer any interest in this Agreement whether by assignment or novation, without the prior written consent of the District, which will not be unreasonably withheld. Provided, however, that claims for money due or to become due Contractor from the District under this Agreement may be assigned to a financial institution or to a trustee in bankruptcy, without such approval. Notice of any assignment or transfer, whether voluntary or involuntary, shall be furnished promptly to the District.

- B. Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

- C. Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

- D. Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

- E. Governing Law. This Agreement shall be governed by the laws of the State of Nevada. Venue shall be in Washoe County.
- F. Interpretation. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party.
- G. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.
- H. Authority to Enter Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right and authority to make this Agreement and bind each respective Party.
- I. Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.
- J. Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.
- K. District's Right to Employ Other Contractors. District reserves its right to employ other contractors in connection with the Equipment.
- L. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relative to the Equipment specified herein. There are no understandings, agreements, conditions, representations, warranties or promises with respect to this Agreement, except those contained in or referred to in the writing.
- M. Limitation of Liability. In no event shall this Agreement be interpreted to waive the limitations of liability applicable to the District set forth in NRS Chapter 41 or other applicable law.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

CONTRACTOR:
FATZER LTD.
Agreed to:

By: _____
Michael Bandelin
Diamond Peak General Manager

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Approved as to Form:

Joshua Nelson
District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

Date

Owner's address for giving notice:
INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451
775-832-1267- Engineering Division

Contractor's address for giving notice:
FATZER AG
Hofstrasse 44
8590 Romanshorn
Switzerland

August 2, 2021

Diamond Peak Ski Resort
ATTN John Olson
1210 Ski Way
Incline Village, NV 89451
jgo@ivgid.org

LOGEPOLE QUAD - ROPE REPLACEMENT 1,340m - SCHEDULED FOR FALL 2021

description	amount in USD
Taking cable of the towers, Rigging of old cable, Construction splice (old with new cable), Spooling rope, Rigging of new cable, Putting new cable back on towers after splicing including Horizontal Spooler, Chain Spooler and all other equipment	\$ 19,800.00
Splicing of new 38mm cable, including tools & Splicing Certificate	\$ 4,800.00

- . **Wire Rope Service is sending 1-2 service representatives to perform the work.**
- . **Travel, travel time, room & board are included in this bid.**
- . **The bid is based on project demands up to 3 days on job site.**
- . **Rigging equipment, splicing tools, spool stand, horizontal spooler, chain spooler incl. delivery are included in this bid.**
- . **DIAMOND PEAK needs to provide a fork lift to unload and load equipment.**
- . **DIAMOND PEAK needs to provide**
 - 4-6 employees while rigging and derigging,**
 - 6 employees while rope pull,**
 - 10-12 employees for first third of splicing,**
 - 7 employees for the other two thirds of splicing.**
- . **DIAMOND PEAK is responsible to recycle the old rope.**
- . **Any waiting period or downtime spent on site (safety trainings, ...) that cannot be used directly for changing or splicing the rope will be invoiced at \$ 300 per hour.**

This bid shall remain binding upon Wire Rope Service, Inc. for fourteen (14) days from the date of hereof. If you have any questions contact (530) 412-0601 or by email at office@tonett.net .

LOOKING FORWARD FOR YOUR BUSINESS!

Sincerely yours,



Jorg Tonett /// wire rope service

This service order expressly incorporates herein by reference all terms and conditions included in that certain Agreement for Services previously entered into between Client and WRS.

The above proposal is accepted according to the terms hereof by Client's authorized representative.

[Redacted]	SIGNATURE	DATE
[Redacted]	PRINT NAME	PO#
[Redacted]	TITLE	

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: Review, discuss and possibly approve a contract with Tri-Strategies, Ltd. to provide legislative advocacy services in the not to exceed amount of \$20,000.00

DATE: August 3, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to approve the attached contract with Tri-Strategies for legislative advocacy services in the not to exceed amount of \$20,000.00.

II. BACKGROUND

At the June 9, 2021 Board of Trustees meeting, Tri-Strategies provided a report and following is the excerpt from this meeting which indicates that the Board of Trustees requested Staff to investigate a continuation of the existing contract or a new contract for more services:

F.2. Tri-Strategies Verbal Report of the 2021 Legislative Session – Mr. Eddie Ableser and/or Mr. Paul Klein

Eddie Ableser went over the legislative report that was included in the packet. Trustee Dent asked about their agreement. Mr. Ableser said it goes through the end of June. Trustee Dent asked what would the duration be for one of the special sessions to secure some of these monies for the pipeline and pond lining and are there two options and what duration are we looking at? Mr. Ableser said they are always willing to serve at the pleasure of the Board and that they have enjoyed working with you and your team. The process could start the process tomorrow and get us engaged in that process with the State and engaging with the Washoe County. He doesn't know the date of the special session and doesn't know when Washoe County will be discussing their release of funds. Chairman Callicrate asked if we need to agendize that additional engagement? District General Manager Winqest said he wanted to respond and he will set some time to meet with Mr. Ableser and discuss what we are doing and that he does see

the value of retaining them. District General Manager Winquest continued that the Staff met with Nevada League of Cities today and thanked Trustee Tonking for joining them at this meeting. It is important as there is a lot of money out there and that he is very confident that the return on the investment will be worth it. Chairman Callicrate said for this Board to discuss this any further, we do need to have it agendize or hold a special meeting to discuss this because we don't have it on the agenda tonight. Trustee Schmitz said if we agendize this she would ask that it include some clarification and how the efforts interact with Mr. Faust in order to understand that collaboration and bring it to closure. Chairman Callicrate said we may need to have a special meeting on this effort. District General Manager Winquest said he is going to have a wrap up meeting, discuss the timing of the special session, Staff has had several meetings with Mr. Faust and his team, and that we will let Mr. Faust know that he needs to make a formal presentation to the Board. If we can wait until July 13, that would be ideal and that he will reach out if a meeting is needed sooner.

Policy 3.1.0, paragraph 0.10, Legislative Matters reads as follows:

The General Manager may from time to time propose positions on legislative issues, which positions shall be reviewed and approved by the Board at its regular meeting.

On February 1, 2021, the Nevada Legislature convened its 81st session. During this session, Tri-Strategies performed legislative advocacy services for the District. Their services were deemed appropriate and sufficient. At the end of this session, Tri-Strategies notified the Board of Trustees that the Governor of the State of Nevada is planning on calling a Special Session that date of which is presently undetermined. Staff is being proactive and getting Tri-Strategies under contract in advance of this Special Session. In anticipation of this Special Session, Staff also budgeted monies to cover this expense under Professional Services, General Fund (100.11.100.6030). This expenditure is within the General Manager's Spending Authority and has been budgeted however Staff wants to get the Board's approval on this contract.

Also, Federal Legislative Advocate Marcus Faust continues to provide the District legislative advocacy services at the Federal level and he will be present at a future Board meeting to update the Board of Trustees in person.

Following is an excerpt from a report provided to the Board of Trustees in 2019 regarding Mr. Faust's contract:

Mr. Faust has provided Federal Legislative Advocacy Services for the District for over fifteen years. The primary purpose of the legislative

advocacy service is to secure funding for the District's Effluent Export Project and Watermain and Fire Flow Enhancement Improvement Project.

The District's efforts with Mr. Faust have led to receiving \$15.5 million dollars through the Water Infrastructure Improvements for the Nation Act (WIIN Act 2016) Section 595 Program for the Effluent Export Project. The WIIN Act was formerly called the Water Resources Development Act. The District has also received \$6 million from the Lake Tahoe Restoration Act Section 108 Program for funding Environmental Restoration Projects that was matched with \$2 million of State of Nevada Funding for Mill, Incline and Third Creeks Restoration Projects. Mr. Faust has also worked with the legislative advocates for South Tahoe PUD (STPUD) in obtaining water infrastructure funding to improve Lake Tahoe public water systems for fire flow for the critical wildland urban interface communities in Lake Tahoe. The District has received over \$3.8 million in this funding from the US Forest Service through STPUD. Lake Tahoe public water systems have received over \$17 million in total funding to improve fire flows.

Mr. Faust has worked with the Nevada Delegation and other western states on raising the authorization of the Section 595 Program of the Water Infrastructure Improvements for the Nation Act (WIIN Act 2016). Nevada will be collaborating on Rural Section 595 with five other states, New Mexico, Montana, Wyoming, Idaho and Utah, who already have projects which qualify under Section 595. The new Section 595 Program increased the authorization limit by \$100 million over the previous limit to allow new annual appropriations through the Federal Budget process. Mr. Faust also got new language inserted into Section 595 that clarifies that funding caps do not apply to individual States and that unspent monies can be allocated to priority projects in any state. This was an extremely important piece of language to have added because the US Army Corps was not open to discussing a new Project Cooperation Agreement (PCA) because they had interpreted that Nevada had spent their allocation of funds under Section 595.

In 2017 and 2018, Staff and Mr. Faust worked with the US Army Corps staff in Sacramento and US Army Corps staff in Washington on having bulletins prepared describing this new language change. This has allowed the District to pursue entering into a new PCA to utilize unspent monies in the current Section 595 Fund Balance.

In 2019, the primary objectives are to, enter into a PCA with US Army Corps to utilize unspent funds, appropriate new funds to Section 595 and maintain and increase funding for the watermain and fire flow enhancement funding through the US Forest Service Budget and the newly passed Lake Tahoe Restoration Act.


Following is a summary table from a report provided to the Board of Trustees on March 28, 2018 regarding Mr. Faust's contract:


Program	Project	Funding Received
Section 595	Effluent Export Pipeline	\$15,450,000
Section 108	Mill, Third and Incline Creek Restoration Projects	\$6,140,000
USFS Budget	Watermain and Fireflow Enhancement Projects	\$3,600,000
	TOTAL	\$25,190,000

TRI-STRATEGIES, LTD

Incline Village General Improvement District 2021 IVGID Contract & Scope of Work

1. **Parties Involved:** Tri-Strategies, LTD ("Consultant") agrees to provide the following services to Incline Village General Improvement District "IVGID" ("Client"), upon the terms and conditions set forth in this Agreement.
2. **Services:** Consultant agrees to perform the services identified by IVGID staff in a Scope of Work.
3. **Starting and Completion Dates:** The term of this Agreement is from August 15, 2021 to December 31, 2021, subject to any mutually agreed upon extension in writing (the "Term").
4. **Additional Work:** This Agreement may be modified to add to the tasks and scope of work should both parties (Consultant and Client) be in agreement in writing on the modifications. Consultant shall be paid for such services as mutually agreed upon by the parties.
5. **Work Delegation:** All direct services shall be those of Consultant as agreed upon between Consultant and Client.
6. **Termination:** Either of the parties shall have the right to immediately terminate this Agreement prior to the conclusion of the Term by providing the other with written notice. Upon any early termination of this Agreement, Client shall pay Consultant for all services performed and pre-approved expenses incurred prior to the date of termination. Notwithstanding the foregoing, Client shall have the right to immediately terminate this Agreement upon notice to Consultant in the event that Consultant breaches any of the terms of this Agreement and has failed to cure said breach, if curable, within forty-eight (48) hours of receipt of such notice. A notice, if required, shall be made to: Consultant: Tri-Strategies, Eddie Ableser 59 Damonte Ranch Parkway #B-552, Reno, NV 89511; Client: Attn: General Manager, 893 Southwood Blvd., Incline Village, NV, 89451.
7. **Independent Contractor Status:** Consultant and Client are independent contractors acting for their own account, and neither party nor its employees are authorized to make any representations or commitments on the other party's behalf or to hold itself out as the agent of the other.
8. **Fees and Payment Schedule:** The fees for total assignment, project, or service and the payment schedule are outlined in the Scope of Work. All invoices shall be sent to IVGID, Attn: District General Manager, 893 Southwood Blvd., Incline Village, NV 89451.

