



NOTICE OF MEETING

The regular meeting of the Incline Village General Improvement District will be held starting at **6:00 p.m.** on **Wednesday September 9, 2020** in the Boardroom at 893 Southwood Boulevard, Incline Village, Nevada. **REVISION 1**

In compliance with State of Nevada Executive Department, Declaration of Emergency Directive 006, 016, 018 and 021, this meeting is closed to the public and attendance is limited to members of the Board of Trustees and essential staff. Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to info@ivgid.org by 4:00 p.m. on Wednesday, September 9, 2020) or via telephone (the telephone number will be posted to our website on the day of the meeting).

CLOSED SESSION – TIME CERTAIN - 5:00 p.m. to 5:45 p.m.

The Board may consider a motion to enter a Closed Session to consider negotiating strategy pertaining to the Operating Engineers Local Union No. 3 (pursuant to NRS 288.220).

- A. PLEDGE OF ALLEGIANCE*
- B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*
- C. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.
- 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 STAFF UPDATE (*for possible action*)
 - 1. District General Manager Indra Winqwest – **pages 3 - 16**
 - a. Review of the long range calendar – **page 17**
 - 2. District General Counsel Josh Nelson
 - a. Verbal update on outstanding litigation cases: Mark Smith v. IVGID and Aaron Katz v. IVGID
- F. REPORTS TO THE IVGID BOARD OF TRUSTEES*
 - 1. Board Treasurer Sara Schmitz
 - 2. Audit Committee Chairman Matthew Dent
- G. GENERAL BUSINESS (*for possible action*)

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

www.yourtahoeplace.com

NOTICE OF MEETING

Agenda for the Board Meeting of September 9, 2020 - Page 2

REVISION 1

1. Review, discuss and possibly approve a Schematic Design Services Contract for the Burnt Cedar Swimming Pool Improvement Project – Fund: Beaches; Project 3970BD2601. Vendor: TSK Architects in the amount of \$68,104 (Requesting Staff Member: Engineering Manager Nathan Chorey) – **pages 18 - 29**

PUBLIC COMMENT WILL BE TAKEN ON AGENDA ITEM H.2.

Limited to a maximum of three (3) minutes in duration

2. Board of Trustees Workshop: A workshop with the Board of Trustees on Punch Card utilization and accounting and provide direction to Staff for both short-term and long-term modifications to current practices which were introduced to the Board of Trustees on June 30, 2020 (Requesting Staff Member: Director of Finance Paul Navazio) – **pages 30 - 83**

H. APPROVAL OF MINUTES (*for possible action*)

1. Meeting Minutes of August 12, 2020 – **pages 84 - 136**

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

J. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

K. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Thursday, September 3, 2020 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of September 9, 2020) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following seven locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID - Anne Offices)
2. Incline Village
3. Crystal Bay
4. Raley's
5. Incline Village
6. IVGID's
7. The Chateau at

**SUSPENDED – STATE OF NEVADA
EXECUTIVE DEPARTMENT,
DECLARATION OF EMERGENCY,
DIRECTIVE 006 (SECTION 3), 016, 018
AND 021.**

- Vorderbruggen Building (Administrative
Post Office
Post Office
Shopping Center
Branch of Washoe County Library
Recreation Center
Incline Village

/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 Peter Morris.

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. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoeplace.com; go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

*NRS 241.020(2) and (10): 2. Except in an emergency, written notice of all meetings must be given at least 3 working days before the meeting...10. As used in this section, "emergency" means an unforeseen circumstance which requires immediate action and includes, but is not limited to: (a) Disasters caused by fire, flood, earthquake or other natural causes; or (b) Any impairment of the health and safety of the public.

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of September 9, 2020

DATE: September 2, 2020

General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Effluent Pond Lining Project Request for Qualifications (RFQ) <i>*updated</i>	Will depend on determined next steps	GM Winqest/DPW Pomroy Trustees Wong/Dent	Performed interview with Lumos & Associates on August 20. Working group determining next steps. Additional update will be given on Sept. 9.
Effluent Pipeline Project Request for Qualifications (RFQ)	See above	GM Winqest/DPW Pomroy Trustees Wong/Dent	See above
Burnt Cedar Pool Project <i>*updated</i>	Design Phase	Engineering Manager Chorey/GM Winqest	Schematic Design Proposal on agenda for 9/9/20 BOT Meeting
<u>Internal Controls Project(s)</u>			
Review of Internal Control Policies and Procedures	Winter/Spring	Director of Finance Navazio	Draft framework / project plan shared with Audit Committee; prioritizing procurement policy review
Construction Contract Review <i>*updated</i>	Winter 2020	GM Winqest/Director of Finance Navazio	Moss Adams contract audit commenced July. Doc review phase underway; stakeholder interviews scheduled 8/31-9/15
Ordinance 7 Administrative Revisions <i>*updated</i>	Fall/Winter 2020	GM Winqest	Finalizing GM Advisory Committee. Board will be updated on 9/9/20.
Smith vs IVGID Litigation <i>*updated</i>	Ongoing	Legal Counsel/Board of Trustees/GM Winqest	Update to be provided by Legal Counsel at the 9/9/20 BOT mtg

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Utilities Performance/Asset Management Review <i>*updated</i>	Hiring of Consultant Fall 2020	GM Winqest/Board	BOT approved proceeding with a Performance/Asset Management Review at the 8/12/20 BOT meeting
2020/2022 Strategic Plan	February 2020/21	Senior Management Team/Board of Trustees	Will discuss, in the future, during long range calendar
USFS Parcel Acquisition – Potential Dog Park	Ongoing	GM Winqest	Met with USFS Staff 4/2/20 process of filing a special use permit.
2020/2021 Budget Kick off Workshop <i>*updated</i>	November 2020	GM Winqest/Director of Finance Navazio	Will discuss during long range calendar
Recreation Punch card accounting <i>*updated</i>	Fall 2020	Director of Finance Navazio	Board Workshop scheduled on 9/9/20
USACE Grant Funding for Pond Lining/Pipeline Projects	TBD	GM Winqest/DPW Pomroy	No Update

COVID–19, Impacts to the District & update on closures and restrictions

The Recreation Center is currently open with a limited capacity of 50% for current members only. Drop in use is being evaluated at this time. Reservations are required for Group Fitness Classes, Gymnasium, Pool, and Strength and Conditioning area. The Chateau Grille is currently open with limited capacity and reservations are required. Weddings, Banquets and Events are currently taking place with significant restrictions based on state and county guidelines and restrictions. A variety of Parks & Recreation programs are being offered with strict health and safety guidelines. The community parks remain open for drop in use and social/physical distancing is being closely monitored.

- High Sierra Patrol is currently on site 12:00pm – 10:00pm
- All Beach Parking lots open 7am – 9pm daily (High Sierra Patrol locks gates at 9pm)
- Ski Beach Boat Ramp Gate is currently staffed from 8am – 7:30pm daily.
- Beaches are currently open to IVGID Picture Pass and Recreation Punch Card Holders only. Physical/Social Distancing required. Pop up tents only allowed in specific areas.

Beach operations are constantly changing and Staff has and will remain flexible as restrictions are ready to either lifted or added dependent on impact of COVID–19 and observed behavior at the beach properties.

The Public Works & Utilities team continues to provide outstanding service while protecting the water and sewer infrastructure during this extremely crucial and challenging time. Engineering Staff continues to work on project development and management, Public Works Administration is closed to the public but Staff is answering phones and responding to emails during normal business hours.

- IVGID Public Works will temporarily suspend disconnections and penalty charges for delinquent accounts during this time. We will work with customers facing financial hardship to develop payment plans in order to assist with past due balances. We encourage any of our customers to contact us if they have concerns about their account balances. We expect to discontinue this by December 1.
- Solid waste violations and fines have been reinstated as of all new violations beginning August 31, 2020.

Ordinance 7 General Manager Advisory Committee

A General Manager's Advisory Committee is in the final stages of creation and the goal is to have a kick off meeting in late September. Prior to a first meeting, all committee members will be given a variety of historical and supporting material and data for thorough review. Staff is anticipating this will be 4-month process and should include opportunities for the community to weigh in prior to presenting recommended draft amendments to Ordinance 7. A formal process and timeline will be presented to the Board of Trustees in October, 2020. Committee members are all full time residents and have a strong understanding of the district. The Board of Trustees will be provided with a verbal update on the committee members and the process at the September 9, 2020 Board of Trustees Meeting.

Gymnastics Program Update

Our gymnastics program came to fruition because many families have been asking about a program in Incline. These families have been driving to Truckee and Reno so their children can participate in gymnastics. The IVGID Parks & Recreation Department has operated various gymnastics programs over the years but start-up costs have been an issue in the past. The District is thankful for the generosity of the Dave & Cheryl Duffield Foundation for supplying over \$20,000 in equipment to ensure the program is successful. The equipment will be arriving shortly and upon arrival, Staff will inventory all equipment ordered before submitting for reimbursement from the Duffield Foundation.

With only minimal marketing, the program is currently at capacity which is currently at 32 girls signed up for the session that starts on September 9, 2020. The program will be separated into 4 program options (2 beginner & 2 intermediate) with a maximum of 8 gymnasts per session. The gymnasts will participate in a four-week program, one day a week, at a cost of \$70 for IVGID pass holders and \$88 for non-pass holders. This equates to \$17.50 per session for IVGID pass holders. The program will be run by Recreation Specialist Sharla Baker who is a local resident and has an extensive background in operating gymnastics facilities and programs. Mrs. Baker will work on a commission basis and is a member of the IVGID staff

who works limited part time hours as the instructor. All equipment and programs will remain at the Recreation Center until further notice. This will be an annual, ongoing program.

This program will take place on Wednesday & Thursday evenings in the rear part of the recreation center gymnasium. We have beginners from 5:45 – 6:45pm both evenings and then we have the intermediate to advanced group from 6:55 – 8:00pm. The District still hopes to collaborate with the Lake Tahoe School on facility usage if and when possible.

Gymnastics Program Financial Projection per session:

32 participants at \$70 = \$2,240.00 Gross Revenue

Instructor Commission 70% = \$1,568.00

IVGID Commission 30% = \$672.00

The financial projection is based on all participants paying the resident rate. IVGID commission is expected to cover all IVGID related expenses which include minimal staff and material time to oversee and administer the program. The Recreation Center is available at the programming times and this is not expected to impact the users of the Recreation Center as it is scheduled during non-peak time. More information will be provided after the first program has concluded. Parks & Recreation Department Staff will continuously evaluate the need for any changes to aspects of the program including pricing in order to ensure the program is cost neutral to the community.

TWSA Grant Funds Awarded

Tahoe Water Suppliers Association was awarded a \$62,000 NDEP 319h Source Water Protection grant with the Tahoe Center for Environmental Sciences, for a 2-year educational campaign on micro-plastics pollution and ways to reduce single use plastics from getting in the environment. The Federal EPA highlighted this collaborative work in conjunction with the Lake Tahoe Summit hosted by Senator Cortez Mastro.

See the following link to the website. Other grants were also awarded to other Lake Tahoe Agencies.

<https://www.yourtahoeplace.com/news/u.s.-epa-awards-nearly-100000-to-address-microplastic-pollution-in-lake-tahoe>

Golf Operations – July Update

Following is a golf operations update for July 2020 prepared by Director of Golf/Community Services Darren Howard.