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9. **Expenses**: Consultant shall be reimbursed by Client for pre-approved (in writing) extraordinary expenses relating to this Agreement.
 10. **Late Payment**: Payment of Consultant invoices is due in full upon presentation of invoice. Consultant invoices not paid by Client within thirty (30) days of date of billing will be subject to a late payment charge equal to the lesser of (i) one percent (1%) per month; or (ii) the maximum amount allowed by law.
 11. **Stop Work**: Consultant shall discontinue work and this Agreement shall terminate after sixty (60) days of nonpayment by Client, of fees and pre-approved (in writing) expenses billed by Consultant.
 12. **Confidentiality**: Consultant shall treat as confidential and will not disclose any proprietary information that is disclosed by Client or that comes to the attention of Consultant prior to, during, or following the course of this Agreement.
 13. **Applicable Law**: This Agreement shall be enforced in accordance with, and in performance shall be governed by, the laws of the State of Nevada without giving effect to the conflict of law provisions thereof.
 14. **Indemnification**: Each party hereby agrees to indemnify and hold harmless the other party and its directors, officers, and employees from any and all liabilities, losses, costs, damages, claims, liens, judgments, penalties, fines, legal fees, court costs and other legal expenses, insurance policy deductibles, and all other expenses arising out of or related to the indemnifying party's activities, operations or omissions pursuant to this Agreement. Such indemnity shall apply to the fullest extent permitted by applicable law. The obligations of the indemnifying party under this Section shall survive the expiration or termination of this Agreement. This mutual indemnity shall be subject to principles of comparative negligence.
 15. **Exclusion of Damages**: In no event shall either party be liable to the other or any other person or entity for any special, exemplary, indirect, incidental, consequential or punitive damages of any kind or nature whatsoever (including, without limitation, lost revenues, profits, savings or business) or loss of records or data, whether in an action based on contract, warranty, strict liability, tort (including, without limitation, negligence) or otherwise, even if such party has been informed in advance of the possibility of such damages or such damages could have been reasonably foreseen by such party. For clarity, the foregoing does not exclude fines or penalties.
 16. **Disputes**: Any controversy, claim, or dispute of whatever nature arising between the parties (a "Dispute") shall be resolved by mediation or, failing mediation, by binding arbitration. This agreement to mediate or arbitrate shall continue in full force and effect despite the expiration, rescission, or termination of this Agreement.



Either party may begin the mediation process by giving a written notice to the other party setting forth the nature of the Dispute. The parties shall attempt in good faith to resolve the Dispute by mediation within sixty (60) days of receipt of that notice.

If the Dispute has not been resolved by mediation as provided above, or if a party fails to participate in mediation, then the Dispute shall be resolved by binding arbitration in Nevada. The arbitration shall be undertaken pursuant to the substantive laws of the State of Nevada and the Federal Arbitration Act. The decision of the arbitrator shall be enforceable in any court of competent jurisdiction. The parties knowingly and voluntarily waive their rights to have the Dispute tried and adjudicated by a judge or jury.

Any party may demand arbitration as provided above by sending written notice to the other party. The arbitration and the selection of the arbitrator(s) shall be conducted in accordance with such rules as may be agreed upon by the parties, or, failing agreement within thirty (30) days after arbitration is demanded, under the rules of the American Arbitration Association, using a single arbitrator regardless of the amount in Dispute. The arbitration shall be held in Nevada or at any other location agreed upon by the parties.

17. **Compliance with Laws**: During the Term, Consultant and its principals shall be responsible, at its own expense, comply with all applicable laws and regulations, including without limitation, all registration, reporting, lobbying, and ethics requirements.

18. **Signatures**: The parties have accepted and signed this Agreement as of the dates shown below:

Consultant

Client

Eddie Ableser Ph.D.

Indra S. Winquest

Chief Executive Officer

IVGID

Tri-Strategies, LTD.

District General Manager

Date: _____

Date: _____

Scope of Work

Consultant will represent the Incline Village General Improvement District at the forthcoming Legislative Special Session for the State of Nevada in Carson City, Nevada, scheduled to start on or about August 15, 2021 and scheduled to end on or about February 28, 2022. Consultant will verbally communicate with the Incline Village General Improvement District’s District General Manager and Board of Trustees Chair the information as it develops during this special session and determine the impacts of proposed legislation to the Incline Village General Improvement District. Specifically, but not limited to, Consultant will advocate on proposed or potential legislation in a position determined by the Incline Village General Improvement District. To the extent possible, Consultant will coordinate its work with Washoe County’s Legislative advocate. Additionally, the Consultant will represent the Incline Village General Improvement District before all agencies who are in receipt of Federal funds available for Incline Village General Improvement District or its project (CARES Act, America Infrastructure Act, Nevada Main Street USA Beautification, etc.) to ensure the Incline Village General Improvement District may receive funding for its projects that fit the applicable legislation. Finally, as the issues arise that merit dedicated lobbying and representation, Consultant shall work with the District General Manager and Board of Trustees Chair to bring forth those matters to the Board of Trustees such that clear direction can be provided for the necessary services assuming time permits.

Deliverables

1. Written communication(s) to the Incline Village General Improvement District’s District General Manager and Board of Trustees at intervals deemed to be mutually agreed to by the Consultant, District General Manager and Board of Trustees based on the activity at the Legislative session.
2. An in person verbal report accompanied by a written report, every two months at minimum, at a regular or special meeting of the Board of Trustees of the Incline Village General Improvement District on a date that is mutually agreed to by the Consultant, District General Manager, and Board of Trustees.

Fee Schedule – Option 1

1. Representation to begin on August 15, 2021 and scheduled to end on or about February 28, 2022. Billing shall occur at the start of each month and shall be divided into payments of \$3,000.00 per month (prorated as necessary) which includes attendance at the meeting(s) of the Incline Village General Improvement District Board of Trustees and includes all expenses for time spent in preparation, mileage, and printed reports.

Maximum not-to-exceed value of this agreement\$20,000.

Fee Schedule – Option 2

1. Representation to begin on August 15, 2021. Billing shall occur at the start of the contract and shall be on an hourly basis at the rate of \$250 per hour which includes attendance at the meeting(s) of the Incline Village General Improvement District Board of Trustees which includes all expenses for time spent in preparation, mileage, and printed reports.

Maximum not-to-exceed value of this agreement\$20,000.



MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

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

THROUGH: Kate Nelson, P. E.
Engineering Manager

SUBJECT: Review, discuss, and possibly authorize Washoe County Roads Department to replace +/- 2,700 SF asphalt pavement damaged by a water line leak; Fund: Utility; Division: Water; Vendor: Washoe County Road Department in the amount of \$97,300.

DATE: August 10, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Review, discuss, and possibly authorize Washoe County Roads Department to replace +/- 2,700 square feet (SF) of asphalt pavement damaged by a water line leak. Fund: Utility; Division: Water Distribution (200-22-240-7520); Vendor: Washoe County Road Department in the amount of \$97,300.
2. Authorize Staff to pay the invoice upon receipt and verification of work.

II. BACKGROUND

In September of 2020, an old service saddle corroded at the water main and caused a water leak in the vicinity of 615 to 621 Tumbleweed Circle. The Public Works pipeline crew repaired the leak and temporarily patched the asphalt pavement. The water leak had been occurring for some time and caused the base material to fail underneath a large section of asphalt pavement. Public Works Staff and Washoe County Road Department Staff agreed to wait until the following grading season to perform the permanent patch. Over the course of the winter, the

pavement distorted due to the base material failure and damage was done to the existing radiant heating for the driveway located at 619 Tumbleweed Circle, but located within the Washoe County right-of-way.

In May of this year, Washoe County Road Department Staff marked out the extents of the asphalt pavement that needed to be replaced. This area was approximately 2,700 square feet (sf). The extent of the repair shall be in accordance with Washoe County Road's standard specifications. The work includes sawcut, removal of existing asphalt, and 6" of subgrade material, installation of 6" Type II base material, repaved with asphalt concrete, application of seal coat, replacement of approximately 52 linear feet of rolled asphalt curb, and repair of radiant heating at 619 Tumbleweed Circle. Upon completion of the work the County will invoice the District and the District will pay the invoice upon verification that the work was completed as described above.

In working with Washoe County Road Department, IVGID was given three (3) options for the work. The total project costs associated with each option are presented below:

- Option 1 is to have the Washoe County Road Department install 2,700 sf of permanent patch.
- Option 2 is to have IVGID's hire a contractor to install the 2,700 sf of permanent patch.
- Option 3 is for IVGID to follow a negotiated reconstruction for the Special Project Conditions to maintain the current PCI (Pavement Condition Index), which would include but not be limited to having IVGID's contractor remove pavement to centerline or edge of pavement, install a structural section of materials that are reconstructed to County standards, installation of permanent asphalt pavement patch, and placement of Type 2 Slurry Seal within one (1) year.

This project was advertised by informal bid during the month of June. A total of three (3) contractors attended the mandatory pre-bid job walk, and only one (1) bid was received.

The following table presents the total cost for each option:

Review, Discuss, and Possibly Authorize Washoe County Roads Department to replace +/- 2,700 SF asphalt pavement damaged by a water line leak. Fund: Utility; Division: Water; Vendor: Washoe County Road Department in the amount of \$97,300.

Project Expense	Cost Option 1	Cost Option 2	Cost Option 3**
IVGID Contractor – Permanent Pavement Patch and Asphalt Rolled Concrete Curb	N/A	\$53,580.00	\$94,000.00
IVGID Contractor - Radiant Heating Repair	N/A	\$6,370.00	\$6,370.00
IVGID Contractor - Slurry Seal*	N/A	\$6,000.00	\$6,000.00
IVGID Sub-Contractor - Material Testing	N/A	\$1,980.00	\$3,500.00
IVGID Project Management	\$3,000.00	\$10,000.00	\$10,000.00
Washoe County Road Cut Permit	\$97,300.00	\$65,250.00	\$2,150.00
Total	\$100,300.00	\$143,180.00	\$122,020.00

*estimated cost to be incurred Spring 2022

**Costs extrapolated based on the current bid's unit pricing

Based on the costs associated with the repair, Washoe County Staff recommends that IVGID proceed with Option 1 and have the Washoe County Road Department repair the section of pavement. In addition to Option1 being the least costly, IVGID will not be responsible for any future failure of the pavement associated with the repair.

III. BID RESULTS

To assess the cost of available options for this project, the scope of work was advertised by informal bid in June 2021. A total of three (3) contractors attended the mandatory pre-bid job walk, and only one (1) bid was received, from RaPiD Construction. Public Works has worked on many projects with RaPiD Construction and they are more than qualified to perform the work associated with this project. A summary of the bid is found below.

Description	Cost
Paving & Asphalt Rolled Curb Proposal	\$53,580.00
Radiant Heating Replacement	\$6,370.00
Total	\$59,950.00

Review, Discuss, and Possibly Authorize
Washoe County Roads Department to replace
+/- 2,700 SF asphalt pavement damaged by a
water line leak. Fund: Utility; Division: Water;
Vendor: Washoe County Road Department
in the amount of \$97,300.

-4-

August 10, 2021

IV. FINANCIAL IMPACT AND BUDGET

The estimated cost to have Washoe County Public Works install the permanent roadway patch is \$97,300, plus \$3,000 for project management. At this time, Staff is recommending utilizing existing repair and maintenance funds included in the approved FY2021/22 budget (Utility Fund: Water Distribution Repair and Maintenance - Corrective). As this road repair work was not specifically anticipated at the time of development of the budget, this funding recommendation will significantly deplete available Water Division repair and maintenance funding.

As an alternative, Staff considered recommending a budget augmentation from available reserve funding to support this work. As it is anticipated that more R&M work will need to take place over the next 11 months, staff will be monitoring the overall water utility operating budget to determine when (or whether) a supplemental budget augmentation may be needed.

V. ALTERNATIVES

This is an unforeseen event that is not covered by our insurance and must be completed to repair the County roadway. As an alternative to the Staff recommendation to pursue Option 1, as outlined in this memo, the Board could choose to pursue either Options 2 or Option 3, albeit at an increase overall cost.

Additionally, as an alternative to the Staff recommendation to pursue Option 1 through allocation of existing Utility Fund repair and maintenance funds, the Board could choose to direct staff to return to the Board with a budget augmentation to increase the existing Utility Fund budget from available Utility Fund operating reserves.