-Net Calculations-

Round Totals	Daily Averages			
	2019	2020	2019	2020
Championship Course	6133	5469	198	176
Mountain Course	4870	4587	157	148

Revenues (Championship Course)	2019	2020
Admissions & Fees	\$351,544.70	\$283,928.75
Play Passes **	\$161,172.00	\$174,779.32
Range Fees	\$38,249	\$42,283.25

**Net Revenue for play was \$49,974.38 below last year for June*

Revenues (Mountain Course)	2019	2020
Admissions	\$173,460.75	\$164,460.75
Play Passes	\$22,095.00	\$15,134.62

**Net Revenue for play was \$15,960.38 behind last June*

****Note: All Fees listed above are now NET numbers.**

Championship Course	Mountain Course
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June	2019	% of Play	2020	% of Play	2019	% of Play	2020	% of Play
Total Rounds	6133		5469		4870		4587	
Residents	1577	25.7%	1779	32.6%	1784	36.6%	2251	49%
Play Pass	2233	36.4%	2216	40.5%	669	13.7%	774	16.9%
Guest of Resident's	577	9.4%	593	10.8%	550	11.3%	547	12%
Non-Resident	1470	24%	730	13.3%	1620	33.3%	903	19.7%
Other	276	4.5%	151	2.8%	247	5.1%	112	2.4%
Golf Green Fee Dollars per Round	\$83.60		\$84.09		\$35.78		\$36.18	
Merchandise Sales per Round	\$19.36		\$14.62		\$3.82		\$3.06	
Total Golf Dollars per Round**	\$114.35		\$109.25		\$41.66		\$39.26	

***84% of rounds were Residents or Residents Guest – Championship Course**

***78% of rounds were Residents or Residents Guest – Mountain Course**

Championship Course

July overall was a very profitable month for golf even with COVID-19 restrictions. Normally, the maximum capacity for golf rounds in July is 7440, with COVID-19 restrictions, this July capacity was 5868 rounds. By months' end, the Championship Course finished July with 93.2% of capacity available. Tee times have moved to 12 minute intervals except for a few mid-day times that will be back to 15 minute intervals for availability of carts for afternoon times. There were 4 days of play impacted by rain and hail and two maintenance days that also impact play. Golfers are still riding one per cart unless they arrive to the course together. Practice facilities remain at capacity daily and range revenues are 10% ahead of July 2019. Pace of Play is continuing to be at an all-time low and this makes golfers very happy! For July, we still did not allow shotgun starts.

Mountain Course

July was an exceptional month for the Mountain Course as well. Tee times for July were at 15 minute intervals. The intervals for the Mountain Course are higher than the Championship Course due to less carts available. Normal July play capacity is 7192, but for this July capacity was limited to 5580 for the month due to COVID-19 restrictions. The Mountain Course finished the month with 82.2% of play capacity. There were 4 days of play impacted by rain and hail.

Merchandise

Overall all, sales are continuing to grow daily and with the individual "Fitting Days", we saw incredible success with custom fit club orders. Most of the custom club orders will show-up in August as most club manufacturers are still operating at 50% capacity and orders are taking longer to arrive to us. More emphasis this year was put on increasing our Merchandise margins and the Merchandising team has done an incredible job of taking us from 20% margins to 37.5% for July. This incredible jump in margins and better overall management of expenses and payroll has allowed Merchandising to operate at achieving their overall bottom-line budget.

Overview

All staff at Championship and Mountain courses continue to provide the best, safest experience for golfers. The golf course is in great condition and even with the limited restrictions for tee times, golf operations have not missed turning carts for a tee time and expenses have been held to a minimum. Overall, the bottom line for Championship Course (including F&B) is \$284,488 (*Revenues ahead of expenses*) for July and Mountain Course is \$65,715 ahead (*Revenues ahead of expenses*) for July. Overall, the Championship Course (Golf) is \$12,503 ahead of budget and F&B at Chateau is \$35,455 below budget. Only being open at 50% is affecting the overall F&B budget. We had budgeted to be at least 80% for July and unfortunately restrictions still keep us from getting there. Overall, the Mountain Course is \$6525 ahead of budget and all managers are managing their departments with the bottom-line in mind while still providing services that can be provided, with COVID-19 restrictions in mind.

Note: Figures were taken from Innoprise as of August 31, 2020.

Capital Projects Update September 2, 2020

Design

Mountain Golf Cart Path Replacement

A multi-year Capital Improvement Project to reconstruct the cart pathways at the Mountain Course. An engineering consultant has been contracted, for the amount of \$27,500, to complete; an evaluation of the existing pathway, a geotechnical investigation, and a design memorandum. A kick-off meeting was held August 13, 2020 and anticipate delivery of the design memorandum in approximately 5 weeks. The design memorandum will be presented to the Board of Trustees for confirmation on how to proceed. Priority A project.

Building Upgrades Water Resource Recovery Facility (WRRF)

A 2020/2021 Capital Improvement Project, this project will replace the access gate at the WRRF with a new vertical lift gate. IVGID Engineering staff prepared bid documents and solicited proposals for the project. Bids were due August 28, 2020 and are currently under review. Staff anticipates construction will occur this fall. Priority B project.

Recreation Center Upstairs Lobby Restroom Remodel

A 2020/2021 Capital Improvement Project to renovate the Recreation Center's upstairs restrooms (men's and women's). The restrooms are showing their age and have fallen below IVGID's standard of service. An architect has been contracted, for the amount of \$16,237, to complete the design and is currently working with staff to develop construction documents. The final design will be presented to the Board of Trustees prior to publically advertising for bids. Priority B project.

Recreation Center Locker Room Improvements

A 2020/2021 and 2021/2022 Capital Improvement Project to renovate the Recreation Center's locker rooms (men's and women's). The locker rooms are showing their age and have fallen below IVGID's standard of service. An architect has been contracted, for the amount of \$40,222, to complete the design and is currently working with Staff to develop construction documents. The final design will be presented to the Board of Trustees prior to publically advertising for bids. Priority A/B project.

Burnt Cedar Swimming Pool Improvements

A 2020/2021 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. A design consultant has been selected and worked with IVGID Staff and a community group to develop a preferred conceptual design. On August 12, 2020, the Board of Trustees unanimously selected a preferred option. On September 9, 2020, the Board of Trustees will review a proposal for schematic design services. On September 30, 2020, the Board of Trustees will review the project delivery method (Construction Manager-At-Risk or Design-Bid-Build).

Effluent Pipeline Project

District Staff provided a detailed Effluent Export Project update to the Board of Trustees on January 29, 2020. 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 February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board to begin replacement of Segment 3, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project.

Effluent Pond Lining Project – 2599SS2010 (this is a new capital project #) – PO#

A component of the Water Resource Recovery Facility (WRRF) operation is a 2.4-million-gallon effluent storage basin located adjacent to the wastewater resource recovery facility (Plant). The WRRF Effluent Storage Alternative Analysis Memorandum, September 2018, recommends a reinforced concrete or the combination of concrete and shotcrete lining that provides the best long term value, maximizes storage volume, and has low maintenance to keep in service. At the February 26, 2020 Board of Trustees Meeting, a design services scope of work was presented to the Board for lining the pond, the scope of work was not approved. The Board has placed this project on hold pending the hiring of a Project Manager to conduct a complete project review of the Effluent Export Project.

Construction

Recreation Center Elevator Modernization

A 2020/2021 Capital Improvement Project, this project will modernize the elevator's operational and mechanical control devices. The elevator is original to the Recreation Center and provides the only interior means of ADA access between the two floors. For several years now, the contractor performing regular maintenance on the elevator has warned of increasing difficulty sourcing parts. If the elevator were to breakdown, the difficulty in sourcing parts may result in a prolonged shut down impacting operations. For this reason, a capital project was created for modernization to extend the life of this critical asset. IVGID Engineering Staff prepared bid documents and solicited proposals for the project. Two (2) bids were received on Thursday, July 16, 2020.

- Koch Elevator Company - \$72,587.83
- Otis Elevator Company - \$81,000

This project has a CIP budget of \$97,500. Construction is anticipated to start in late September 2020. Priority B project.

Championship Golf Maintenance Building Drainage and Washpad Improvements

A 2020 Capital Improvement Project, this project will improve surface and sub-surface drainage, construct a modern wash pad facility, and spot treat pavement failures at the

Championship Golf Maintenance Building. This project addresses health and safety issues and prevents future water damage to this facility. A local engineering consultant completed the design and the construction contract was awarded at the June 23, 2020 Board of Trustees meeting. Construction has commenced and the project is scheduled to be completed this October.

Cruz Construction, Inc. Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$425,433	\$63,485	\$488,918	\$215,518	\$273,400

Martis Peak Road - Water Main Replacement

A 2020 Capital Improvement Project, this project includes slip lining a 14-inch water main under State Route 28 and replacing aging steel water main in Martis Peak Road and Rifle Peak Court. IVGID Engineering Staff completed the design and the construction contract was awarded at the June 23, 2020 Board of Trustees meeting. Construction has commenced and the project is scheduled to be completed by the end of September.

Rapid 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)
\$456,610	\$0	\$456,610	\$0	\$456,610

Tennis Center Renovation

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 has commenced and the project is scheduled to be substantially complete April 1, 2021.

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	\$14,847	\$723,847	\$0	\$723,847

Lakeview Ski Lift Maintenance and Improvements

This project includes electrical upgrades to the ski lift. Upgrades consist of the replacement of the Main Low Voltage Control Panel, DC Motor Drive Panel, Return Station Controls,

Loading System Controls and Drive panel. The project also includes the replacement of the communication cable from the top terminal to the bottom terminal. There are three distinct components to the project including electrical engineering and design, bidding and procurement for the fabrication of the panels as well as bidding a contracted installation of the replacement panels. An electrical engineer has been hired to complete the design and is currently working with Staff to develop the electrical design documents for bidding the panel fabrication and installation. Panel fabrication was awarded at the June 10, 2020 Board of Trustees meeting.

WRRF Aeration System Improvements

The aeration process of wastewater treatment supplies oxygen to facilitate the biological activity that converts raw sewage into treated wastewater effluent. The plant has six-200,000-gallon aeration basins with two jet aeration clusters per basin supplied by computer controlled multistage centrifugal aeration blowers. This project funds the design and replacement of the aeration system equipment at the WRRF. The Board awarded the construction contract to the lowest responsive bidder, K.G. Walters, on December 11, 2019. Construction has commenced and is anticipated to continue until December 2020. Progress meetings are held every two weeks.

K. G. Walters 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)
\$1,508,500	\$6,069	\$1,514,569	\$610,431	\$904,138

Water Reservoir Safety and Security Improvements – Phase 1

This project will replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices. The exterior access to the roof area is required to meet the needs of the District to monitor the water quality in the reservoirs and perform routine repairs to radio communication equipment. The ladders also need to be secured from access by the public. The reservoir ladders, fall protection, platforms, and protective railings will meet the current Occupational Safety and Health Administration (OSHA) safety standards. The Board of Trustees awarded the contract to Resource Development Company on April 10, 2019 for 10 of 13 reservoirs. Construction begins this summer and is expected to be substantially complete by September 15, 2020.

Resource Development 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)
\$362,600	\$0	\$362,600	\$0	\$362,600

Water Reservoir Safety and Security Improvements – Phase 2

The second phase of this project will replace the ladders that access the top of the water reservoirs, install intermediate access platforms, install protective railings and install new fall protection devices for the remaining 3 reservoirs. The construction contract was awarded at the June 10, 2020 Board of Trustees meeting. Construction is scheduled to begin September 8, 2020 and is scheduled to be completed by October 2, 2020.

Paso Robles Tank, Inc. Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$109,000	\$0	\$109,000	\$0	\$109,000

Financial Transparency

Fiscal Year 2019/2020 Year-End Audit

Staff has been working on fiscal year-end close and preparation of trial balances and draft financial statements for review by the District's Independent Auditor. We are 10-14 days behind schedule re deliverables, but are working to ensure overall audit plan is completed within required timeframe. Audit team is currently performing their field work (first two weeks in September) "remotely". Draft financial statements are scheduled to be completed in October with the final Comprehensive Annual Financial Report due to be delivered by the end of October.

Fiscal Year 2020/2021

Staff continues to work on updating our operating and capital project reporting to reflect the new fund structure supporting the Fiscal Year 2020/2021 adopted budget. Reviewing our internal and external financial reports is critical to support our goal of financial transparency and demonstrating sound fiscal management of District resources.

Work also continues on the engagement with Moss Adams to perform a review of the District's contract management practices. Consultant is completing document review for identified projects and the team has scheduled interviews with Staff, Board members and community stakeholders through the second week in September.

Washoe County Tax Revolt Update

IVGID has received the following information from Village League's President Mr. Todd Lowe and we thought it important enough to share with our community.

Below are the numbers calculated to show the impact of moving the first payment date from October 2020 until July 2021.

<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>Total Owed by IVGID</i>
<i>\$509,402.31</i>	<i>\$468,861.44</i>	<i>\$381,472.81</i>	<i>\$1,359,736.56</i>

Summary of Implementation Plan Agreement

Recall that in 2019 the District Court ordered the County to make excess property tax refunds to every residential property owner in Incline Village and Crystal Bay during the 2003-2006 period with interest by October 2021. The County and State both appealed the District Court's decision to the Nevada Supreme Court. In a similar 2006 District Court ruling which was also appealed to the Supreme Court it took until 2011 to get a final ruling and start the refund process. And those refunds required over two years to distribute, cost the County over \$1 million dollars to process and left nearly 3,000 taxpayers with no refund at all.

Rather than expend many hundreds of thousands of dollars in litigation expenses with interest still accruing at over \$5,000 per day only once again for the County to lose the fight and delay refund payments until the year 2024, we entered into settlement negotiations. We felt there had to be a better outcome for taxpayers and the County if we could devise a "kinder and more gentle" implementation of the Court's ruling. My meeting with you, Ryan and trustee chair Wong helped shape our objectives. Those negotiations, which were long and difficult were fruitful, producing the agreement approved yesterday by the Board of County Commissioners.

The essential terms of the agreement were worked out between December 2019 and February 2020. Those terms, memorialized before a Supreme Court Judge are attached to the final agreement as an exhibit. You can get that from our website. When the pandemic hit and we resumed further negotiations to modify that agreement based on expected impacts and difficulties.

The Court's ruling stands in every regard except the implementation details of order items 7 and 8. Those provisions direct the Treasurer on how and when to make refund payments. Here is a summary of where we ended up.

Who Gets A Refund

Every owner of a residential parcel starting in the 2003/4 year through the 2005/6 tax year is eligible for a refund. There are some 9,000 parcels in Incline Village and Crystal Bay. Some

1,500 of those are owned by the US government, Nevada State, Washoe County or IVGID; all of whom are exempt from paying property taxes. So that leaves about 7,500 parcels. Many of those parcels have been sold during the period so there are multiple owners eligible for a refund. We estimate that the County will need to pay 11,000 owners.

For removal of doubt, if one did not actually pay the excess taxes during the 2003 through 2006 period there is no refund available. Additionally, the Village League gets zero refunds and will not recoup any of the millions of dollars (all donated by our community) of fees and costs. This was a concession made as part of the settlement.

Remember that during 2003 through 2008 Incline Village and Crystal Bay property owners were paying taxes at rate 214% higher than neighboring Nevada Lake Tahoe counties. Even if one did not own property here in 2003 every property owner has benefited by a dramatic reduction in property taxes owed ever since because of the work we did to reverse unconstitutionally made assessments.

How much

The amount of taxes refunded for each parcel is calculated simply by determining the difference between the property tax assessment determined by the Supreme Court in the famous Bakst, Barta, and Drakulich decisions and that which the treasurer actually used for each of the three tax years in question. That difference is then multiplied by each year's applicable tax rate. To that amount interest is added. During the 17-year period during which the County held taxpayers excess tax payments the judicial interest rate varied between 5 and 10.25%. To simplify matters, we agreed to a flat 6% simple interest rate. To further simplify the calculations for the Treasurer we agreed to fix the start date for each interest period to the final day on which a property tax payment could be made during each of the three tax years. For sold properties, the refund amount is prorated between old and new owners based on the number of days of ownership.

To incent the County to make payments soonest and complete the task in reasonable time there is a 24-month interest holiday. During that period interest ceases to accrue. The period begins following the first month that the County starts making refunds and continues for the following 24 months. If the County fails to make payments ratably over that period, they forfeit the interest holiday. Any refunds not made during the holiday resume accruing interest.

How and When

After making the refund calculations the Treasurer is obligated to provide notice to all owners. Current residents of Incline Village and Washoe County residents are notified first. To ensure all owners get notice the County is required to contract a 3rd party search firm to locate anyone they cannot find themselves.

The payment of refunds can start at any time. However, the County has the option to wait until July 1, 2021 to start payments. This was a pandemic-related concession by taxpayers.

Whether they pay sooner or not the refund issuance process must meet a minimum monthly quota. All refund payments must be completed by June 21, 2024.

Unlike previous refund payment scenarios, parcel owners are required to submit claims in order to get a refund. Those claims will be processed on a first in-first out basis. Owners failing to make a claim by May 1, 2023 forfeit getting a refund.

There are many details controlling the Treasurer's action articulated in the agreement. Of particular impact to IVGID and other taxing authorities is that the County cannot reduce their distributions of tax revenues before starting to pay refunds and cannot deduct more than refund amounts actually paid.

Washoe County's Obligations

In order to audit and ensure compliance and fair taxpayer treatment the County has various obligations. Here are a few:

- *Create an implementation website*
- *Calculate refunds in accordance to the agreement*
- *Provide notice to all Owners*
- *Provide a log of all owners, notices and refund payments to the Village League, Court and County*
- *Find every owner, contracting search firms as-needed*
- *Prepare regular progress reports to the Court, County and Village League,*
- *Follow a prescribed dispute resolution process*

For further information and details of the agreement and the refund plan, please visit the Village League's website:

(<http://nevadapropertytaxrevolt.org/wp-content/uploads/2020/08/Taxpayer-Implementation-Agreement.pdf>).

The deal must be approved by the District Court and the State before it becomes law.

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2020	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
09/30	Wednesday	3 p.m.	Southwood – VIRTUAL	Audit Committee Meeting	09/21/2020 8 a.m.	
09/30	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	09/21/2020 8 a.m.	Burnt Cedar Project Delivery - CMAR or DBB Export Project Manager Revisit rebate item (from 08/12/2020) Finalize allocation of the fund balances to specific projects (from 08/12/2020) Review, discuss and possibly approve changes to the District General Manager's Job Description (Requesting Trustee: Chairman Tim Callicrate) Board Policy 7.1.0 and Board Practice 7.2.0 (Trustee Dent) (Navazio) POSSIBLE CLOSED SESSION FOR UNION NEGOTIATIONS – Determination to be made by Director of Human Resources Dee Carey (5:00 p.m. to 5:45 p.m.)
10/14	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	10/05/2020 8 a.m.	POSSIBLE CLOSED SESSION FOR UNION NEGOTIATIONS – Determination to be made by Director of Human Resources Dee Carey (5:00 p.m. to 5:45 p.m.) Review, discuss, and move forward with the selected preferred alternative for the Ski Way and Diamond Peak Parking Lot Reconstruction Project
10/28	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	10/19/2020 8 a.m.	POSSIBLE CLOSED SESSION FOR UNION NEGOTIATIONS – Determination to be made by Director of Human Resources Dee Carey (5:00 p.m. to 5:45 p.m.)
			Southwood – VIRTUAL	Audit Committee Meeting		
11/11	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	11/02/2020 8 a.m.	11/11 is Veterans Day Review of the Watermain Project (see award made on 06/23/2020)
11/25	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	11/16/2020 8 a.m.	Typically cancelled
			Southwood – VIRTUAL	Audit Committee Meeting		
12/09	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	11/30/2020 8 a.m.	Review of the Washpad Project (see award made on 06/23/2020)
12/30	Wednesday	6 p.m.	Southwood – VIRTUAL	Regular Board Meeting	12/21/2020 8 a.m.	Typically cancelled

DATE	DAY OF THE WEEK	TIME	LOCATION	TYPE OF MEETING - 2021	COMPLETED MEMORANDUMS WITH ALL BACK UP MATERIALS FOR AGENDA ITEMS FROM BOARD MEMBERS DUE DATES	ITEMS SLATED FOR CONSIDERATION
01/13	Wednesday	6 p.m.		Regular Board Meeting		
01/27	Wednesday	6 p.m.		Regular Board Meeting		
02/10	Wednesday	6 p.m.		Regular Board Meeting		
02/24	Wednesday	6 p.m.		Regular Board Meeting		
03/10	Wednesday	6 p.m.		Regular Board Meeting		
03/24	Wednesday	6 p.m.		Regular Board Meeting		
04/14	Wednesday	6 p.m.		Regular Board Meeting		
04/28	Wednesday	6 p.m.		Regular Board Meeting		
05/12	Wednesday	6 p.m.		Regular Board Meeting		
05/26	Wednesday	6 p.m.		Regular Board Meeting		

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 – software not available nor is infrastructure/hardware
TRPA EIS Contract at Diamond Peak
Split Ordinance 7 (allow 45 days ahead of action)
Enterprise vs special revenue accounting
Policy 3.1.0 – contract authorization levels including GM which ties to the Trustee handbook
Trustee handbook
General Manager's job description clean up
Utility Rate adjustments (fee schedules) – pushed out from the April 14, 2020 meeting
Contract Award for Human Resources, Payroll and Financial Software

*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, 2021.

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Nathan Chorey, P.E.
Engineering Manager

SUBJECT: Review, discuss and possibly approve a Schematic Design Services Contract for the Burnt Cedar Swimming Pool Improvement Project – Fund: Beaches; Project 3970BD2601. Vendor: TSK Architects in the amount of \$68,104

STRATEGIC PLAN: Long Range Principle #5 – Assets and Infrastructure

DATE: September 2, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Authorize a Schematic Design Services Contract for the Burnt Cedar Swimming Pool Improvement Project – Fund: Beaches; Project 3970BD2601; Vendor: Vendor: TSK Architects in the amount of \$68,104.
2. Authorize Staff to execute the contract documents.

II. DISTRICT STRATEGIC PLAN

Long Range Principle #5 – Assets and Infrastructure – The District will practice perpetual asset renewal, replacement, and improvement to provide safe and superior long term utility services and recreation activities.

- The District will maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- The District will maintain, procure, and construct District assets to ensure safe and accessible operations for the public and the District’s workforce.

III. BACKGROUND

At the August 12, 2020 Board of Trustees meeting, the Board of Trustees selected a preferred conceptual design option and authorized Staff to solicit a proposal for design services for the Burnt Cedar Swimming Pool Improvement Project.

The schematic design services scope of work will refine the design and develop drawings based on the topographic site plan which has been contracted for separately. Additionally,

design and permitting narratives will be provided to inform the cost estimating process. The full scope of work follows this memorandum.

The TSK Architect Design Team completed the predesign work and completed the work to the District's satisfaction. The proposed scope of work also includes preparation of a colored rendering to illustrate the proposed improvements. Staff intends on presenting the schematic design package and cost estimates at future Board Meetings. The cost estimates will be prepared by the Construction Manager-at-Risk (CMAR) or third party cost estimating firm depending on the selected project delivery method.

IV. BID RESULTS

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

Additionally, per NRS 625.530, selection of a professional engineer or registered architect to perform work on public works projects (where the complete project costs exceed \$35,000) is to be made solely on the basis of the competence and qualifications of the engineer or architect and not on the basis of competitive fees.

V. FINANCIAL IMPACT AND BUDGET

The 2020-2021 CIP budget includes the Burnt Cedar Swimming Pool Improvements, data sheet attached. A budget of \$225,000 is allocated for design phase services. The schematic design services scope of work being considered is for \$68,104.

On May 20, 2020 IVGID entered in to an agreement with TSK Architects to provide a Phase 1 – Public Outreach, Concept Design, and Cost Estimate for a total fee amount of \$32,200

On August 14, 2020, IVGID entered in to an agreement with Resource Concepts, Inc. to provide a topographic survey for a total fee amount of \$5,900.

VI. ALTERNATIVES

None proposed.

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.