VI. 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.

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Chairman, Board of Trustees

REVIEWED BY: Indra S. Winquest
District General Manager

Josh Nelson
District General Counsel

SUBJECT: Review, discuss and potentially adopt Policy 20.1.0 regarding Board correspondence

DATE: August 10, 2021

I. RECOMMENDATION

That the Board of Trustees review, discuss, and potentially adopt Policy 20.1 regarding Board correspondence.

II. BACKGROUND

At its May 12, 2021 meeting, the Board discussed potential options for handling Board correspondence. During the discussion, the Board reached consensus that it wished to receive and post all Board correspondence on the District's website. The Board requested that a formal policy be prepared and brought to a future meeting for adoption. A copy of the Staff report from this meeting and relevant minutes are enclosed.

Chair Callicrate and Counsel Nelson prepared the draft Policy 20.1.0 on Board correspondence. This policy generally requires the District to create a new email address for members of the public to use to send in Board correspondence. This email address and a mailing address would be posted on the District website. Individual Trustees could also forward correspondence sent to the entire Board to staff for inclusion as Board correspondence. The District would generally include all received correspondence in the posting but the policy does allow the District to not post a message if it is determined to be obscene, defamatory, discriminatory on the basis of a protected class under state or federal law, threatening violence, or unrelated to the District or its business. This is anticipated to be used very sparingly and generally only in situations where including a message in the posting

might subject the District to liability. Even in these situations, messages will be provided to the Trustees.

Correspondence would be compiled, sent to all Trustees, and posted on the District website on a rolling basis to coincide with regular Board of Trustees meetings. Pursuant to Policy 3.1.0, any Trustee could request that an item addressed in Board correspondence be agendaized for a future meeting. In addition, individual Trustees may respond to correspondence or request that staff respond to factual questions or similar requests that would not require a significant amount of staff time. Any request requiring a significant amount of Staff time should be agendaized for Board consideration and direction.

III. FINANCIAL IMPACT AND BUDGET

There is little financial impact to this item. Posting of Board correspondence requires minimal Staff time.

IV. ALTERNATIVES

As an alternative to adopting the proposed policy, the Board can (1) revise the policy or (2) consider an alternative method for addressing Board correspondence as identified in the Staff report from the May 12, 2021 meeting which is attached hereto.

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.

order to bring it back? District General Counsel Nelson asked how does the Board want to handle Gold/Silver card holders? Chairman Callicrate asked about ramifications on Gold/Silver cards. District General Manager Winquest said that there are 7 or 8 people who use their Gold/Silver cards at the beaches. Chairman Callicrate said for those Trustees that served that time and were granted that privilege to have it taken away is wrong. The community voted it out in 1996, for those who served prior to that, he doesn't have an issue. For the employees, no issue there either. It was a perk they were granted and they did provide service to the community whether you like them or not so he wouldn't want to take that away from them. Trustee Schmitz said if someone only has access by themselves, they won't use it and Gold/Silver card holders can't bring guests so they can only get themselves into the beaches. District General Manager Winquest said he would agree with Trustee Schmitz on that aspect and would note that they are used more at the golf courses and Diamond Peak to get the discounts for themselves and if they live out of town, it is probably not just themselves. This is a Board decision and it is your job to make the decision. District General Counsel Nelson said he is hearing consequences to not include Gold/Silver card holders in the restrictions so he has enough direction to bring something back. Chairman Callicrate said we are looking at this thoroughly and that he wants to have clear language in the packet for the community to look at so let's bring it back on May 26.

J.7. Review, discuss and possibly approve a method for handling Board correspondence (Requesting Trustee: Board of Trustees Chairman Tim Callicrate)

Chairman Callicrate gave an overview of the submitted materials. Trustee Tonking asked what are the perimeters that define Board correspondence? District General Counsel Nelson said that we need to define that in more detail in the policy we bring back. Currently, we have asked individual Board members to forward them and we should have one e-mail address to send in Board correspondence. Trustee Tonking said we do get correspondence that is sent and not to the additional address? District General Counsel Nelson said that is good information to consider. Chairman Callicrate said we receive a number of items that are sent to individuals and all and then we could have an e-mail address to send it to and then allow individual Trustees to have a way to include what they choose. Trustee Dent said he agrees with option number 2 as well as it is a good compromise. District General Counsel Nelson and Chairman Callicrate are to work on a policy.

MEMORANDUM

TO: Board of Trustees

FROM: Tim Callicrate
Chairman, Board of Trustees

REVIEWED BY: Indra S. Winquest
District General Manager

Josh Nelson
General Counsel

SUBJECT: Review, discuss and possibly approve a method for handling Board correspondence

DATE: April 14, 2021

I. RECOMMENDATION

That the Board of Trustees provide direction on how to handle Board correspondence. The initial recommendation is to post Board correspondence through a separate website link for each meeting. This will provide transparency in the received correspondence and allow Trustees (on their own or through requests by the public) to request items raised in those communications be placed on a future agenda for consideration. Based on the Board's direction, a formal policy could be developed for Board approval at a future meeting.

II. BACKGROUND

The Board of Trustees previously included an item on agendas for "Correspondence Received by the District." This included any correspondence received by the Board on matters not on the agenda and determined not to be defamatory. A member of the community filed an Open Meeting Law (OML) complaint alleging that this practice violated the OML. The Attorney General disagreed in its review of the complaint (OAG File No. 13897-287). However, in doing so, the Attorney General encouraged IVGID to provide greater specificity regarding the scope and substance of the "Board Correspondence" agenda item to help avoid confusion by the public.

In response, IVGID has removed this item from its agendas until the Board and Staff had the opportunity to review the issue and determine the most appropriate

response. To help facilitate the Board's discussion, below are a number of options the Board could consider:

1. Place Board Correspondence on the Agenda: The Board could place a standing item on its agenda and include correspondence in the packet. This would require including more specificity in the agenda item to address the concerns raised by the Attorney General.
2. Post Board Correspondence on the Website: The Board could post all Board correspondence on the website. As an example, a link could be posted near each agenda packet with the correspondence received since the last agenda. If any Trustee (on his/her own or through a request by a member of the public) wished, items raised in correspondence could be placed on the agenda through the long range agenda item or separately through a request to Staff.
3. Continue the Current Practice: The Board could continue the current practice of receiving Board correspondence but not posting it publicly. Any Trustee can request items raised in correspondence be added to a future agenda.

The recommendation is for the Board to consider Option #2. This practice provides transparency by publicly posting correspondence while avoiding the OML concerns raised by the Attorney General. Correspondence will not be included as an item on the agenda or included in the official agenda packet. This avoids the potential for confusion about the scope and substance of the agenda item. As noted above, while items raised in Board correspondence cannot be discussed in detail during the Board meeting, Trustees could request that items raised in correspondence be added to a future agenda.

Options #1 and #3 are not recommended at this time. Option #1 does not address the OML concerns. If Board correspondence is included as an agenda item, the item will need to include sufficient detail to explain that this is simply a placeholder on the agenda for the Board to acknowledge receipt of previous Board correspondence. It further needs to note any limits on the types of correspondence that will be included. This seems impractical. Option #3 does not provide the transparency that the Board previously indicated it wished to provide.

Importantly, one issue that has been raised previously is IVGID's potential liability for defamation/libel for posting correspondence. While this is a serious issue, Staff is confident it can create a policy that would mitigate this risk. The bar for defamation against public officials is relatively high, and unpleasant or distasteful

remarks are generally not sufficient to be actionable. A policy could be developed that clarified that Board correspondence is intended to be a limited public forum for members of the public to provide written comments outside of a meeting to the Board. This will help clarify that IVGID is not the speaker and not responsible for the content of the message. A policy could be developed to clarify this and to allow the removal of letters deemed truly outside the scope of the First Amendment. This would be similar to social media policies adopted by many public agencies.

III. FINANCIAL IMPACT AND BUDGET

There is little financial impact to this item. Posting of Board correspondence would require minimal Staff time.

IV. ALTERNATIVES

The Board can (1) include Board correspondence on the agenda, (2) post correspondence separately on the website, (3) continue its current practice, or (4) consider an alternative not discussed in this report.

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.

ADAM PAUL LAXALT
Attorney General



STATE OF NEVADA

OFFICE OF THE ATTORNEY GENERAL

555 East Washington Avenue, Suite 3900
Las Vegas, Nevada 89101

J. BRIN GIBSON
First Assistant Attorney General
NICHOLAS A. TRUTANICH
Chief of Staff

KETAN D. BHIRUD
General Counsel

October 2, 2018

Via U.S. Mail and Electronic Mail

Frank Wright
P.O. Box 186
Crystal Bay, NV 89402
alpinesportss@gmail.com

**Re: Incline Village General Improvement District Board of
Trustees (IVGID) – Open Meeting Law Complaint,
OAG File No. 13897-287**

Dear Mr. Wright:

The Office of the Attorney General (OAG) is in receipt of your Complaint (Complaint) alleging violations of the Open Meeting Law (OML) by IVGID. Your Complaint alleges first that IVGID violated the OML by failing to provide in its May 9, 2018 meeting (Meeting) "Board Packet¹," correspondence received by IVGID. Your Complaint's second allegation is that IVGID is unlawfully censoring from its meeting minutes remarks made in public comment.

The OAG has statutory enforcement powers under the OML, and the authority to investigate and prosecute violations of the OML. NRS 241.037; NRS 241.039; NRS 241.040. In response to the Complaint, the OAG reviewed the Complaint and attachments, the agenda and support materials for the Meeting, the video recording for the Meeting, the approved Meeting minutes, and the response to the Complaint from IVGID.

FACTUAL BACKGROUND

IVGID is a "public body" as defined in Nevada Revised Statute (NRS) 241.015(4), subject to the OML.

The Complaint's first allegation concerns Meeting agenda item "J" which IVGID listed as "CORRESPONDENCE RECEIVED BY THE DISTRICT." The support material for the Meeting did not include any documents identified as correspondence received by IVGID. It is stated in the

¹ A review of the "Board Packet" for the May 9, 2018 meeting shows that the "Board Packet" consists of the agenda and support materials for the meeting.

Meeting video recording that the absence of the correspondence from the board packet was because IVGID's practice² was to only include correspondence that was not previously communicated to the Board and which was not determined to be defamatory. This policy is not stated in the Meeting agenda. The approved Meeting minutes for agenda item "J" lists the authors of the correspondence received by IVGID but said correspondence is not attached to the approved Meeting minutes.

The Complaint's second alleged violation of the OML relates to improper censuring of IVGID meeting minutes. The Complaint specifically provides:

Public comments at Board Meetings and correspondence to the Board have been critical of Board Chair Wong, Vice Chair Horan (who is also Chair of the Audit committee), General Manager Pinkerton, Director of Finance Eick, Public Records Officer Herron and Legal Counsel Guinasso. There have been citations of these individuals violating Nevada Revised Statutes and Board Policies and Practices. Public Comments addressing the above named individuals and their actions, conduct or decisions have been sanitized in the recorded Meeting Minutes. Trustees and citizens requesting corrections in the interest of accuracy have been for the most part ignored.

The complaint does not provide any specificity as to what part of the Meeting minutes is being "sanitized." Furthermore, the Complaint does not make clear that the allegation is even referring to the IVGID May 9, 2018 meeting.

DISCUSSION AND LEGAL ANALYSIS

Allegation #1: IVGID violated the OML by failing to produce in its support material "correspondence received by the District."

The complaint alleges that IVGID violated the OML by failing to include in its board packet "correspondence received by the district." The OML is found in NRS chapter 241. There is no statutory provision in NRS chapter 241 requiring a public body to produce correspondence it has received. If the subject correspondence constitutes public records, the issue of whether they are subject to dissemination would be governed by NRS chapter 239³. Thus,

² This practice was explained in the Meeting by General Manager Steve Pinkerton, IVGID General Counsel Jason Guinasso, and Chairman Kendra Wong.

³ The Nevada Public Records Act (PRA), embodied in NRS 239.010, provides all public books and records of a governmental entity, the contents of which are not otherwise declared by law to be confidential, must be open at all times during office hours to inspection by any person. NRS 239B.010.

the proper remedy for a public record violation would be provided in NRS chapter 239 and not an OML complaint.