Project Summary

Project Number:	3970BD2601
Title:	Burnt Cedar Swimming Pool Improvements
Project Type:	D - Capital Improvement - Existing Facilities
Division:	70 - Beach Aquatics
Budget Year:	2021
Finance Options:	
Asset Type:	BD - Buildings & Structures
Active:	Yes

Project Description				
<p>The Burnt Cedar Swimming Pool and Toddler pool fiberglass surfaces require periodic replacement. Over time, discoloration, cracking and surface failure will create health and safety impacts to continued use of the pools. Breakdown of the pool surface will allow materials to cloud the water and make it unsanitary and cloudy water will not meet health dept safety code requirements. It has been determined the pool has reached the end of its service life. This project is for full swimming and toddler pool replacement, associated mechanical systems improvements, and pool deck replacement.</p> <p>A consultant will be selected to complete an alternative layout analysis and evaluate existing mechanical systems. Consideration will be given to reducing the maximum depth of the pool, providing a zero-entry pool edge for improved ADA access, maintaining a water slide, and a second toddler pool or splash pad.</p>				
Project Internal Staff				
<p>Engineering will manage the project. The Director of Parks and Recreation will determine the needs for the project and coordinate project timing because the pool will need to be out of service during the summer season to complete the work. A community interest committee will be convened by the General Manager.</p>				
Project Justification				
<p>This project will reconstruct the swimming and toddler pool, mechanical equipment and pool deck. The cost estimate is a placeholder at this time because the exact scope of work has not been identified for the replacement Burnt Cedar pool facility. The General Manager will lead a community group to received input on community desires and needs for a new pool facility. It is anticipated at this time that construction will occur in the summer of 2021. The impact to the facility will be substantial during the summer operation period. Construction will require the closing of the pool facility for the whole summer or a portion of the summer.</p>				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2021				
Design	225,000	0	225,000	
Year Total	225,000	0	225,000	
2022				
Construction Management	225,000	0	225,000	
Construction Reserves	225,000	0	225,000	
Placeholder - Construction	2,250,000	0	2,250,000	
Year Total	2,700,000	0	2,700,000	
	2,925,000	0	2,925,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2012	Jul 1, 2019	Jun 30, 2022	Engineering Manager	



September 1, 2020

Nathan Chorey, Engineering Manager
Incline Village General Improvement District (IVGID)
1220 Sweetwater Road
Incline Village, NV 89451
P. 775-83201372 E. npc@ivgid.org

**RE: Burnt Cedar Swimming Pool Improvement Project AE Proposal
IVGID Project Number: 3970BD2601
Phase 2 – Schematic Design**

Dear Mr. Chorey,

Thank you for your help with IVGID Board coordination and we are very happy to hear the project is moving forward into Phase 2 Schematic Design activities for the Burnt Cedar Swimming Pool Improvements located at the Burnt Cedar Park in Incline Village, Nevada. Tate Snyder Kimsey Architects (TSK) truly recognizes the importance of this project to the Incline Village Community and being entrusted to manage this phase for the Incline Village Improvement District.

We understand the project scope for Phase 2 Schematic Design to include:

1. Analysis of the Burnt Cedar Swimming Pool Design Report and working with IVGID to further develop Option #1 (attached). New Recreation Pool in New Location of approx. 3,900 s.f., New Wading Pool in New Location of approx. 800 s.f., Associated Pool Decks and Drainage. A pedestrian pathway connecting the east and west sides of Burnt Cedar Beach and fencing modifications as needed.
2. Review of the most current Civil Site Survey of the existing facilities, including pools, decks, accessible route, existing landscape, outbuildings, and parking (Public & Accessible Routes).
3. Permitting Agency Discussions and Documentation of requirements and anticipated durations from the regulatory agencies. Including but not limited to Washoe County Building Department, Washoe County Health Department, and Tahoe Regional Planning Authority (TRPA). Determine schedule durations for agency reviews and important informational items needed in permit submittals.
4. Provide Schematic Design Documentation to reflect findings and recommendations from the earlier Phase 1 analysis and direction from IVGID. Provide Schematic Design on the Recreation Pool and Wading Pool, associated deck improvements and connecting path and fencing. Deliverables include:
 - a. Architectural: Site Plans – Demolition Plan, Construction Access Plan (Ingress/Egress) and Staging plan. Proposed Improvements Plan. Narrative of proposed work scope.
 - b. Civil: Civil Site Plan with Schematic Design Level Grading and three (3) site cross-sections, and Demolition and Proposed New Work Notes. Narrative of proposed work scope.
 - c. Aquatics Design: Schematic Design Level Pool Plans, Longitudinal Sections, Pool Finish Details, Deck Drainage and Appurtenances Details. Narrative of proposed work scope. Criteria to confirm size of pool mechanical room equipment needs. Work with TSK and MSA to establish required area of new mechanical equipment area. Confirm if existing boiler, filter, and other mechanical equipment can be salvaged or needs to be replaced.

- d. Mechanical, Plumbing, and Electrical Engineering (MPE): Line drawings and narratives of proposed work scope. Define connection requirements from Pool Equipment to existing utility infrastructure. Coordinate with ADG to determine if any existing equipment can be salvaged or is to be replaced.
- e. Landscape: Schematic Design layouts showing added landscape design options 3D Renderings of proposed Landscape Improvements. Narratives of proposed work scope.
- f. Cost Estimate Consultation with IVGID retained Independent Cost Estimator with quantities provided as necessary.

Project Team:

- **TSK Architects**, (TSK) 225 South Arlington Avenue, Suite A., Reno, NV, 89501 P. 775-857-2949
- **Aquatic Design Group, Inc.**, (ADG) 2226 Faraday Avenue, Carlsbad, CA, 92008. P. 760-438-8400
- **Resource Concepts Inc.**, (RCI) 340 North Minnesota Street, Carson City, NV, P, 775-883-1600
- **Design Workshop**, 128 Market Street, Suite 3E, Stateline, NV 89449 P. 775-588-5929
- **MSA Engineering**, (MSA) 4599 Longley Lane, Reno, NV 89502 P. 775-828-4889
- **Nelson-Wilcox Structural Engineers**, (NWSE) 225 South Arlington Ave., Suite B, Reno, NV 89501

Excluded Disciplines:

- Environmental Analysis and Studies.
- Traffic Engineering & Analysis
- Geotechnical Investigations & Reports
- Special Inspections & Testing
- Hazardous Materials Testing & Abatement
- Public Relations Firm (Can be added cost if so requested)
- Site Civil Survey (to be by RCI – contracted directly with IVGID)
- Cost Estimator (By IVGID retained consultant or by CMAR)

Phased Project Services Delivery: We understand this proposal is for Schematic Design Only and that subsequent phases will require proposals and fee that will need to be approved by IVGID.

Project Delivery Method – We understand that IVGID will secure this project either with Traditional Design/Bid/Build delivery or with a Construction Manager at Risk delivery.

Disciplines, Fees and Schedules as follows:

1. Architectural **TSK**

TSK architects roll is to lead the Phase 2 efforts with coordination between IVGID and Architectural/Aquatics/Engineering Team during the Schematic Design Phase of the project. . Also, to lead the team's efforts of community meetings, Permitting Agency and establish permitting requirements and permitting schedules, assist with the Drawings and Specifications by the Team. Assist in coordination with the Cost Estimating efforts led by the Independent Cost Estimator. (And/or CMAR).

Schematic Design Phase Services & Documents to include:

- a. Prepare Agendas and presentations for each Community Outreach Event. Prepare summary meeting notes and distribute to IVGID and Meeting Attendees.
- b. Prepare Schematic Design Project Schedule, including tasks and milestones for the AE team to meet deliverable schedules.
- c. Prepare code compliance information sheets for accessibility and egress compliance.
- d. Prepare site demolition sheets and note items to be demolished to accommodate new construction as well as notes for protection of items to remain. Review with IVGID any

items to be salvaged and document. Demolition information to be based on Civil Site Survey Information provided to TSK by IVGID.

- e. Provide new architectural combined site plan backgrounds to design team including new pools, new landscaping. Provide new architectural site plan in Schematic Design Level.
- f. Coordinate preliminary meetings during Schematic Design Phase with Agencies Having Jurisdiction (Washoe County Community Development and Health Departments. Meet with TRPA at latter stages of Schematic Design and present proposed site improvements document next steps to TRPA submittals, and anticipated review calendars. Advise IVGID and Design Team Members of requirements and proposed submittal schedules to maintain permitting schedules to coordinate with construction schedules. Understand checklist for TRPA Submittal guidelines. (Note: Actual TRPA Permit submittal packages are to be a part of future Design Phases (Design Development Phase)

**2. Aquatic Design Concept Design Services Aquatics Design Group (ADG)
Reference Aquatic Design Group Proposal dated August 12, 2020**

Schematic Design Phase Scope of Work: Aquatic Design Group to provide consultation services as required providing Schematic Design Documents.

- a. ADG shall review the program furnished by the Owner to ascertain the requirements of the project and shall arrive at a mutual understanding of such requirements with the Owner.
- b. Based upon the Option #1 program. Schedule and construction budget requirements, ADG shall prepare for approval by the Owner, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of swimming pool project components. Schematic Design Phase deliverables shall include the following:
 - .1 Swimming pool plan views.
 - .2 Swimming pool longitudinal sections.
 - .3 Swimming pool finish details.
 - .4 Swimming pool deck, deck drainage and appurtenances details. (Surge Tank, Slide, Ladders, Handrails, Deck Signage, etc.)
- c. ADG shall submit quantities and specifications to facilitate an estimate of probable construction costs prepare by others.
- d. Visits to the Project Site during Schematic Design Phase. One Visit.
- e. Exclusions:
 - i. Soils Testing/Engineering including finalized Geotech investigation report.
 - ii. Destructive testing of existing pool structures to confirm as-built conditions.
 - iii. Utilities design to swimming pool mechanical equipment points of connection. (Sanitary sewer, storm sewer, domestic water, natural gas, pool heater flues and combustion /air lovers. Design and specificity of heat exchangers, including hot water or steam piping and controls. Electrical Distribution including single line diagram, 3-phase conductors and motor starts, and single-phase conduit and conductors. Telephone and data communications.
 - iv. Architectural, Structural, Mechanical, HVAC and electrical design of mechanical equipment room or other building structures as required. Architectural and structural design of water slides, water slide towers or other wet play equipment and landscape design including park connector ramp retaining, fencing, planting, irrigation, site drainage, site lighting, shade structure and FF&E.
 - v. Demo plan, including tree removal and rock removal. (to be provided by TSK & RCI.)

3. **Civil Engineering** **RCI**

Reference RCI Proposal dated August 17, 2020 & supplemental email August 25, 2020

- **Task 1A: Site Investigation**
One site visit to attend one IVGID project kick-off meeting and also conduct engineering site visit during same visit (two engineers at 4 hours each)
One project team coordination meetings via Zoom (two engineers participating in each one hour meeting)
- **Task 1B: Site Assessment**
One project team coordination meeting via Zoom (two engineers at one hour each)
Initial record plan review based on information to be provided to RCI by TSK (two engineers at three hours each)
Prepare Schematic Site, Grading, and Utility Plan. Three (3) cross-sections of site will be provided on second sheet. Schematic Design level discussion of proposed drainage, site, and utility improvements will be provided in Schematic Design Narrative.
- **Task 1C: Outreach & Workshops**
One project team coordination meeting via zoom (two engineers at one hour each)
Note: Workshops and preparation for workshops are not included in the Schematic Design phase.
- **Task 1D: Agency Outreach**
TRPA meeting and coordination assumes one Zoom meeting with TRPA, or phone conversation (one engineer at one hour):
Washoe County Building Coordination assumes one Zoom meeting or phone conversation (one engineer at one hour):
Washoe County Health Department, assumes one Zoom meeting or phone conversation (one engineer at one hour).
RCI Agency Outreach Findings will be summarized in the Schematic Design Narrative.
- RCI original tasks Tasks 1E through 1G are not a part of the Schematic Design effort.

❖ Note that TRPA Coverage Calculations and Scenic Analysis will be a separate task with separate fee once the scope of the work is defined at the completion of Schematic Design.

4. **Landscape Architecture** **Design Workshop**

Reference Design Workshop email dated August 25, 2020

- Schematic Design Meetings and Design. Discussions with TSK, ADG, and IVGID on landscape strategies at the pool deck and pathway.
- Provide Concept Landscape Site Plan showing landscape improvements, including deck area landscaping and the new walkway adjacent to the pool.
- Schematic Design level discussion of proposed landscape and irrigation improvements will be provided in Schematic Design Narrative.
- Provide three rendered 3D perspectives showing the proposed design.
- Includes one (1) site visit during Schematic Design.
- Includes two (2) Zoom type meetings during Schematic Design.

5. **Structural Engineer** **Nelson-Wilcox Structural Engineers**

Provide the following for Schematic Design Tasks:

- Provide concept sketch details for CMU Screen Wall of approximately 7'-0" in height and 40 feet in length with one or two operable metal gates.
- Provide concept sketch if pool mechanical room needs to be expanded.

- Does not include a site visit during Schematic Design.
- Includes two (2) Zoom type meetings during Schematic Design.
- Does not include: Engineered drawings, Specifications or Cost Estimates. These will be provided at future design phases.

**6. Mechanical Plumbing & Electrical Engineering MSA Engineering.
Reference MSA Proposal dated August 17, 2020 and follow up Email dated 8/25/2020.**

- Identify major existing/demo'd/added MPE equipment including physical equipment footprints.
- Coordinate with IVGID and utility purveyor to determine existing incoming plumbing and electrical services (single gas meter, single water meter, NV Energy transformer, underground secondary service feeder and single metered electrical service) is adequate to serve new pools and related equipment. During the Schematic Design Phase, assumptions will be preliminary and based on input from the pool consultant/designer. Method of pool backwash and related waste water not in contract; developed by pool consultant/designer. Schematic Design Level discussions of proposed MPE improvements will be provided in Schematic Design Narrative.
- Proposed pathway and pool deck lighting based on landscape, civil and arch input. Cut sheets of proposed exterior lighting included.
- Schematic Design scope assumes no interior lighting/controls, HVAC system ductwork or downstream distribution devices and plumbing fixture specification. In addition, no cut sheets of major MPE equipment is included.
- A single MPE combined trip includes initial site observation of existing conditions.
- Up to two 1-hour conference calls (Zoom, other) are included.
- Sheet specifications are included. Book specifications are not in the present scope of services.

A. Work Schedule and Deliverables: TSK and the Consultant Team will provide scaled Schematic Design drawings and a Schematic Design Narrative in accordance with the following schedule.

Task	Start	Complete	Duration
Award Contract at IVGID BOT	Sept. 9		1 day
Design Kick Off Meeting	Sept. 10		1 day
Confirmation of Programming info	Sept. 11	Sept. 18	1 week
Schematic Design Phase	Sept. 18	Oct. 30	6 weeks
Review SD Docs. IVGID Board Mtg	Nov. 10		1 day
Third Party Cost Estimate	Nov. 11	Nov. 27	2 weeks
IVGID Board Meeting	Dec. 19		1 day

B. Schematic Design Phase Deliverable Items: PDF format only.

C. Contracted Site Visits:

One (1) each: TSK, Aquatics Design Group, MSA, RCI, and Desing Workshop.
Others can be provided as an additional service if so requested by IVGID.

D. Reimbursable Expenses will be limited to direct costs with no mark ups. Reimbursable to include printing/plotting and site visits as requested by IVGID. No additional expenses shall be incurred without prior written approval from the Client. Expenses shall be for the direct cost of the items with no mark ups. These costs will be submitted monthly with invoice support information included.

E. Fee Schedule

Firm		Schematic Design Only	Reimbursable Allowance	Firm Total
TSK	Architect	15,300	1000	16,300
ADG	Aquatics	21,750	900	22,650
RCI	Civil	8,330		8,330
DWS	Landscape	7,600		7,600
MSA	Mech/Plumb	4,200		4,200
MSA	Electrical	5,200		5,200
NWSE	Structural	1,400		1,400
Subtotals		63,780	1,900	\$65,680
TSK 5% Consult Mgt.		2,424		\$2,424
Schematic Design Fee:		\$66,204	\$1,900	\$68,104
		SD	Total Proj. Fee	

Alternate Fees that are not Base Scope of Services Fee:

- Plumbing and Electrical Systems Design if upgrades to the existing utilities (including new water service, sanitary sewer, or electrical utilizes including a new single metered outdoor electrical service are required
- Structural Engineering Design and Documents if the existing pool mechanical equipment is required to be expanded beyond the existing room or a fenced in enclosure. If a building, addition is required additional engineering, calculations may be provided as an additional service. Cost to be determined at later phase due to unknown size.
- TRPA Coverage Calculations and Scenic Analysis Scope and Fees are not base service and will be defined at the completion of Schematic Design. Once the Schematic Design scope of work is completed, these TRPA Tasks will be presented as an Alternate Fee.

ACCEPTED AND AGREED: TSK Architects is hereby authorized to proceed with this scope of work for the fixed fee defined above.

IVGID Authorized Agent

Date

CC: Engineering Proposals for reference.

We appreciate the opportunity to continue to work with you, and the Incline Village General Improvement District Leadership on the Phase 2 Burnt Cedar Pool Project.

Please feel free to call me if you have any questions in regards to the project scope and associated fee we welcome chance to discuss further.

Sincerely,

A handwritten signature in black ink that reads "J. Patrick Pusich". The signature is written in a cursive, flowing style.

Pat Pusich, AIA / TSK Architects

tsk architects 225 south arlington ave., suite a., reno, Nevada 89502

TSK ARCHITECTS

2020/2021 STANDARD BILLING RATES

(For out of contract/reimbursable work)

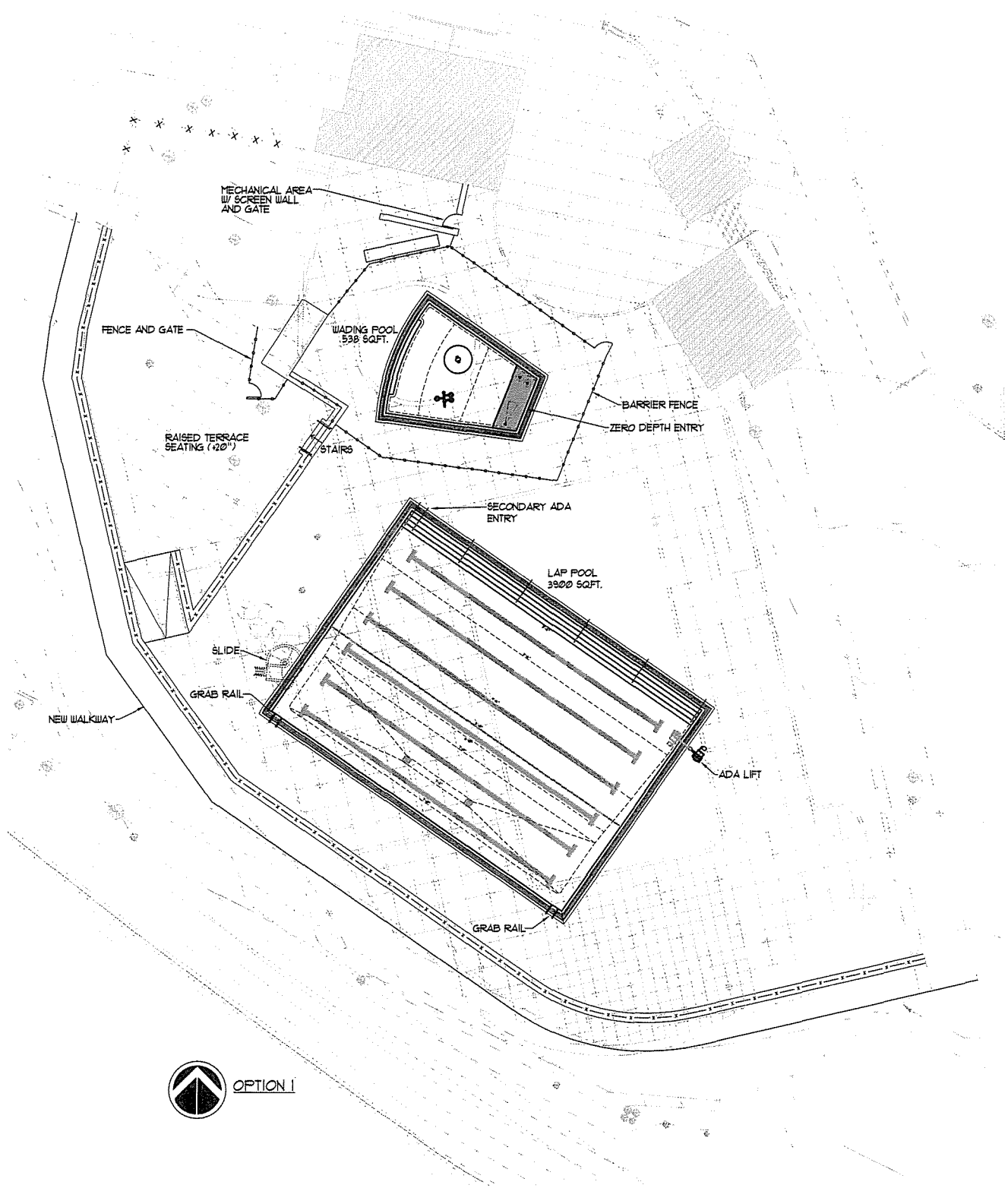
Senior Principal	\$275.00
Principal	\$200.00
Sr. Project Manager	\$175.00
Senior Project Architect	\$150.00
Sr. Project Designer	\$150.00
Project Manager	\$140.00
Construction Site Manager	\$125.00
Project Architect	\$120.00
Project Designer	\$110.00
Project Coordinator	\$100.00
Specifications	\$100.00
Job Captain	\$90.00
Technical Support	\$75.00
Design Support	\$75.00
Administrative Support	\$75.00

ALL TRAVEL / PER DIEM / MILEAGE TO BE REIMBURSED AT STATE RATES

Rental Vehicle	Actual Cost of Vehicle Rental, Taxes, and Fel Mileage at Standard Federal Rate
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Printing (Plain Paper)	BW	Color
8.5 x 11	.07	.11
11 x 17	.25	.29

Plots		
11x17	1.25	3.00
17x22	2.40	15.00
24x36	5.60	36.00
30x42	7.85	52.50



MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
General Manager

FROM: Paul Navazio
Director of Finance

SUBJECT: Workshop: Punch Card Utilization and Accounting

DATE: September 1, 2020

I. RECOMMENDATION

That the Board of Trustees hold a workshop on Punch Card utilization and accounting and provide direction to staff for both short-term and long-term modifications to current practices.

II. BACKGROUND

Following a June 30, 2020 presentation on current Punch Card utilization and accounting practices, the Board has scheduled a workshop to discuss issues and concerns, and provide direction to staff on both short-term and long-term modifications to existing practices.

Punch Card Utilization

Ordinance No. 7, last amended on March 25, 1998, establishes rates, rules and regulations for Recreation Passes and Recreation Punch Cards utilized by the District to provide recreation privileges, recreation access or special rates to property owners and/or their assignees, as defined.

The District utilizes two primary vehicles for parcel owners (and/or their assignees) to access recreational facilities as well as access to special rates or discounts for District-owned facilities and programs. These are defined as Recreation Passes (or Picture Passes) and Recreation Punch Cards (Punch Cards).

Parcel owners are assessed an annual Recreation Fee (or Recreation Standby and Service Charge) to finance recreation programs and facilities via separate Recreation Facility Fee and Beach Facility Fee. Parcels within the District who enjoy beach privileges are assessed annually for both the Recreation Facility Fee and the Beach Facility Fee. Those parcels within the District that are not entitled to beach access are assessed annually for the Recreation Facility Fee only.