However, NRS 241.020(2)(d)(1) requires a public body to post an agenda consisting of a "clear and complete statement of the topics scheduled to be considered during the meeting." In *Sandoval v. Board of Regents*, 119 Nev. 148, 67 P.3d 902 (2003), the Nevada Supreme Court interpreted the "clear and complete" requirement to mean that it must provide the public with "clear notice of the topics to be discussed at public meetings, so that the public can attend a meeting when an issue of interest will be discussed. *Id.* at 155. The Meeting's agenda item "J" simply stated "CORRESPONDENCE RECEIVED BY THE DISTRICT." There is nothing in this description explaining the limited scope of correspondence that would be made public under this agenda item. Agenda item "J" can be interpreted to say that all of IVGID's correspondence is a "topic scheduled to be considered during the meeting," NRS 241.020. While this did not constitute an OML violation, a more "clear and complete" description of what is contemplated under this agenda item may avoid further confusion for the public⁴.

Allegation #2: IVGID is improperly censoring remarks made in public comment from meeting minutes.

The Complaint alleges that IVGID is censoring from its meeting minutes remarks made in public comment that have been critical of certain members of the board. Nevada Revised Statute ("NRS") 241.035 governs public meeting minutes and it provides that each public body shall keep written minutes of each of its meetings, including the following:

1. Each public body shall keep written minutes of each of its meetings, including:
 - (a) The date, time and place of the meeting.
 - (b) Those members of the public body who were present, whether in person or by means of electronic communication, and those who were absent.

The PRA presumes that all records are to be open to the public unless deemed confidential by law. The purpose of the PRA is to ensure the accountability of the government to the public by facilitating public access to vital information about governmental activities. *City of Reno v. Reno Gazette-Journal*, 119 Nev. 55, 59, 63 P.3d 1147, 1149 (2003), citing *DR Partners v. Board of County Commissioners of Clark County*, 116 Nev. 616, 621, 6 P.3d 465, 468 (2000).

⁴ "There is no statutory provision requiring public bodies to discuss, or take action on, all agenda items." *Schmidt v. Washoe County*, 123 Nev. 128, 135, 159 P.3d 1099, 1104 (2007) (abrogated on other grounds by *Buzz Stew LLC v. City of Las Vegas*, 124 Nev. 224, 181.3d 670 (2008)). However, notice of the meeting must notify the public that the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. NRS 241.020(2)(d)(6)(iii). The Meeting agenda had such a disclaimer and IVGID had the option to remove this item from the Meeting agenda.

(c) The substance of all matters proposed, discussed or decided and, at the request of any member, a record of each member's vote on any matter decided by vote.

(d) The substance of remarks made by any member of the general public who addresses the public body if the member of the general public requests that the minutes reflect those remarks or, if the member of the general public has prepared written remarks, a copy of the prepared remarks if the member of the general public submits a copy for inclusion.

(e) Any other information which any member of the public body requests to be included or reflected in the minutes.

As provided above, NRS 241.035 does not require verbatim memorialization of public comment in meeting minutes. Rather, NRS 241.035 requires only the substance of the public comment in the minutes, or a copy of the remarks be included in the minutes, if the speaker requests it.

The allegation does not articulate that a speaker requested that his/her remarks be reflected in the meeting minutes. Furthermore, the allegation does not indicate which meeting minutes lack "the substance of remarks made by any member of the general public." *Id.* Instead, the allegation is merely a conclusory statement that fails to identify a specific instance in which an OML violation may have occurred. Thus, IVGID cannot be found in violation of the OML for failing to adhere to the mandates set forth in NRS 241.035.

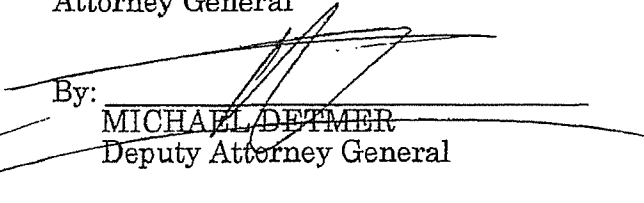
CONCLUSION

The OAG has reviewed the available evidence and determined that no violation of the OML has occurred.

Sincerely,

ADAM PAUL LAXALT
Attorney General

By:


MICHAEL DETMER
Deputy Attorney General

MDD/dt

C: Jason D. Guinasso, Esq., Incline Village General
Improvement District



Correspondence to the Board of Trustees Policy 20.1.0

POLICY. The Board of Trustees encourages communications from the public on matters of interest related to the District. Written correspondence to the Board will be subject to this Policy.

- 1. Receipt of Correspondence.** The District will establish an email address for members of the public to send electronic messages to the entire Board of Trustees. This email address and a mailing address for Board correspondence shall be posted on the District website. In addition, Trustees should forward messages addressed to the entire Board to Staff for inclusion as Board correspondence.

- 2. Postings of Correspondence.** Electronic and written correspondence, received under Subsection 20.1.1, shall be distributed to the Board of Trustees and compiled and posted on the District's website as "Board Correspondence" or a similar heading. Messages shall be compiled and posted on a rolling basis to coincide with regular meetings of the Board of Trustees. The District reserves the right to not post messages determined to be obscene, defamatory, discriminatory on the basis of a protected class under state or federal law, threatening violence, or unrelated to the District or its business. Any decision not to post a message shall be made by the Chair of the Board of Trustees in consultation with the General Manager and General Counsel. The District's decision to post messages does not indicate support or authorship of any messages.

- 3. Placing Items on the Agenda.** Subject to the requirements of Policy 3.1.0, Trustees may place any item received in Board correspondence on a future Board of Trustees agenda.

- 4. Responses to Correspondence.** Unless an item is agendaized for discussion, the District generally will not respond to correspondence. However, Trustees may wish to do so in their individual capacity consistent with the requirements of the Open Meeting Law and other District policies. Individual Trustees may also refer factual questions or similar requests to Staff for follow up provided that responses do not require significant Staff time as determined by the General Manager. Responses to correspondence that require significant Staff time should be agendaized for Board consideration and direction.

MEMORANDUM

TO: Board of Trustees

FROM: Ray Tulloch
Audit Committee Chair

SUBJECT: Proposed Whistleblower Policy for Financial Matters

DATE: August 2, 2021

I. BACKGROUND

Under Board Policy 15.1.2.8 the Audit Committee is charged as follows:

- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
 - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
 - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
 - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.
 - 2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

II. ACTIONS

Over several Audit Committee meetings, starting in March 11 2021, the Audit Committee has prepared, reviewed and discussed several drafts of the Whistleblower Procedure for Financial Matters in accordance with Board Policy 15.1.2.8. At the Audit Committee meeting of July 13, 2021 the Audit Committee finalized and agreed the attached proposed procedure.

The Audit Committee respectfully requests the Board to review the proposed Whistleblower Policy with a recommendation for adoption and implementation by the Board.

The Committee will be happy to discuss further with the Board upon request.

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT WHISTLEBLOWER PROCEDURE

General

The Incline Village General Improvement District (IVGID) expects its employees, Trustees, and volunteers to observe high standards of business and professional ethics in the conduct of their duties and responsibilities. Employees and representatives of IVGID must practice honesty and integrity in fulfilling their responsibilities and comply with all IVGID Policies, Practices, Resolutions and Ordinances and other applicable laws and regulations. Moreover, IVGID is committed to transparency and fostering a “speak up” culture. This Whistleblower Procedure implements Board of Trustees Policy 15.1.0(2.8).

In addition, IVGID encourages its employees, volunteers, other stakeholders of the District, and the public to share their questions, concerns, suggestions, or complaints with their supervisor, Venue Manager, Trustees, General Manager, or the Audit Committee Chair.

The Whistleblower Procedure includes the following:

- The methods for submission of suspected Misconduct may be reported by employees, Trustees, volunteers, other stakeholders of the District, and the public on a confidential and anonymous basis to the extent permitted by applicable law.
- The process to be followed when a submission of concern is received.
- The receipt, retention, and treatment of suspected Misconduct submissions received by the Audit Committee regarding IVGID Policies, Practices, Resolutions, Ordinances and other applicable laws and regulations. The protection of employees, Trustees, volunteers, other stakeholders of the District, and the public reporting concerns from retaliatory actions.

Reporting

It is the responsibility of all employees, Trustees, and volunteers to report Misconduct and/or reasonable suspicions of Misconduct in accordance with this Whistleblower Procedure. Other stakeholders of the District and the public may also report Misconduct in accordance with this Whistleblower Procedure.

“Misconduct” means (a) questionable or improper accounting or auditing matters, (b) violations and suspected violations of federal, state, local laws, and (c) violations and suspected violations of IVGID Ordinances, Policies, Practices and Resolutions. “Misconduct” does not include minor, immaterial matters or routine workplace complaints or disciplinary matters which shall be processed under

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applicable Human Resources policies and/or applicable Memorandum of Understanding.

Trustees, employees and volunteers have the following options for reporting concerns that involve Misconduct and/or or reasonable suspicions of Misconduct:

- A. Discuss any suspected Misconduct with their **immediate supervisor**.
- B. Report the suspected Misconduct to the **Director of Human Resources**.
 - a. If the Misconduct was reported verbally to the Director of Human Resources, the reporting individual, with assistance from the Director of Human Resources, shall reduce the Misconduct to writing.
- C. Report the suspected Misconduct to the **Chair of the Board of Trustees**.
 - a. Should the suspected Misconduct implicate one or both of the General Manager or the Chair of the Audit Committee, this is the recommended reporting option.
- D. Report the suspected Misconduct to the **Chair of the Audit Committee**.
- E. Report the suspected Misconduct to any other **Trustee**. It is recommended that if a Trustee receives a report it is copied to the Chair of the Audit Committee – unless the Chair of the Audit Committee is implicated - to be investigated in accordance with the procedure described in the section **Receipt, Retention, and Treatment – Role of the Audit Committee Chair**.
- F. Submit concerns of suspected Misconduct anonymously using the IVGID website. Such submittals will automatically be routed to the Audit Committee Chair with a copy to the General Counsel.

The public may also submit suspected Misconduct and/or or reasonable suspicions of Misconduct to:

- A. The Audit Committee Chair by email at AuditCommittee@ivgid.org.
- B. Anonymously using the IVGID website. All anonymous allegations of Misconduct will be sent directly to the Chair of the Audit Committee with a copy to the General Counsel.
- C. Mail to 893 Southwood Blvd. to the attention of the Audit Committee Chair, Strictly Confidential – Addressee only, Incline Village NV 89451

Upon receipt of suspected Misconduct, the receiving party shall take swift action which shall include investigating or referring it to Human Resources if it is not subject to this procedure. Investigations may include an independent third party reviewer, the Human Resources department and/or legal counsel, as applicable.

No Retaliation

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This Whistleblower Policy is intended to encourage and enable Trustees, volunteers, stakeholders of the District, the public and employees to report Misconduct and/or reasonable suspicions of Misconduct within IVGID for investigation and appropriate action. With this goal in mind, no Trustee, volunteer, member of the public, employee or other stakeholder of the District who, in good faith, reports Misconduct shall be subject to retaliation, harassment or public disclosure except to the extent required by applicable law or, in the case of an employee, adverse employment consequences. Moreover, any volunteer, Trustee or employee who retaliates, directly or indirectly, in violation of this procedure, against someone who has reported Misconduct and/or or reasonable suspicions of Misconduct in good faith is subject to discipline up to and including removal from the volunteer position, or termination of employment, or being censured as a Trustee.

Acting in Good Faith

Anyone raising concerns of Misconduct and/or reasonable suspicions of Misconduct must be acting in good faith and have reasonable cause for believing the information disclosed indicates Misconduct. Any allegations that prove to be made maliciously or knowingly false will be viewed as a serious disciplinary offense. For employees, this may result in termination. "Good faith" does not mean that the reporting person must be positive that their report is correct, but rather that the person is providing all of the information they have and that they believe it to be true at the time of reporting.