In turn, each year, property owners (and/or their assignees) are afforded up to five Recreation (Picture) Passes, five Recreation Punch Cards, or any combination thereof.

- Picture Passes - non-transferable photo identification passes issued by the District that entitles holders to beach access (if so entitled) as well as resident rates for access to other facilities and programs.
- Recreation Punch Card - is a transferable punch card issued by the District to property owners and/or assignees that can be used to pay guest fees to Incline Beaches as well as to buy down venue rates for guests to access various District facilities. Punch Cards bear a face value established by the Board, and is currently 1/5 (one-fifth) of the Recreation Facility Fee and, if applicable, Beach Facility Fee.

Budgeting and Accounting

Each year, the District budgets for the revenues collected from Facility Fees collected from all property owners within the District (as a funding source for the original allocation of five Picture Passes and/or Punch Cards), revenues collected from the sale of additional Picture Passes and Punch Cards, and revenues from Charges for Services paid by customers accessing District facilities and programs. These funding sources (along with use of available fund balances) are used to support annual District expenditures for operations, capital projects and debt.

The District's annual budget also includes estimates of the anticipated level of utilization of Picture Passes and Punch Cards and the District's accounting system and practices is designed to track actual utilization in the form of Property Owner Allowances (for Picture Passes) and Punch Card Utilization (for Punch Cards).

The goal of the District's budget, accounting and financial reporting practices is to:

- budget for the sources of funds supporting District operations, capital and debt;

- accurately reflect the utilization of Recreation Passes and Punch Cards used by property owners, their assignees and guests; and
- ensure proper alignment between revenues budgeted and collected from the “purchase” of punch cards with the revenues recorded at the time that punch cards are utilized.

Issues and Concerns Related to Punch Card Utilization and Accounting

The presentation prepared for the Board meeting of June 30, 2020 was intended to provide background information (see Attachment 1) related to the budgeting, utilization and accounting for Punch Cards so as to inform a future. More in-depth discussion of these topics and, in turn, inform Board direction to staff related to any desired modifications to the District’s current practices related to implementation of Ordinance 7.

The following table summarizes the issues and concerns identified in the earlier Board presentation:

TOPIC	Comments
Different Treatment of Picture Passes and Punch Cards (Re - Valuation)	Ord. 7
Different Accounting for Punch Cards WITH Beach Access vs NO Beach Access	POS Systems
Different Accounting for ORIGINAL Punch Cards vs ADDITIONAL Punch Cards	Timing / Acct.
Punch Cards Allowed for Use at Venues WITHOUT REGARD to Funding Used to Acquire	Fund Transfer
Punch Card Accounting (Contra-Revenues) Seen as Fund Transfer btw CS and Beach Funds	Correct Above
Timing of Recording Revenues from ORIGINAL Punch Cards (w/Facility Fee or at “Use?”)	Pre-paid or Defer
Are Picture Passes and Punch Cards a “Form of Payment” (<i>Cash Equivalent</i>) or Merely Entitle Holder to Discounts?	Policy
Relates To Existing District Pricing Structure re “Property Owner Allowances” / PC Utilization Non-Resident Rate (“Rack Rate”) Resident Rate (Discounted)	Drives Budgeting and Accounting
Limitation of 3 rd -Party Point of Sale Software; lack integration with Parcel Master Database	PC Tracking

Options for Improving Budgeting and Accounting Practices

Long-Term Policy Objectives:

A) Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

- *Charges for Services to be Reflective of Different Rate “categories”*
- Eliminate Punch Cards as a “Form of Payment” – Transition to ID/ELEGIBILITY for Access at Resident Rates

- *Continue to Track Pass and Punch Card Utilization via Point-of-Sale (POS) Sub-systems NOT in General Ledger*

B) Track Punch Card Valuation based on Allocation of Facility Fee Used to Acquire Punch Cards

- *Track Value/Use for CS Facilities SEPARATE from Value/Use for Beach Facilities*
 - *Community Services “value” based on CS Facility Fee*
 - *Beach Value based on Beach Facility Fee (Beach Access only)*
- *Alternatively, Provide Two Punch Cards for Residents*

Short-term Modifications:

C) Eliminate Punch Card “Contra – Revenue” Accounting

- *Addresses concerns related to “allocation” of revenues based on funding source instead of utilization*
- *Does not address concern related to punch card utilization inconsistent with Facility Fee collected to acquire Punch Cards*

Workshop Outline

- Background / Review:
 - Ordinance 7 – Recreation Passes & Punch Cards
 - Recreation Facility Fee and Beach Facility Fee
 - Budgeting/Accounting for Recreation Passes and Punch Cards
- Issues and Concerns related to Current Practices
- Options for Addressing Issues/Concerns and Improving Budgeting and Accounting practices
 - Long-Term:
 - Re-evaluate Punch Cards as “Form of Payment”
 - “Split” value of Punch Cards to Align with Facility Fee(s)
 - Short-Term:
 - Eliminating Punch Card Contra-Revenue Accounting

Attachments:

- 1) Presentation: Modifying Punch Card Utilization and Accounting
- 2) Background Information - copy of June 30, 2020 Board presentation



PUNCH CARD UTILIZATION AND ACCOUNTING WORKSHOP

Board of Trustees - September 9, 2020
Director of Finance Paul Navazio

Outline

- Background / Review
 - Ordinance 7 –Access to District Facilities and Programs
 - Recreation Facility Fee and Beach Facility Fee
 - Budgeting / Accounting for Recreation Passes and Punch Cards
- Issues and Concerns Related to Current Practices
- Options for Addressing Issues/Concerns & Improving Budgeting and Accounting Practices
 - Long-Term
 - Short-Term

Ordinance 7 *(as amended March 1998)*

Ordinance 7 (last amended March, 1998) establishes rates, rules and regulations established by the District to provide recreation privileges, recreation access or special rates to property owners and/or their assignees and guests.

Ordinance 7 provides for two PRIMARY vehicles for parcel owners (and/or their assignees) to access recreational facilities as well as access special rates or discounts for District-owned facilities and programs:

Recreation Passes (Picture Passes)

Recreation Punch Cards (Punch Cards)

Property Owners are Assessed an Annual Recreation Fee (or Recreation Standby and Service Charge to finance recreation programs and facilities via separate fees:

FY 2020/21	# PARCELS ASSESSED		
	WITH Beach Access	NO Beach Access	IVGID
<i># of Parcels</i>	7748	455	8203
Recreation Facility Fee	\$330	\$330	\$ 2,708,990
Beach Facility Fee	<u>\$500</u>	<u>N/A</u>	<u>\$ 3,874,400</u>
	\$830	\$330	\$ 6,580,990

In “exchange” for payment of Recreation Facility Fees and Beach Facility Fees. Property owners (and/or their assignees) are afforded the opportunity to receive UP TO FIVE Recreation (Picture Passes), Recreation Punch Cards (Punch Cards), *OR ANY COMBINATION THEROF.*

Picture Passes -

Non-Transferable Picture Identification

Provides for Beach Access at No Charge

Discounted Rates at District Facilities and Programs

Recreation Punch Cards -

Transferable Punch Card

★ *Used to “Buy Down” Difference Between Resident Rate(s) and Non-Resident Rate(s)* ★

Bear a FACE VALUE established by the Board (currently 1/5 for Recreation Facility Fee and (if applicable) Beach Facility Fee

** Additional Picture Passes and Punch Cards can be purchased for 1/5 of applicable Recreation Facility Fee and Beach Facility Fee and are distinguished between BEACH ACCESS and NO BEACH ACCESS*

Recreation Facility Fee and Beach Facility Fee

Annually, the District budgets for the revenues collected from:

- Facility Fees* collected from all property owners
- Revenues from Charges for Services paid by customers accessing District Facilities and programs.
- Revenues collected from the sale of Additional Picture Passes and Punch Cards

★ *The Facility Fee(s) paid represent the funding source for the original allocation of Picture Pass and Punch Cards*

Combined, these funding sources are used to support annual District expenditures for operations, capital projects and debt service.

Budgeting for Recreation Passes and Punch Cards

FY 2020/21 Facility Fee Revenues By FUND

Budget for 2020-2021			320	330	340	350	360	370	380	Roll-up	390
Facility Fee charged to # Parcels:	8,203	7,748	GOLF	Facilities	Ski	Recreation	CS Admin	Parks	Tennis	Total Comm. Svcs	Beach
Golf - Championship	\$ 4		254,293							254,293	
Golf - Mountain	27									-	
Facilities	5			41,015						41,015	
Diamond Peak Ski	(200)				(1,640,600)					(1,640,600)	
Youth & Family Programming	26					213,278				213,278	
Senior Programming	23					188,669				188,669	
Recreation Center	100					820,300				820,300	
Comm. Services Administration	127						1,041,781			1,041,781	
Parks	89							730,067		730,067	
Tennis	14								114,842	114,842	
Beach		85								-	658,580
Per Parcel Operating Component	215	85	\$ 254,293	\$ 41,015	\$ (1,640,600)	\$1,222,247	\$ 1,041,781	\$ 730,067	\$ 114,842	1,763,645	658,580
Per Parcel Capital Exp. Component	65	414				443,195	90,000			533,195	3,207,672
Per Parcel Debt Service Component	50	1					410,150			410,150	7,748
Total Facility Fee Per Parcel	\$ 330	\$ 500	\$ 254,293	\$ 41,015	\$ (1,640,600)	\$1,665,442	\$ 1,541,931	\$ 730,067	\$ 114,842	\$ 2,706,990	\$ 3,874,000
TOTAL FY2020/21 FACILITY FEE REVENUE											\$ 6,580,990

Note: Diamond Peak revenues supplement Facility Fee "available" to all other Community Services venues/ programs

Accounting for Recreation Passes and Punch Cards

Accounting for Punch Cards

Punch Card Values

FISCAL YEAR 2019-20			
	NO Beach	Beach	
Facility Fee - Community Services	705	705	85%
Facility Fee - Beach		125	15%
	\$ 705	\$ 830	100%
Punch Card Value	\$ 141	\$ 166	
5 x Punch Cards	\$ 705	\$ 830	

FISCAL YEAR 2020-21			
	NO Beach	Beach	
Facility Fee - Community Services	330	330	40%
Facility Fee - Beach		500	60%
	\$ 330	\$ 830	100%
Punch Card Value	\$ 66	\$ 166	
5 x Punch Cards	\$ 330	\$ 830	



Example 1 Resident purchases round of golf with Picture Pass					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Debit	Credit	Operating Sources and Uses		
320	31	400	4205	Admissions and Fees		175	175	-	175
320	31	400	4240	Parcel Owner Allowance	100	(100)	(100)	-	(100)
925	00	00	0101	Cash	75				
					175		75		75
Example 2 Resident purchases round of golf with Punch Card (WITH Beach Access)					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Debit	Credit	Operating Sources and Uses		
320	31	400	4205	Admissions and Fees		175	175		175
320	31	400	4240	Parcel Owner Allowance					
360	49	490	4295	Punch Card Utilization	40	(40)	(40)		(40)
390	39	990	4295	Punch Card Utilization	60			(60)	(60)
925	00	00	0101	Cash	75				
					175	(40)	135	(60)	75
Example 3 Resident purchases round of golf with Punch Card (NO Beach Access)					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Debit	Credit	Operating Sources and Uses		
320	31	400	4205	Admissions and Fees		175	175		175
320	31	400	4240	Parcel Owner Allowance					
360	49	490	4295	Punch Card Utilization	100	(100)	(100)		(100)
390	39	990	4295	Punch Card Utilization					-
925	00	00	0101	Cash	75				
					175	(100)	75	-	75

Example 4 Resident Accesses Beach with Picture Pass					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Total				
					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
				Debit	Credit	Operating Sources and Uses			
390	31	400	4205	Admissions and Fees				12	12
390	31	400	4240	Parcel Owner Allowance	12			(12)	(12)
925	00	00	0101	Cash					
					12				

Example 5 Resident Accesses Beach with Punch Card (WITH Beach Access)					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Total				
					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
				Debit	Credit	Operating Sources and Uses			
390	39	400	4205	Admissions and Fees				12	12
320	31	400	4240	Parcel Owner Allowance					
360	49	490	4295	Punch Card Utilization	4.80	(4.80)	(4.80)		(4.80)
360	39	990	4295	Punch Card Utilization	7.20			(7.20)	(7.20)
925	00	00	0101	Cash					
					12		(4.80)	4.80	-

Example 6 Resident Accesses Beach with Punch Card (NO Beach Access)					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
					Total				
					Golf	CS Admin	Comm	Beach	ALL
					Fund 320	Fund 360	Services	Fund 390	FUNDS
				Debit	Credit	Operating Sources and Uses			
320	31	400	4205	Admissions and Fees					
320	31	400	4240	Parcel Owner Allowance					
360	49	490	4295	Punch Card Utilization					
360	39	990	4295	Punch Card Utilization					
925	00	00	0101	Cash					

Punch Cards Purchases by Venue	7/1-6/30/18		7/1-6/30/19	
Diamond Peak Ski	109,352.41	11.84%	200,380.00	21.69%
Golf Champ	26,188.90	2.83%	24,812.03	2.69%
Golf Mountain	96,487.10	10.44%	55,644.64	6.02%
Recreation	605.92	0.07%	1,127.98	0.12%
Tennis	13.15	0.00%	6,672.45	0.72%
Total Community Services Fund	232,647.48	25.18%	288,637.10	31.24%
Beach Fund	691,304.12	74.82%	590,356.73	63.89%
Total Punch Card Purchases	923,951.60	100%	878,993.83	95%
Comm Srv Fund				
85% of Comm Serv Fund Purchases	197,750.36		245,341.54	
85% of Beach Fund Purchases	587,608.50		501,803.22	
	785,358.86		747,144.76	
Beach Fund	34,897.12		43,295.57	
15% of Comm Serv Fund Purchases	103,695.62		88,553.51	
15% of Beach Fund Purchases	138,592.74		131,849.07	
	923,951.60		878,993.83	



Punch Cards Purchases by Venue	7/1-6/30/18		7/1-6/30/19		FY2020/21 (SAMPLE)	
Diamond Peak Ski	109,352.41	11.84%	200,380.00	21.69%	200,380.00	21.69%
Golf Champ	26,188.90	2.83%	24,812.03	2.69%	24,812.03	2.69%
Golf Mountain	96,487.10	10.44%	55,644.64	6.02%	55,644.64	6.02%
Recreation	605.92	0.07%	1,127.98	0.12%	1,127.98	0.12%
Tennis	13.15	0.00%	6,672.45	0.72%	6,672.45	0.72%
Total Community Services Fund	232,647.48	25.18%	288,637.10	31.24%	288,637.10	31.24%
Beach Fund	691,304.12	74.82%	590,356.73	63.89%	590,356.73	63.89%
Total Punch Card Purchases	923,951.60	100%	878,993.83	95%	878,993.83	95%
<hr/>						
Comm Srv Fund						
85% of Comm Serv Fund Purchases	197,750.36		245,341.54		115,454.84	40% of Comm Serv Fund Purchases
85% of Beach Fund Purchases	587,608.50		501,803.22		236,142.69	40% of Beach Fund Purchases
	785,358.86		747,144.76		351,597.53	
Beach Fund						
15% of Comm Serv Fund Purchases	34,897.12		43,295.57		173,182.26	60% of Comm Serv Fund Purchases
15% of Beach Fund Purchases	103,695.62		88,553.51		354,214.04	60% of Beach Fund Purchases
	138,592.74		131,849.07		527,396.30	
	923,951.60		878,993.83		878,993.83	

Note: The closer Punch Card UTILIZATION "matches" split between Community Services and Beach Fee, the impact of Contra-revenue Accounting approaches ZERO.

Issues & Concerns Related to Current Practices

Issues & Concerns Related to Current Practices - *(Selected)*

TOPIC	Comments
Different Treatment of Picture Passes and Punch Cards (Re - Valuation)	Ord. 7
Different Accounting for Punch Cards WITH Beach Access vs NO Beach Access	POS Systems
Different Accounting for ORIGINAL Punch Cards vs ADDITIONAL Punch Cards	Timing / Acct.
Punch Cards Allowed for Use at Venues WITHOUT REGARD to Funding Used to Acquire	Fund Transfer
Punch Card Accounting (Contra-Revenues) Seen as Fund Transfer btw CS and Beach Funds	Correct Above
Timing of Recording Revenues from ORIGINAL Punch Cards (w/Facility Fee or at "Use?")	Pre-paid or Defer
Are Picture Passes and Punch Cards a "Form of Payment" (<i>Cash Equivalent</i>) or Merely Entitle Holder to Discounts?	Policy
Relates To Existing District Pricing Structure re "Property Owner Allowances" / PC Utilization Non-Resident Rate ("Rack Rate") Resident Rate (Discounted)	Drives Budgeting and Accounting
Limitation of 3 rd -Party Point of Sale Software; lack integration with Parcel Master Database	PC Tracking

Options for Modifying Punch Card Utilization, Budgeting and Accounting

Options for Modifying Punch Card Utilization, Budgeting and Accounting

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

- *Charges for Services to be Reflective of Different Rate “categories”*
 - *Resident / Guest / Non-Resident*
- *Consider establishing uniform “discount” between Resident and Guest Rate*

Eliminate Punch Cards as a “Form of Payment” – Transition to ID/ELEGIBILITY for Access at Resident Rates

- *Continue to Track Pass and Punch Card Utilization via Point-of-Sale (POS) Sub-systems*

Simplify Punch Card Utilization – Pre-paid Card for Use at Facilities

- *Holder of Punch Card charged Non-resident “Rack” Rate*
- *Can use value to pay for FULL ACCESS to District facilities*
- *Facilitates Customer Service and Explanation of Punch Card*

Options for Modifying Punch Card Utilization, Budgeting and Accounting

Track Punch Card Valuation based on Allocation of Facility Fee Paid to Acquire

- *Provide TWO Punch Cards for Residents WITH Beach Access with Restricted Use (CS vs Beach) – OR*
- *Track Value/Use for CS Facilities SEPARATE from Value / Use for Beach Facilities*

Eliminate Punch Card “Contra – Revenue” Accounting

- *Addresses concerns over “transfers” of “offsets” between Community Services and Beach Funds*
- *Does not address underlying issue of value of Punch Card utilization regardless of funding used to acquire Punch Cards*
 - *(Punch Card utilization does not match how Facility Fee is set by Board)*

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

IVGID Picture Pass Holder Rates - Championship Course

2020 Championship Course Rates

All Championship Course rates include a golf cart. 9 hole rates available after 5:30 p.m. Dress Code: no denim; collared shirts required

June 15 - Sept. 27	Mon-Thurs	Fri-Sun & holidays
7am-2pm (prime time)	\$90	\$95
2pm-4pm (twilight)	\$65	\$75
After 4pm (super twilight)	\$45	\$55
After 5:30pm - 9 holes	\$30	\$37

Guest Rates - Championship Course

2020 Championship Course Rates

All Championship Course rates include a golf cart. 9 hole rates available after 5:30 p.m. Dress Code: no denim; collared shirts required

June 15 - Sept. 27	Mon-Thurs	Fri-Sun & holidays
7am-2pm (prime time)	\$115	\$120
2pm-4pm (twilight)	\$90	\$100
After 4pm (super twilight)	\$75	\$80
After 5:30pm- 9 holes	\$45	\$52

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

IVGID Picture Pass Holder Rates - Mountain Course

2020 IVGID Mountain Course 18 Hole Rates

All Mountain Course rates include a golf cart. Dress Code: no midriiffs, no frayed or holey denim or clothing, shorts must be mid-thigh length, no tank tops (sleeveless polos are permitted)

June 15 - Sept. 13	Mon-Thurs	Fri-Sun & holidays
7am-12pm (prime time)	\$44	\$48
12pm-4pm (midday)	\$44	\$48
After 4pm (twilight)	\$26	\$29

Guest Rates - Mountain Course

2020 Guest Mountain Course 18 Hole Rates

All Mountain Course rates include a golf cart. Dress Code: no midriiffs, no frayed or holey denim or clothing, shorts must be mid-thigh length, no tank tops (sleeveless polos are permitted)

June 15 - Sept. 13	Mon-Thurs	Fri-Sun & holidays
7am-12pm (prime time)	\$54	\$58
12pm-4pm (midday)	\$47	\$53
After 4pm (twilight)	\$26	\$29

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

Diamond Peak Daily Lift Tickets

2019/2020	IVGID Picture Pass Holder Rates			Non Picture Pass Holder Rates			Punchcard out of pocket expense on ticket products			Deduct from Punchcard on purchase of the ticket products		
Ticket Products	Value	Weekend	Peak	Value	Weekend	Peak	Value	Weekend	Peak	Value	Weekend	Peak
Adult (24-64)	\$25	\$25	\$35	\$94	\$104	\$114	\$25	\$25	\$35	\$69	\$79	\$79
Youth (13-23)	\$20	\$20	\$30	\$74	\$84	\$94	\$20	\$20	\$30	\$54	\$64	\$64
Senior (65-79)	\$20	\$20	\$30	\$74	\$84	\$94	\$20	\$20	\$30	\$54	\$64	\$64
Child (7-12)	\$15	\$15	\$25	\$39	\$44	\$49	\$15	\$15	\$25	\$24	\$29	\$29
Beginner	\$18	\$18	\$28	\$49	\$59	\$69	\$18	\$18	\$28	\$31	\$41	\$41
6 & under / 80+	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free	Free

- * A Punchcard may be used to buy down the price of a ticket product from the non resident rack rate
- * During Resident appreciation week a Punchcard allows for one free daily lift
- * Punchcards can NOT be applied to Season Passes, Rentals or Lessons

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

Charges for Services to be Reflective of Different Rate “categories”:

	Golf	Ski	Beach	Rec Center	Tennis
Resident (Rec Pass)	\$ 90	\$ 35	Free		
Guest (Punch Card)	\$ 90	\$ 35	\$12.00		
Non-Resident (General Public)	\$115	\$114	N/A		

- Modified Pricing Structure with built-in “discounts” eliminates the need for Punch Cards OTHER than a form of Identification for access to facilities at specified GUEST rate(s).
- Requires mechanism for draw-down of Punch Card values – Need to avoid use as “transferable” Recreation Picture Pass
- Eliminates Budgeting and Accounting for:
 - Gross Revenue at “Rack” Rate (Non-Resident)
 - Parcel Owner Allowances
 - Punch Card Utilization CREDIT
 - Punch Card Contra-Revenue Accounting

Eliminate Punch Cards as “Form of Payment”

This Option can be implemented WITHOUT modifying pricing structure(s)

Punch Card becomes a form of ID/ACCESS card for discounted rates

Continue to Track Pass and Punch Card Utilization via Point-of-Sale (POS) Sub-systems

Requires mechanism for draw-down of Punch Card values – Need to avoid use as “transferable” Recreation Picture Pass

Eliminates Budgeting and Accounting For:

- *Guest Charge at “Rack Rate”*
- *Punch Card Utilization CREDIT*
- *Net (CASH) Payment*
- *Punch Card Contra-Revenue Accounting*

Simplify Punch Card Utilization – Pre-paid Card for Use at Facilities

This option transforms Punch Cards to equivalent of “gift cards”

Punch Cards could be used for access to venues and used to pay for access to venues

Punch Card holders are charged Non-Resident Rate, but can use Punch Cards as form of payment

Could be implemented without modifying pricing


Facilitates Customer Service and Explanation of Punch Cards

Potential to allow for Punch Cards to be used for ANY product (or with limitations)