Confidentiality

To the extent permitted by applicable law, reports of Misconduct or suspected Misconduct will be kept confidential on a "need-to-know" basis, consistent with the need to conduct an adequate investigation. To the extent permitted by applicable law, the party leading the investigation shall make every reasonable effort to ensure the identity of the reporter is not disclosed if such reporter wishes to remain confidential. If an internal investigation could materially increase the risk of confidentiality being compromised, the use of an independent third party to conduct the investigation is recommended. Improper or unauthorized disclosure of reports of Misconduct or resulting investigations will be viewed as a serious offense and will result in applicable disciplinary procedures being followed, up to and including termination of employment if provided under such procedures.

Receipt, Retention, and Treatment – Role of the Audit Committee Chair

The Audit Committee Chair will track and provide quarterly reports on the following statistics:

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1. The number of reported concerns regarding Misconduct received through the IVGID website or direct reporting to the Audit Committee Chair, or passed to the Audit Committee Chair for investigation by another party receiving a report.
2. The average time to resolve or respond to those concerns.
3. The number of repeated concerns regarding Misconduct submitted.

The Audit Committee Chair will review all concerns under the whistleblower procedure s/he receives. The following are potential, but not exclusive, options of action for the Audit Committee Chair which shall be determined in consultation with General Counsel, unless the Counsel is implicated in which case the Chair shall consult with the Chair of Board of Trustees:

1. Delegate the investigation to the General Manager when the submission is outside the Audit Committee responsibilities as defined in Board Policy 15.1.0, Section 2.0.
2. Engage an external independent resource to investigate and provide recommended corrective actions.
3. Delegate the investigation to the General Manager or General Counsel.

If a concern under the whistleblower procedure is delegated to the General Manager, s/he is expected to take immediate action while keeping the Audit Committee Chair informed of the status of the investigation and corrective action taken. To ignore a concern under the whistleblower procedure will result in action pursuant to applicable disciplinary procedures, up to and including termination for inaction. The Audit Committee Chair shall retain ultimate responsibility to ensure that allegations of Misconduct under the whistleblower procedure are investigated and resolved in a timely fashion. The Audit Committee Chair has the authority to take additional action as s/he deems appropriate should s/he deem the investigation and corrective action is not being dealt with in a timely manner.

Receipt, Retention, and Reporting – Role of the General Manager

The General Manager will track and provide quarterly reports to the Audit Committee chair on the following statistics:

1. The number of reported concerns under the whistleblower procedure regarding Misconduct received through direct reporting to the General Manager or Human Resources Director, or passed to the General Manager for investigation by another party receiving a report.
2. The average time to resolve or respond to those concerns.
3. The number of repeated concerns regarding Misconduct submitted.

MINUTES

REGULAR MEETING OF JULY 13, 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 Tuesday, July 13, 2021 at 6:00 p.m. This meeting was conducted at the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

B. ROLL CALL OF TRUSTEES*

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

Members of Staff present were Director of Finance Paul Navazio, Director of Public Works Brad Underwood, Engineering Manager Kate Nelson, Director of Human Resources Erin Feore, General Manager Diamond Peak Ski Resort Mike Bandelin

Members of the public present were Frank Wright, Cliff Dobler, Mike Abel, Ray Tulloch, Chris Nolet, Denise Davis, Jack Dalton, and others.

C. INITIAL PUBLIC COMMENTS*

Frank Wright said he spoke earlier at the Audit Committee and most of you should know that the lawsuit filed by Mark Smith has been adjudicated and it is damning. Public records in this District is outrageous. Former General Counsel Guinasso and Trustee Wong are screwing with this District and there is over \$200,000 in costs. This lawsuit has delayed the inevitable and what did you delay? Things in the e-mails that shouldn't come out? Spent this money, suck it up and let us see what it is there. Let us find out what it is in there and let's stop playing games. Any one of Trustees that votes to fight it are complacent. This is damning and it exposes this District for what it is which is stealing, giving away public property at no cost, giving away public property so they can rig elections, and ending up with people like former Trustee Peter Morris on the Board who was the biggest disgrace. We have people calling us liars. There has been unbelievable behavior by a Board Chairman. Let's rope in what has been done and do what is right for our community. We are in the process of losing our beaches because you are not paying attention. If the information he has gets out, watch out.

Mike Abel read his written statement which is attached hereto.

Cliff Dobler read his written statement which is attached hereto.

D. APPROVAL OF AGENDA (for possible action)

Chairman Callicrate asked if there were any changes to the agenda as presented; Trustee Schmitz asked that General Business Item I.5. be moved to before General Business Item I.4. Chairman Callicrate said that change is fine and asked for any further changes; none were received so the agenda was approved as amended.

E. DISTRICT GENERAL MANAGER UPDATE (for possible action)

District General Manager Winquest went over his submitted report with the following highlights:

- ✓ Formally submitted our special use permit to the United States Forest Services for the parcel across from the Incline High School; forecasting to wrap this up by September;
- ✓ General Manager's Ordinance 7 Committee update – survey is out, this time last week had over 1,300 responses, goal is 2,000, next Wednesday will mark 21 days for release, may shut it down at that time and then will reconvene committee to discuss and formalizing the recommendations to the Board so the Board can begin deliberation;
- ✓ 4th of July visits – seeing an increase with picture pass holders and seeing a decrease with punch card holders and paid guests this year; visits are down at Burnt Cedar due to parking and construction restrictions; Incline Spirits are working there on the weekends only due to business limitations and we have closed the IVGID snack bar due to construction and staffing challenges;

Trustee Dent asked, referencing agenda packet page 14, public records requests (PRR), do we have outstanding PRR requests? District General Manager Winquest said yes and we can include them and put them in sequential order. Staff is working diligently to fulfill these requests and noted that some are very significant in volume. Staff is trying to work with members of the community and some of these will take a little longer. Trustee Dent said it is good for us to gauge where we are at. Trustee Schmitz said one clarification on Moss Adams – there is an update to come on the work our Staff is to complete and that she wanted to make that clarification. At our May 12 Board meeting, did we agree for the correspondence to be on our website and if so, what is the status of that effort? District General Manager Winquest said Staff will look into that. Trustee Schmitz said there was an

action item about seeking an independent attorney on property rights with the beaches – do you have an update on that item? District General Manager Winquest said Staff wants to deliver that simultaneously with the General Manager's Ordinance 7 Committee recommendations and that Staff can bring it earlier if that is the Board's desire. Trustee Schmitz said she thought what the Board wanted was to have that information while we were working on Ordinance 7. Trustee Tonking said she recalls that we were going to hire around the same time to work with Staff on Ordinance 7. District General Manager Winquest said, just to clarify, Staff has recommended to get outside legal counsel and the goal was to formally deliver that, as a recommendation, to the Board, to hire outside legal however if the Board desires we can deliver that recommendation earlier. Trustee Schmitz asked who is taking the lead? District General Manager Winquest said he will put together the agenda item and that the Board hires attorneys and he would not be comfortable to choose an attorney however Staff would prefer to vet it at the Board level; he will put together a Board memorandum. Trustee Schmitz said that there is still a lot of confusion about the survey – people think that the day passes are still available and there are questions about Hyatt availability. She knows that Staff did the video however is there any way to help people with filling out the survey as it is a challenge? District General Manager Winquest said the Board passed a resolution that there are no day passes and we put a lot of information within the survey. Staff is doing everything we can to educate and Staff can put together a need to know document or frequently asked question document as one of our committee members worked on it. Anything we can do to help people be as knowledgeable as possible, Staff is doing. He has received a tremendous amount of positive feedback. Trustee Schmitz said thank you on the golf course update as it included expenses and revenues.

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

District General Manager Winquest said we may not be bringing the Incline Beach House item on August 10 due to staffing as we are down two full time positions. Chairman Callicrate said we can use the old Boardroom if it works for us to keep the meetings on Wednesdays. District General Manager Winquest apologized if the public had a problem with parking. Staff has been talking about bringing back Policy 16.1.1. for discussion and potential revisions and that one thing that the General Manager's Ordinance 7 Committee recommended is to deal with that as Board policy. District General Manager Winquest also stated that the Audit Committee said they will have their next meeting on August 10 at 3 p.m.

Trustee Schmitz said at the Audit Committee they talked about the concerns related to the health of the Utility Fund and that she has an item sitting in the parking lot for a detailed financial review of the Utility Fund. In order to fill the gap,

the \$2 million is being used so we need to decide how we are going to fill the gap. We don't meet the Utility Fund reserve fund balance and cash on hand and this needs to be a Board priority as to how to resolve that status. District General Manager Winquest said he will discuss this with the Board Chairman. Chairman Callicrate said with the rate study contract, this needs to be concurrent. Trustee Schmitz asked for it to be added to the parking lot and noted that she has requested that District General Counsel Nelson do a scope of work for legal services for evaluating Dillon's Rule so she is curious where that is going and that she has also requested some Board training. Chairman Callicrate said that the Board training is stalling as we are having trouble with scheduling a time when all Trustees are available.

Chairman Callicrate said that many in the community know the Hyatt and he was saddened to announce that their long time Director of Operations and Gaming Scott Ruhl passed from an unexpected heart attack. It was a devastating blow and that he wanted to make a public acknowledgement to the Hyatt and Ruhl/Brook families with our condolences and to say thank you for all that Mr. Ruhl and his families have done to make this community what it is and for their contributions.

G. REPORTS TO THE BOARD*

G.1. Treasurer's Report – Checks issued by the District over \$10,000 (Requesting Trustee: Treasurer Michaela Tonking)

Treasurer Tonking said the two checks she wanted to point out were First Nonprofit and Mike Menath; both are for District insurance. Treasurer Tonking then provided a quick update on policies – she and Staff are working with Moss Adams on Policies 12.1 and 13.1 and they have a 6-week timeline and that she and Staff will be working with them on a couple of other items. At the August meeting, she is hoping that the Director of Finance will be giving an end of the year investment report. Trustee Schmitz asked about \$725,000 and if it was approved by the Board of Trustees? Treasurer Tonking said reoccurring charges are not approved by the Board. Director of Finance Navazio said that these are premiums paid for POOL/PACT, etc. and under Nevada Revised Statutes provisions, they are budgeted annually and the premiums are paid. The self-insurance one was secured on the open market and was in the front of the Board of Trustees last month. The self-insurance came to the Board of Trustees and the other didn't but Staff would be happy to bring an informational report to the Board if needed. The insurance premiums that we were quoted this year were approved in the budget. District General Counsel Nelson said that the budget approval was

the authorizing action and why it doesn't need to come before the Board of Trustees.

G.2. Final report regarding the District's utilities management review and asset assessment submitted by Raftelis Financial Consultants, Inc. representative Seth Garrison and Rebekka Hosken (Requesting Staff Member: District General Manager Indra Winquest)

District General Manager Winquest introduced Raftelis representatives Mr. Seth Garrison and Ms. Rebekka Hosken. Mr. Garrison and Ms. Hosken then gave a Powerpoint presentation that is included by reference. Trustee Dent asked if any other agencies collect monies for projects years in advance? Mr. Garrison said yes and that they looked at the restriction and that the policy is the only restriction of the cash and we looked at it more as unrestricted. Trustee Dent said that the Board did that restriction and do they see other agencies collecting for specific projects for five, six or seven years out? Mr. Garrison said yes, they certain do and it is typically due to rate setting. Another interesting fact is that many agencies have gone to really long bonds (50 to 100 years). Typically, the debt coverage is 20 years and you need to do that rate matching to manage that debt. Trustee Schmitz said she was quite puzzled by the assessment of the Utility Fund as being in very good condition. By June of last year, there was \$5.5 million and that didn't take into account of carryforward projects, etc. and the Utility Fund does not have that amount. We are using \$1 million of the \$2 million to bridge the gap between service and charges. She is a bit puzzled and asked that they re-evaluate those numbers and give us something that is more accurate. She also has a question about the full-time equivalent (FTE) analysis on agenda packet pages 9 and 10. In comparing to FTE, using 35.4 FTE's, 11 are not Utilities, so she would like to see the numbers rerun on the Utility operations, referencing agenda packet page 34. Mr. Garrison said they used the number funded out of the Utility Fund so rightly they should be counted. Trustee Toning asked if all the member agencies were using those positions that are funded by Utilities? Mr. Garrison said yes. Trustee Schmitz asked if you used Engineering and Fleet? Mr. Garrison said yes. Trustee Schmitz said that she was looking at scope of work and it included things like recommendations on life cycle and revisions and that she didn't see any of those recommendations, so could we review the scope of work and ensure that all of things are contained and identified in the report such as review of life cycle cost analysis methods, no long term fund strategy recommendations, etc. and go back and revisit the scope of work and the specific bullets and ensure that all of those things are covered? Mr. Garrison

said we can do that. On the asset issues, we evaluated the methods, each asset will have its own, we looked at the methodologies and we thought you had that covered. Trustee Schmitz said it might be that she is not seeing it and that she would like to have it more clearly tied to the scope of work. Trustee Tonking said that she agrees with your statement and the amount of knowledge of the Staff which is really exciting. In looking at recommendations, number 3, on agenda packet page 24, do have some examples to build public knowledge and maybe 2 and 3, examples of that? For recommendation 4 – District Audit Committee – was wondering if you see a lot of Audit Committees in your reviews? Mr. Garrison said every Board should have an audit function. The challenging thing is what role does the public play and what the role the Board plays. They are not suggesting an answer to this however the framework the District has is a little atypical to what they have seen. They strongly believe in an audit function but there needs to be the correct separation. Trustee Tonking said, regarding Recommendations 8 and 9, do those align with being more tech savvy? Mr. Garrison said when we met with the lab person, they came with three ring binders. Their recordkeeping is very good, however if you lose the binders or the people, you lose the knowledge. Trustee Wong said thank you for the report as it was extremely thorough and that she appreciates the candor as the Public Works Staff are the unsung heroes of IVGID. One of the things that stood out to her is that, we, as a Board, are not necessarily focusing on the high level policies and getting that message to our Staff. One of the things we need to look at is taking a step back and looking at policies and function in the capacity as a policy setting Board and get out of the function of being into operations. Chairman Callicrate said we are on our way with rectifying our policies and long term debt and pay as you go. For many years, the District has been fearful of going with long term debt as these are long term assets. Mr. Garrison said an observational note, we work with hundreds of utilities, it is very common for new Boards to question the policies and procedures. The evaluation should be transparent and then come up with a policy and move forward and that this is one of the high level things we are trying to emphasize. Chairman Callicrate said that this is a thorough document. Mr. Garrison said if there are other questions, please pass those through the District General Manager and then they will provide those answers.

Chairman Callicrate called for a 10-minute break at 7:34 p.m., the Board reconvened at 7:45 p.m.

G.3. Review, discuss and provide guidance on Golf Cart Capital Improvement Project #3141LV1898 Championship Golf Carts for

2021/2022 (Requesting Staff Member: Director of Community Services/Golf Darren Howard)

Director of Community Services/Golf Darren Howard said that he was available for any questions. Trustee Tonking asked if there has been a lot of costs around the beverage carts; delaying for another year and not spending a lot of money in maintenance? Director of Community Services/Golf Howard said we can make it for another year with the existing carts. Trustee Dent said he remembers a few years ago when we bought the golf carts - do like the idea of refurbishment and given we are making a pretty heavy down payment, what do you foresee for next year? Director of Community Services/Golf Howard said if we go another season past this one, we will have to replace every golf cart battery. We have already seen a significant downfall in battery performance which becomes an embarrassment to us with breakdowns on the course. The big worry for him going forward is have to put a significant money into them and receive nothing back in trade. Trustee Dent said by investing in the golf carts and getting them to service level, there is a tradeoff, so he is trying to weigh out the costs over the long term. He feels like if we spend \$75,000, he can't understand why we can't use the same amount of usage as we use our golf carts about as half as much as a golf course not at this elevation. The golf courses are losing millions of dollars every year so he is looking at where we can improve. Director of Community Services/Golf Howard said it is just not the battery, it becomes all the items on the golf carts and there is a lot of wear and tear that goes on with a lot of non-resident use and they don't always treat them appropriately; he would recommend leasing as an option. Chairman Callicrate asked if we were to make the investment and get one more year out of these and could we then go to leasing option? Director of Community Services/Golf Howard said yes, if we can make it through this year. Trustee Schmitz said it might be helpful for us to understand a couple of things - replace all the batteries in all of the golf carts, did so during off season, and what would that cost us and how would they weigh in? Off season is an opportunity to do things when we don't have staffing levels to do that during the season. Your bullet point says not up to traditional IVGID standards - what does that mean? Director of Community Services/Golf Howard said if you look at the quality that our venues put out, we are charging \$200 to \$220 for a round of golf and we have a golf cart that is not up to that rate standard as they rattle, the GPS system is old and it has old technology, the seats gets worn out, it is hard to clean floorboards, and, Staff would welcome the opportunity to tour any member of the Board to see the conditions themselves. Trustee Schmitz said that is a great suggestion. Chairman Callicrate said so does \$75,000 keep them working through the rest of this

season? Director of Community Services/Golf Howard said yes, that is correct. Chairman Callicrate said then there is a 6 to 8 month lead time and if we want to go to the leasing structure, it will take 6 to 8 months to get them here? Director of Community Services/Golf Howard said yes. Chairman Callicrate said so it is \$75,000 to get them through this season? Director of Community Services/Golf Howard said yes, and by the end of this month, we will reach that amount. District General Manager Winquest said he wants to make sure the Board of Trustees understood the question – we have already replaced a ton of batteries for this year and with that having happened, how many more batteries do we need to pay for in order for next year to have them be in decent shape or is that hard to know? Director of Community Services/Golf Howard said he thinks we are only half way through the battery replacement, and not all of this has been spent on batteries as this includes labor, etc. Trustee Dent said that the Board doesn't have enough information here and that he thinks there is more information that can be developed. District General Manager Winquest said that Chairman Callicrate was trying to ask based on the maintenance, etc. can we make it one more year or does Staff recommend we replace before next season? Director of Community Services/Golf Howard said that amount is just to get through this year. Chairman Callicrate said so we have already spent \$42,000 and we are going to spend \$22,000 or \$23,000 to limp us through and it is either lease or invest a lot more - we have to make that investment. Trustee Tonking said from personal experience, she has had the GPS break down and she does think our Fleet Department needs to do some work on them. She did see there was some interesting information in the snowmaking memorandum thus you might want to do something like that for these as it would be helpful. Director of Community Services/Golf Howard said he can get with the Fleet Team and work on those numbers. The golf cart fleet we have, we do own, and they are due to change over this year. We will get substantial trade in money on these carts as there is one more good year and after that trade in value will drop significantly. Trustee Schmitz asked if Staff has had difficulty in acquiring batteries? Director of Community Services/Golf Howard said yes, we have such that we ordered a few extra in our last order and it is worrisome to him. Trustee Schmitz said on the trade in, there has been a high demand for used golf carts. We have to make the right decision for the District as there is a lot more demand. Trustee Wong said when the carts at the Mountain Golf Course are of higher quality than the Championship Golf Course, we know we have a challenge. We are not there yet but we are getting close. We do need to look at a new golf cart fleet, and that she is of the opinion that leasing is a better option especially with that trade in value. Chairman Callicrate asked if you are getting enough direction? Director of Community Services/Golf Howard said

no decision tonight but we can't three to four weeks so Staff needs to start the process. District General Manager Winquest said we can start that process and bring back more information on August 10. Trustee Schmitz said you brought up a good point, if Fleet is constantly having to stop what they are doing to work on our golf carts, then they reduce the bandwidth of Fleet especially with Parks. We really need to consider leasing as we purchased the golf carts 5 years ago and we purchased the GPS equipment after market, and leasing allows us to roll it all over. Chairman Callicrate asked Staff to bring it back on August 10.

G.4. Audit Committee Report presented by Audit Committee Chairman Ray Tulloch

Audit Committee Chairman Tulloch gave a verbal update of the meeting of today and noted that the Audit Committee has changed over the past month. They have had over 14 meetings, over 40 hours of meetings, recognized some learning points, maybe upset people and don't necessarily see that as a bad thing but we have learned some things. During his opening comments, he asked the Audit Committee to behave in a professional manner, asked them to address issues as we have gone down rabbit holes, and has asked the Audit Committee to focus on agenda items so as to come to a resolution. The other issue that he stressed is that they need to focus on their tasks under Policy 15.1.0 as the perception, amongst the public, is that we can identify all sorts of things. The role of the Audit Committee is to provide objective viewpoints and to make sure the District is operating in an ethical manner. Sometimes, we don't release how much we have done, Audit Committee At-Large Member Dobler put together a list of things we have done - 45 items and we have covered 75% of these. Thank you to Trustee Dent for leading us through most of last year and noted that he had a tough job to control him and Audit Committee At-Large Member Dobler. Overall, the Audit Committee has done a lot. We just signed off on the whistleblower procedure which was an important task and we will provide that to the Board of Trustees at its next meeting. We responded to public comments, rode shotgun on the Moss Adams review, and most importantly, most rewarding aspect, has significantly improved the transparency of the organization. The District does get to take advantage of a huge amount of experience and abilities. We all have learned from the past year and we had, as part of our review, several changes to Policy 15.1.0. The Audit Committee is asking the Board of Trustees to hold off on that as it is on our next agenda. Finally, if we were grading the Audit Committee, they would give themselves a B+ as we have upset everyone equally and fulfilled our role. Chairman Callicrate said he appreciates Mr. Tulloch taking up the Chair, lots has transpired

during the last year, successes far outweigh the mistakes, and that he appreciates all the time spent. The Board of Trustees hasn't decided on Policy 15.1.0. and that he respects the comments made. Trustee Schmitz said she wanted to clarify that what Audit Committee At-Large Member Dobler did was that he went through the individual line items and identified accomplished, not accomplished, or work in progress; we accomplished about 75% and it helped us identify the areas on where we want to spend our time and that self-evaluation was very helpful in identifying what we need to focus on. Chairman Callicrate asked that this be shared with the Board of Trustees as it would be helpful. Regarding the public comments that were made earlier about shutting down the Audit Committee, he doesn't know where that came from – it is not the case. Rest assured you are going to operating until you are not.

H. CONSENT CALENDAR (for possible action)

- H.1. Review, discuss and possibly approve the Tahoe Truckee Area Agreement for Mutual Emergency Aid (Requesting Staff Member: Director of Public Works Brad Underwood)**
- H.2. Review, discuss and possibly award a professional services contract for the Lakeview ski lift gear reducer service and rebuild; 2021/2022 Capital Improvement Project: Fund: Community Services; Program: Ski; Project # 3462HE1702; Vendor: Artec Machine Systems, Inc. in the amount of \$72,617 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)**
- H.3. Review, discuss and possibly approve a Sole Source Finding, and review, discuss, and possibly authorize a Procurement Contract for a Replacement PistenBully Snow Grooming Vehicle – 2021/2022 Capital Improvement Project; Fund: Community Services; Division: Ski; Project # 3463HE1728; Vendor: Kassbohrer All Terrain Vehicles, Inc. in the amount of \$400,000 (Requesting Staff Member: General Manager Diamond Peak Ski Resort Mike Bandelin)**
- H.4. Review, discuss, and possibly approve the District's pay grade(s)/salary matrix, and hourly pay rates, in accordance with Nevada Revised Statutes 318.185 (Requesting Staff Members: Director of Human Resources Erin Feore, Director of Finance Paul Navazio, and District General Counsel Joshua Nelson)**

- H.5. Review, discuss, and possibly authorize a Professional Services Agreement for the Sewer Pump Station No.1 Improvements Project – 2599DI1703 – Fund: Utility; Division: Sewer; Vendor: Jacobs Engineering, Inc., in the amount of \$49,660 for the Sewage Pump Station No.1 Electrical Improvements Bid Documents Revisions and Bid Phase Services (Requesting Staff Member: Director of Public Works Brad Underwood)**
- H.6. Review, discuss, and possibly authorize Staff to execute SHI Quote #20696904 for the one-time purchase of a Microsoft Windows Server Data Center License in the amount of \$56,546.64 to be expensed in approved FY21/22 budget (Requesting Staff Member: Director of Information Technology Mike Gove)**

Chairman Callicrate said that we do have one question for District General Counsel; is there a reason why we have to put review, discuss and possibly approve? District General Counsel Nelson said in abundance of caution, Staff does that in the case it is pulled from the Consent Calendar. Trustee Tonking said that she would be abstaining from the vote on Consent Calendar Item H.4.

Trustee Wong made a motion to approve the Consent Calendar as submitted. Trustee Tonking seconded the motion. Chairman Callicrate called the question and the motion was passed unanimously with Trustee Tonking abstaining on Consent Calendar Item H.4.

I. GENERAL BUSINESS (for possible action)

- I.1. Review, discuss, and provide direction on cost savings options for the Recreation Center Men’s and Women’s Locker Room Remodel Project: 4899FF1202 – Fund: Community Services; Division: Recreation (Requesting Staff Member: Director of Public Works Brad Underwood)**

Engineering Manager Kate Nelson gave an overview of the submitted materials. Chairman Callicrate said that this is a high use area so for maintenance, does it makes sense to do away with penny tiles? Commend you for doing what you did and pushing it out, melding of the two to get the most bang for the buck and timing is in your court. Trustee Tonking said her only concern is cost savings – is it worthwhile? Engineering Manager Nelson

said that the lockers are costing the most which take up the most space but you want to spend your money on the lockers. Trustee Schmitz said thank you to Staff and that she commends them as Engineering Manager Nelson has been knowledgeable and that she enjoyed working with them in a truly collaborative effort. If the Board chooses an option of 1 and 2 it really was Staff's preference to have option 2 as that was what Staff thought they were getting and it was really good that we did a walk through on this. The Board of Trustees can choose to do whatever but know that Staff was in favor of wall to wall mirrors and doing away with the penny tiles. Engineering Manager Nelson said that is correct and it goes back to maintenance. Chairman Callicrate asked Staff if they have clear direction as the consensus is for option 2 which the Board all agreed to.

I.2. Review, discuss, and possibly authorize critical repairs and review, discuss, and possibly authorize the use of alternative storage ponds: Effluent Pipeline and Pond Lining Projects (Requesting Staff Member: Director of Public Works Brad Underwood)

Director of Public Works Brad Underwood gave an overview of the submitted materials and stated that on Friday, we were notified of a leak on the pipeline, and that Staff worked through the night to get that repaired. Trustee Dent asked if the slip lining will work? Director of Public Works Underwood said we will look at that. Trustee Dent said we do need a retention pond and asked if we are putting it beside the existing pond? Director of Public Works Underwood said yes, we are exploring alternative methods. Trustee Schmitz said she has a similar question – in reading the PICA report, they clearly state they can't make judgements on the joints and that they have to be in good shape to do slip lining - what segment was the leak? Director of Public Works Underwood said it was on Segment 2 at a joint. Trustee Schmitz said we will have questions regarding slip lining as it relative to these joints. Director of Public Works Underwood said we will be back before the Board to discuss that as it is a difficult project and that one of the challenges is storage. This approach is a good one and we will keep communication going. Trustee Schmitz asked if we can do the replacement without the pond if we kept the line running while working? Director of Public Works Underwood said no because we are taking out segments. We had enough time to hold back the effluent. Trustee Schmitz said she wasn't talking about the emergency repairs and that we have done it in the past with the pipe going down alongside. As we are talking about the repairs, are they needing to shut down the line for the repairs? Director of Public Works Underwood said Staff is recommending not moving forward with the critical repairs.

Chairman Callicrate said, based on the recommendations in the memorandum, are there any other questions? Trustee Dent said the Mill Creek Pond #2 is a new location so what are we gaining and what do we need – which size? What are we picking up by going with the bigger pond – are we gaining months? Director of Public Works Underwood said it cuts down the project by at least one year and maybe two years, it will assist the contractor with getting employees for more hours each week, and by building the larger pond we maximize our options on digging up the pipeline. There are several factors to help the construction opportunities - do we know the exact design – not yet. The pond lining has to happen first because by delaying the pond lining, we are delaying the whole thing. As to leaks – prefer to move forward, the pond will be larger, and we have got to provide the contractor with enough work. Trustee Schmitz said if we make use of that different pond are there other costs such as piping, pump station, etc. – other adjunct costs? Director of Public Works Underwood said there is a little bit of work that will have to be done at the pump station – a more robust pump and a pipe that will need to run down so there will be additional work with a higher cost. We will see some savings as we were going to build a type of decant facility but we won't build that with a little bit of savings. By providing Granite with a full week of work, we will see some savings and we are getting a partner with United States Army Corps of Engineers for 75% funding. Trustee Schmitz asked about the odor impact to residents? Director of Public Works Underwood said it is treated effluent with chlorine. District General Manager Winqest said Granite and HDR are here. Granite's John O'Day said that it will shorten the project time and that by utilizing the large reservoir and doubling our production, this should cut your schedule in half. Line it or put in a brand new pipe – allows us more time to explore that as that is the key to this whole project. We do need an entrance and exit pit and the traffic control is going to be the same for either option. Running a new parallel line – there will be some areas with a lot of rock. It is beneficial to put into same trench as it makes it a lot easier however the first mile is very rocky and traffic control could be even more tricky with new pipe. Guardrail areas are going to be tricky as well. Chairman Callicrate said he thinks that the recommendation in the memorandum is the way to go. Mr. O'Day said regarding the decant facility, we will build some type of separate structure and if we don't have to build that, there will be savings there and that could be used to line a bigger pond. Trustee Schmitz said given the flow rate, peak time, how many days of storage do we have at the existing pond #1? Director of Public Works Underwood said an additional day.

Trustee Tonking made a motion to not proceed with Effluent Pipeline critical repairs and authorize Staff to enter into a no cost contract

amendment with HDR to revise the scope of work and approve utilization of Mill Creek Pond #2 for Effluent Storage and authorize Staff to enter into a no cost contract amendment with Jacobs to revise the scope of work. Trustee Dent seconded the motion. Chairman Callicrate asked for further comments, receiving none, he called the question and the motion was passed unanimously.

- I.3. A. **Review, discuss and possibly approve the District's Form 4410LGF - Indebtedness Report, as of June 30, 2021, for filing with the Nevada Department of Taxation and the Washoe County Debt Commission and**
- B. **Review, discuss and possibly approve the District's Form 4411LGF - Five-Year Capital Improvement Plan, to include the IVGID-prepared Five Year Capital Plan Summary for fiscal years 2021-22 through 2026-27 and FY2020-21 Carryforward Schedule, for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau**

(Requesting Staff Member: Director of Finance Paul Navazio)

Director of Finance Paul Navazio gave an overview of the submitted materials. Chairman Callicrate said do we need to amend these two forms? Director of Finance Navazio said no as they are required to be in conformance with 4404LGF. We will be amending the budget and seeing these in your quarterly budget reports, mostly likely at your first meeting in September you will see it. This is more to inform Washoe County and the State of Nevada about our debt and the supporting funding - what is our current debt, what is our capital funds, and do we have funds to support and if not, how do we plan on financing it. Trustee Schmitz said she is confused - why wouldn't we want to report to the State of Nevada our conversion to Enterprise and those adjustments and why not accurately report to the State of Nevada our carryover projects? Director of Finance Navazio said, referencing agenda packet pages 221 and 222, that we have already shown, on the State forms, as planned expenditures, budgeted and contemplated for expenditure. Trustee Schmitz asked, referencing agenda packet 211, what are they? Director of Finance Navazio said those are funding sources and that in the General Fund, as an example, it identifies where it is coming from i.e. property taxes, etc. and that the funding sources is the second set of columns; this attempts to describe for the State of Nevada the funding sources. Trustee Schmitz said is this how it is to be noted on the State

forms? Director of Finance Navazio said yes. Trustee Schmitz said on June 9, 2021, she brought up that the Board of Trustees has never appropriated the \$1.5 million for the pond lining and rather they appropriated \$36,000. She doesn't think the Board took action to appropriate so she is not sure how we have a carryover? Director of Finance Navazio said of the \$2 million that was budgeted for the effluent pipeline, the amounts that were available to carryover, a portion was carried over for effluent pipeline, and then added was the new \$2 million and the \$1.55 million of last year's monies. \$2 million has been carried forward which is the same funding and spending authority to support initial work on the pond lining project because it is going to require supplemental monies. It is the \$2 million from 2021 that was recommended, proposed, and approved by the Board as seed funding for pond lining. Trustee Schmitz said she doesn't recall that \$1.5 million because we established a new project and that had a zero budget. She doesn't recall the Board ever making a decision to appropriate that money and therefore result in a carryover. Director of Finance Navazio said that the Board approved a budget that included \$1.55 million for the pond lining project and that the funding source was a carryover of money that was carried over from last year. Funding was from one year to the next and reallocated to the pond lining project and we discussed this at some length during the budget. Pipeline to pipeline and reallocate and carryover, Staff presented a budget that resulted in the same result without too much concern about reallocation and carry over and we basically said \$1.55 million in the pipeline project is carried over and it is the pond lining project. Chairman Callicrate said by being in the budget, we did this? Trustee Dent said can we not make that a common practice as it should be a one off and not a common practice. Director of Finance Navazio said he can assure you that it will not be a common practice. Trustee Tonking said at the last meeting when we discussed it, we did say we were going forward as we had to make sure we addressed it and that we all agreed that was where the funding was coming from. Director of Finance Navazio said as far as the State of Nevada goes, there is no carryover. Appropriations end on June 30 and new appropriations start on July 1 therefore it is not an issue in the State report. Trustee Schmitz said on agenda packet page 214, for clarification, you are telling us that agenda packet pages 221 and 222 do get submitted? Director of Finance Navazio said typically they don't, we have let them know, however we are not required to be submitted to them and he has no problem putting in the packet to the State as they will see it in the next budget form. Trustee Schmitz said on agenda packet page 214, under Recreation Center, restroom remodel, no new appropriations, no carryover, she doesn't understand? Director of Finance Navazio said those are projects that we will be recommending for carry forwards and that they will likely have a carry

forward, however we don't have the dollar amount identified yet. Trustee Schmitz said she doesn't understand why it doesn't have anything; are these projects not moving forward? Director of Finance Navazio said on agenda packet pages 221 and 222, there is \$170,000 budgeted for that project and that Staff will continue to charge last year's dollars until the middle of August and when we know what has been used, the balance will come to the Board to carry over to complete that project. On agenda packet page 214, the projects that are carry overs are approved and contemplated. Chairman Callicrate said that there has been a change and it may come across as kind of startling, this is being done differently, and our Director of Finance is trying to make it cleaner and that it may not come across that way as we continue to take actions in August and September. As long as we are compliant with State and then we clean it up, etc. that is our goal and it is a tough transition to get to the sweet spot and that if we are being law abiding first and foremost, then he has no issue with it. District General Manager Winquest said he understands the confusion surrounding the pond lining project – completely understands it as it is not perfect and Staff will not make it a common practice but there is nothing wrong with what we are doing rather it is just wonky. The way our Director of Finance wants to provide transparency on carry over, it is a significant upgrade and we want the Board to be comfortable with what we are doing. He wants to point out, and we are not making it a common practice, but that we will have the same thing with the Burnt Cedar pool as we didn't have funding but we wanted to start the project. There is no deception going on, Staff is not manipulating anything, and we are just trying to get these projects executed and we acknowledge this on the Burnt Cedar pool and the pond lining. This is a much better way of handling the carry overs.

Trustee Tonking made a motion to approve the District's Form 4410LGF Indebtedness Report, as of June 30, 2021, and direct Staff to file the documents with the State of Nevada Department of Taxation and Washoe County Debt Commission by August 1, 2021 and approve the District's Form 4411LGF Five Year Capital Improvement Plan, as of July 1, 2021, the related IVGID-prepared Five Year Capital Plan Summary, and the Carryforward Schedule, for the fiscal years starting July 1, 2021 for filing with the Nevada Department of Taxation, the Washoe County Clerk and the State of Nevada Legislative Counsel Bureau by August 1, 2021. Trustee Wong seconded the motion. Chairman Callicrate asked for further comments, receiving none, he called the question and the motion was passed unanimously.

Chairman Callicrate called for a 10-minute break at 9:30 p.m.; the Board reconvened at 9:39 p.m.

I.4. Review, discuss and possibly approve the appointment of Mr. Chris Nolet as an Audit Committee At-Large Member, to approve modifications to Policy 15.1.0 to permit Mr. Nolet's appointment and to defer further review and possible modifications of Policy 15.1.0 (Requesting Audit Committee Member: Audit Committee Chairman Raymond Tulloch) (was General Business Item I.5.)

Audit Committee Chairman Tulloch gave an overview of the submitted materials. Chairman Callicrate said he is in favor if a Trustee is willing to serve as it is important to have two Trustees on the committee and if one of the other members is having a struggle and ends up stepping down, he would consider Mr. Nolet's appointment. He would like to see two Trustees on the committee and he doesn't have an issue with deferral. This is a transition time and that he understands there are some difficulties and that he wants it to continue its work. We are not stopping or shutting it down but he does want to see a second Trustee on the committee. Trustee Tonking said she agrees and that if Trustee Dent won't join, then she will join once Policy 15.1.0 is addressed because we aren't in compliance. Trustee Wong said she agrees with Trustee Tonking and based on the recommendations of Raftelis, it is very different for her. Trustee Schmitz said when she was in the process of compiling and putting together Policy 15.1.0, she pulled in our existing policy and pulled some from the GFOA and that she specifically didn't use GFOA's recommendation of all Trustees as the American Academic of CPA's recommends non-executive members because they are interested in doing more with Sarbanes-Oxley Act. This was a little bit of a hybrid, with two Trustees, and if you go to AICPA and their toolkit, their recommendation is that the executive committee not be participating for separation and independence and so the Government become more in compliance with Sarbanes-Oxley Act. We have a governmental aspect and we have a business aspect which is very important to our organization and we want to ensure that we have that independent body. Whether we one, two or no Trustees, that is a decision that we should make. What they, Raftelis, were citing, was in this book - not governmental and it is strictly independent. Chairman Callicrate said one of the concerns is that we are a chartered governmental entity and while we do have businesses, we still need to have the governmental oversight. He is not against the changes; we have a hybrid. We have an at-large member who is the Chair so we should be looking at this in a broader scope as we need to get it right. If that takes a little longer – a meeting or two - to really hammer this out, he is fine as he

wants to make sure we get it right. He would like to see the recommendations on Policy 15.1.0 from the Audit Committee and then we will make the final decisions, he has no issue with that aspect. We do need to have that hammered down and have the new and improved Audit Committee working. Audit Committee Chairman Tulloch said we need to be in compliant with GFOA, he was surprised by the Raftelis recommendation, however one doesn't hire an electrician to do taxes so one shouldn't hire a utility consultant to do auditing. Audit Committee Chairman Tulloch then cited Douglas County and Washoe County Audit Committee make up; he stated that he did a little research on Douglas County and that some of the changes they made were in response to a Grand Jury inquiry, and that this was just for background. The decision is for the Board and that the Audit Committee will be bringing back their suggestions. District General Counsel Nelson said if a Trustee is willing to serve, the Board can't appoint them tonight but it can agendize it for action. Trustee Schmitz said she would like to go on record as being very supportive of Mr. Nolet who is willing to serve and who brings knowledge and professionalism; he would be a true gem to add. Chairman Callicrate said he agrees and should there be a change, which is somewhat eminent, he would be willing to go forward with Mr. Nolet and that he would like to have another Trustee serve so please agendize that item and then give us some time to discuss with our Trustees who might be willing to serve and we will have the Policy 15.1.0 information; things could change by August 10. Trustee Tonking said she was not addressing the GFOA make up rather her concern is the scope doesn't align with GFOA. It is less with the people and that we need to discuss that, nail that down and the concept of independence. Trustee Dent said he would be willing to serve during the interim, if that took a couple more months, he would be willing to do that for a few months. Chairman Callicrate said he appreciates the work that has been done and that he wants to get it right. Audit Committee Chairman Tulloch said thank you and no slight taken or intended, as the Audit Committee is trying to put forward some solutions on Policy 15.1.0. Trustee Dent said he wants to second what Trustee Schmitz said about Mr. Nolet; thank you for showing interest and that when the timing is right, you will be seated. Chairman Callicrate said he appreciates anyone stepping forward who wants to help.

I.5. Review, discuss and provide direction on possible revisions to Board Policy 15.1.0 – Audit Committee (Requesting Trustee: Board Chairman Tim Callicrate) (was General Business Item I.4.)

Chairman Callicrate tabled this item until the next meeting.

I.6. Review, discuss and possibly approve the District's Strategic Plan for 2021-2023 (Requesting Staff Member: District General Manager Indra Winqest)

District General Manager Winqest gave an overview of the submitted materials.

Suggested changes:

- District General Manager Winqest: Add something about internal controls under Finance.
- Trustee Schmitz: Workforce issues with Utilities versus our seasonal venues; review each and have this for Utilities and then this for seasonal venues – reflect as there should be some separation.
- Residents, customer and parcel owner – review the document; they are different and have different definitions - different for Utilities versus seasonal venues.
- Trustee Tonking: Agree with Trustee Schmitz – sub-bullet it to make the point.
- Trustee Dent: Agrees with Trustees Schmitz and Tonking – agree more detailed than in year's past, like the idea of being a little more focused and drilling down – good start, not ready to move forward tonight.
- Trustee Wong: Good start, all need to buy into, and identify how are the decisions we are making are supporting this Strategic Plan.
- District General Manager Winqest: If each of you could read the Governance section and be prepared to submit any feedback that you might have.

Trustee Schmitz asked why it is a problem to provide feedback on this document as our District General Manager would have the opportunity to be the filter and decide what he wanted to incorporate so she doesn't understand why it is not acceptable? District General Counsel Nelson said that means he acts as a conduit for all of you and that is fine line. It would be ok to provide redline and put all of those in the packet as part of the process. Trustee Schmitz said what if they are anonymous? District General Counsel Nelson said it is a good idea but no. Trustee Schmitz said it is up to the District General Manager to decide what goes in. Chairman Callicrate said the point is well taken and let's bring it back on August 10 and come prepared to discuss it and adopt it either on August 10 or August 25.

J. MEETING MINUTES (for possible action)

J.1. Meeting Minutes of May 12, 2021

Chairman Callicrate asked for changes, none were provided so the meeting minutes were approved as submitted.

J.2. Meeting Minutes of May 26, 2021

Chairman Callicrate asked for changes, none were provided so the meeting minutes were approved as submitted.

J.3. Meeting Minutes of June 9, 2021

Chairman Callicrate asked for changes, none were provided so the meeting minutes were approved as submitted.

K. FINAL PUBLIC COMMENTS*

Denise Davis said we heard a lot of good things about our utilities tonight. She has gone on several facility tours and have been happy with what she saw. Are we perfect? No, but we have Staff who are proud of the work they do. She has no concerns when she turns on a faucet or flush a toilet. Earlier this evening, Mr. Wright made a comment regarding the Ordinance 7 committee. She is also a member of the committee. First, an overwhelming majority of the committee voted that employee access to facilities was beyond the purview of our committee. We are not ignoring the issue. Second, for the record, she is not and have never been an IVGID employee or received a single penny in payment from IVGID. The committee has one current and one former IVGID employee and they both recuse themselves when the topic involves IVGID. It's insulting for committee members to be accused of ulterior motives. Finally, the Ordinance 7 committee is only making recommendations to the Trustees. They can choose to take all our recommendations, take none of our recommendations, or come up with recommendations of their own. The Ordinance 7 committee is not making any decisions. Please complete the online survey.

L. ADJOURNMENT (for possible action)

The meeting was adjourned at 10:19 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.

Submitted by Mike Abel: Written Statement of Public Comments

Submitted by Cliff Dobler: Written Statement of Public Comments

Good evening;

Michael Abel – 900 Southwood Blvd.

I have read with great interest the so-called comments and revisions to the charter of the IVGID Audit Committee.

Three years ago at about this time, I started to assist Mr. Callicrate and Ms. Schmitz in their campaigns for positions as IVGID Trustees. A central issue of their campaigns was that Mrs. Pinkerton and Eick were doing a poor job with IVGID's finances and that a forensic audit was needed to "clean up IVGID". They were viciously attacked by the opposition during that campaign. The details of those attacks are well known.

I spent that fall walking the streets of Incline Village and Crystal Bay promoting these candidates. Having seen the sham of no-bid contracts, the misappropriation of effluent pipeline funds and the unapproved (by our Board) spending, I felt that these two candidates provided the promise of a better IVGID.

Finally, in 2020 the promise of a better run IVGID came to fruition with the adoption of Board Policy 15.1.0.

There is no better vehicle for keeping IVGID on the right track than having a **solid independent audit committee** as set out in 15.1.0.

To validate my argument both Douglas County and Carson City have similar 5-member audit committees with 4 of the five members being independent public representatives.

Now just over a year later there is a proposal on the table to compromise that audit committee. Among the changes suggested:

1. Moving the committee to an advisory role. (Preamble)
2. A move to advise corrective actions only to those things advised by the outside auditor (2.4.5)
3. A move to eliminate the committee's power to ensure the implementation of anti-fraud measures. (2.6.3)
4. A move to eliminate the committee's power to review the district's code of conduct. (2.7)
5. A move to marginalize the Committee by restricting them to 5 meetings per year. (3.2)
6. A move to marginalize the independent nature of the committee by requiring the chair to consult with the Board Clerk in preparation of the agenda.

It would be hard to argue that the IVGID is not in a lot better position vis-avis financial reporting. With the advice of the Audit Committee IVGID is beginning the process of installing internal controls.

I could droll on for the rest of my three minutes, but my point is simply this. A tough and independent audit committee is the best thing that has happened to IVGID in the 20 years that I have been here. I suggest that the board table this discussion this evening and keep the audit committee intact and proactive.

Public Comments - Clifford F. Dobler

IVGID Board of Trustees Meeting - July 13, 2021

This written statement is to be included in the minutes of this meeting.

The State of Nevada requires IVGID to file an annual five year capital Improvement Plan (form 4411LGF). The purpose is to provide the State and the public a fair and reasonable plan on how the public's money will be spent for capital improvements. Item I.3 of the agenda is neither fair nor reasonable. The Plan on pages 211 and 212 is far from any form of truth and an outright pathetic piece of work.

The unspent money from last year's Carryover projects has been so distorted that any prudent person, with any common sense, and with any shade of responsibility could not approve the plan.

Any incomplete projects with committed funds from a prior years would no longer be in the new budget if not carried forward.

Let's begin - Mr. Navazio has identified only THREE carryover projects.

- \$75,000 for the Tyler software contract
- \$11.6 million for the Effluent Pipeline
- \$1,550,000 for the Effluent Storage Pond which was NEVER budgeted in prior years.

Consideration should be given to misappropriation of public funds.

Now what was left out:

Contracts for the Burnt Cedar Pool approved April 29, Navazio claimed there was \$4,350,000 in the future 21/22 budget. There was only \$2,700,000. To make matters worse the updated 21/22 budget indicates only \$3,900,000. Still short \$450,000

A \$1,040,000 budget for Sewer Pump Station #1 was not carried over. Now there is nothing for the project in the five year plan

A \$378,000 budget for Electric Golf Carts for Championship Golf Course was not carried forward. Now there is nothing for the purchase in the five year plan

A \$200,000 budget for Diamond Peak Snowboards, Boots and Equipment rentals was not carried forward. Now there is nothing for the purchase in the five year plan

Approximately \$500,000 was budgeted for the Ski Way and Diamond Peak Parking Lot Construction and was not carried forward. Now the project has inadequate future funds.

Approximately \$150,000 remains of the \$170,000 budget for the Rec Center Lobby Restrooms and was not carried forward. There is now nothing for the remodel in the five year plan ,let alone, that the costs are estimated to be \$223,000.

A \$100,000 budget for concept design of the Incline Beach Building was not carried forward.

This Board recently approved a Beach Facility Fee of almost \$4,000,000 for fiscal 2022 with the majority designated for the Incline Beach Building. No building in the 5 year capital plan.

At the May 12th board meeting Mr. Navazio identified over \$6.2 million in carryover projects excluding the pipeline and the pond. Where are they in the plan.