Punch Card “expires” when value is spent down to ZERO

MAY require Punch Cards to be accounted for as DEFERRED REVENUE when acquired and, if so:

Eliminates Budgeting and Accounting For:

- *Guest Charge at “Rack Rate”*
 - *Punch Card Utilization CREDIT*
 - *Punch Card Contra-Revenue Accounting*
- 

Track Punch Card Valuation based on Allocation of Facility Fee Paid to Acquire

Provide TWO Punch Cards for Residents WITH Beach Access with Restricted Use (CS vs Beach)

OR

Track Value/Use for CS Facilities SEPARATE from Value / Use for Beach Facilities

Cumbersome and Not User Friendly

May pose challenge with programming Point-of-Sale Software and Tracking

BUT

Eliminates Budgeting and Accounting For:

- *Punch Card Contra-Revenue Accounting*

Eliminate Punch Card “Contra – Revenue” Accounting

- *No Change to Pricing Structure*
- *No Change in Punch Card Utilization*
- *No Change to Budgeting and Accounting For*
 - *Gross Revenue at “Rack” Rate (Non-Resident)*
 - *Parcel Owner Allowances*
 - *Punch Card Utilization CREDIT*

BUT

DOES Eliminate Budgeting and Accounting for:

- *Punch Card Contra-Revenue Accounting !!!*

Eliminate Punch Card “Contra – Revenue” Accounting

	FY2020/21 Budget		IMPACT OF ELIMINATING PUNCH CARD ACCOUNTING					
	Punch Card Utilization		<i>Example 1: Usage = 2017/18</i>			<i>Example 2: Usage = 2018/19</i>		
Community Services Fund	\$344,830	40%	25%	\$216,825	\$<128,005>	33%	\$286,209	\$<58,671>
Beach Fund	\$522,470	60%	75%	\$650,475	\$ 128,005	67%	\$581,091	\$ 58,671
TOTALS	\$867,300			\$867,300	\$ 0.00		\$867,300	\$ 0.00

Board Discussion & Next Steps

1) Board Discussion of ISSUES / OPTIONS

- Pricing Policy
- Punch Card Utilization
- Budgeting and Accounting Practices

2) Consider Timing of Follow-Up Board Workshops:

- Ordinance 7 (To Include Punch Card Utilization)
- Review of District Pricing Policy

Resident vs Non-Resident Pricing

“Allowances” vs. “Discounts”

3) Consideration of Eliminating Punch Card “Contra-Revenue Accounting”

- Expected to have MODEST impact on year-end financial statements in FY2020/21
- *IF Concern relates to “Generally-Accepted Accounting Principles” (GAAP), consider deferring any Board decision pending upcoming review by Outside Consultant (per Audit Committee)*




Punch Cards

UTILIZATION AND ACCOUNTING

Board of Trustees - June 30, 2020
Presented by Director of Finance Paul Navazio



Outline

1. Ordinance 7 – Access to District Facilities and Programs
 2. Recreation Facility Fee and Beach Facility Fee
 3. Budgeting for Recreation Passes and Punch Cards
 4. Accounting for Recreation Passes and Punch Cards
 5. Issues and Concerns Related to Current Practices
 6. Options for Addressing Issues/Concerns & Improving Budgeting and Accounting Practices
- 

Ordinance 7 *(as amended March 1998)*

Ordinance 7 (last amended March, 1998) establishes rates, rules and regulations established by the District to provide recreation privileges, recreation access or special rates to property owners and/or their assignees and guests.

Ordinance 7 provides for two PRIMARY vehicles for parcel owners (and/or their assignees) to access recreational facilities as well as access special rates or discounts for District-owned facilities and programs:

Recreation Passes (Picture Passes)

Recreation Punch Cards (Punch Cards)

Ordinance 7 (as amended March 1998)

Property Owners are Assessed an Annual Recreation Fee (or **Recreation Standby and Service Charge**) to finance recreation programs and facilities via separate fees:

FY 2019/20	# PARCELS ASSESSED		
	WITH Beach Access	NO Beach Access	IVGID
<i># of Parcels</i>	7748	455	8203
Recreation Facility Fee	\$705	\$705	\$ 5,783,115
Beach Facility Fee	<u>\$125</u>	<u>N/A</u>	<u>\$ 968,500</u>
	\$830	\$705	\$ 6,808,490

Ordinance 7 *(as amended March 1998)*

In “exchange” for payment of Recreation Facility Fees and Beach Facility Fees. Property owners (and/or their assignees) are afforded the opportunity to receive UP TO FIVE Recreation (Picture Passes), Recreation Punch Cards (Punch Cards), *OR ANY COMBINATION THEROF.*

Picture Passes -

Non-Transferable Picture Identification

Provides for Beach Access at No Charge

Discounted Rates at District Facilities and Programs

Recreation Punch Cards -

Transferable Punch Card

✦ *Used to Pay DIFFERENCE Between Resident Rate(s) and Non-Resident Rate(s)*

Bear a FACE VALUE established by the Board (currently 1/5 for Recreation Facility Fee and (if applicable) Beach Facility Fee

Ordinance 7 *(as amended March 1998)*

Other methods available to property owners, their assignees and guests to access District Facilities and programs include:

Additional Recreation Picture Passes*

- ✦ **Additional Recreation Punch Cards* - *NOT VALID FOR USE AT GOLF FACILITIES***
- ✦ **Day Passes**

** Additional Picture Passes and Punch Cards can be purchased for 1/5 of applicable Recreation Facility Fee and Beach Facility Fee and are distinguished between BEACH ACCESS and NO BEACH ACCESS*

Recreation Facility Fee and Beach Facility Fee

Annually, the District budgets for the revenues collected from:

- Facility Fees* collected from all property owners
- Revenues collected from the sale of Additional Picture Passes and Punch Cards
- Revenues from Charges for Services paid by customers accessing District Facilities and programs.

** The Facility Fee(s) paid represent the funding source for the original allocation of Picture Pass and Punch Cards* 

Combined, these funding sources are used to support annual District expenditures for operations, capital projects and debt service.

Budgeting for Recreation Passes and Punch Cards

FACILITY FEE										
Community Services										Beaches
Recreation Facility Fee										Beach Facility Fee
\$ 705										\$ 125
Fund	320	320	330	340	350	360	370	380	TOTAL CS	390
Venue	Golf-Champ	Golf -Mtn	Facilities	Ski	Rec	Admin	Parks	Tennis		Beaches
Budget Allocation										
Operations	21	40	16	-200	143	127	89	14	\$ 250	\$ 85
Capital						405			405	39
Debt						50			50	1
	21	40	16	-200	143	582	89	14	\$ 705	\$ 125



Budgeting for Recreation Passes and Punch Cards

Fund Venue	FACILITY FEE									390 Beaches
	Community Services									
	Recreation Facility Fee					Beach Facility Fee				
	320 Golf-Champ	320 Golf -Mtn	330 Facilities	340 Ski	350 Rec	360 Admin	370 Parks	380 Tennis	TOTAL CS	\$ 125
Facility Fee Revenues	976,157	689,052	524,992	(336,323)	1,574,976	1,164,826	992,563	196,872	5,783,115	968,500
Allocation of Fees	172,263	328,120	131,248	(1,640,600)	1,173,029	4,774,146	730,067	114,842	5,783,115	
Adjustments/Transfers*	803,894	360,932	393,744	1,304,277	401,947	(3,609,320)	262,496	82,030	-	
BUDGETED FEE REVENUES	\$ 976,157	\$ 689,052	\$ 524,992	\$ (336,323)	\$ 1,574,976	\$ 1,164,826	\$ 992,563	\$ 196,872	\$ 5,783,115	\$ 968,500

* Represent re-allocation of Recreation Facility Fee Revenues for:

Ski Venue Fee and Charges for Services Re-Allocated to Other Venues

Transfers IN/OUT for Community Services Administration (Fund 360) for Capital Project and Debt Service

Annual Punch Card Utilization (FY2018/19)

Sum of Net Amt	Posting Date												POS Sub-System	
	= 2018						= 2019						Vermont	
Venue	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Vermont	
Beach	223,877.00	145,762.00	55,118.00	926.00			(94.00)				5,723.00	178,410.00	609,722.00	
Golf Champ	7,068.00	8,466.50	4,541.00	2,117.00							210.00	2,757.00	25,159.50	
Golf Merchandise	5.00												5.00	
Golf Mountain	2,290.00	2,031.00	1,297.00	261.00						23,120.29	96,514.04	371.00	125,884.33	
Recreation	79.00	119.00	115.00	70.00	99.00	208.00	109.00	60.00	60.00	85.00	51.00	89.00	1,144.00	
Tennis	5.00									2,651.60	12,415.80	25.00	15,097.40	
Vermont	233,324.00	156,378.50	61,071.00	3,374.00	99.00	208.00	15.00	60.00	60.00	25,856.89	114,913.84	181,652.00	777,012.23	
RTP						Dec	Jan	Feb	Mar	Apr			RTP	
						51,545.00	47,715.00	33,922.00	51,009.00	16,263.00			200,454.00	
Total POS	233,324.00	156,378.50	61,071.00	3,374.00	99.00	51,753.00	47,730.00	33,982.00	51,069.00	42,119.89	114,913.84	181,652.00	977,466.23	
													Less Addt'l. PC	(10,979.00)
													Mtn / Tennis Credits	(87,505.40)
														878,981.83



Annual Punch Card Utilization (FY2018/19)

Fund Venue	Community Services									Beaches	Combined
	320 Golf-Champ	320 Golf -Mtn	330 Facilities	340 Ski	350 Rec	360 Admin	370 Parks	380 Tennis	TOTAL CS	390 Beaches	
BUDGETED FEE REVENUES	\$ 976,157	\$ 689,052	\$ 524,992	\$ (336,323)	\$ 1,574,976	\$ 1,164,826	\$ 992,563	\$ 196,872	\$ 5,783,115	\$ 968,500	\$ 6,751,615
Punch Card Utilization											
Charges for Services	\$ 24,812	\$ 55,644		\$ 200,380	\$ 1,128			\$ 6,662	\$ 288,626	\$ 590,356	\$ 878,982
Equivalent # of Cards (\$/166)	149.5	335.2		1207.1	6.8			40.1	1738.7	3556.4	5295.1



Accounting for Recreation Passes and Punch Cards

FISCAL YEAR 2019-20

	NO Beach	Beach	
Facility Fee - Community Services	705	705	85%
Facility Fee - Beach		125	15%
	<u>\$ 705</u>	<u>\$ 830</u>	100%
Punch Card Value	\$ 141	\$ 166	
5 x Punch Cards	\$ 705	\$ 830	

FISCAL YEAR 2020-21

	NO Beach	Beach	
Facility Fee - Community Services	330	330	40%
Facility Fee - Beach		500	60%
	<u>\$ 330</u>	<u>\$ 830</u>	100%
Punch Card Value	\$ 66	\$ 166	
5 x Punch Cards	\$ 330	\$ 830	

Accounting for Recreation Passes and Punch Cards

				Total				
				Golf	CS Admin	Comm	Beach	ALL
				Fund 320	Fund 360	Services	Fund 390	FUNDS
				Operating Sources and Uses				
320	31	400	4205 Admissions and Fees			175	-	175
320	31	400	4240 Parcel Owner Allowance	100		(100)	-	(100)
925	00	00	0101 Cash	75				
				175		75		75
				Charges for Service				
				75		75		75



				Total				
				Golf	CS Admin	Comm	Beach	ALL
				Fund 320	Fund 360	Services	Fund 390	FUNDS
				Operating Sources and Uses				
320	31	400	4205 Admissions and Fees			175		175
320	31	400	4240 Parcel Owner Allowance					
360	49	490	4295 Punch Card Utilization	85		(85)		(85)
390	39	990	4295 Punch Card Utilization	15			(15)	(15)
925	00	00	0101 Cash	75				
				175		90	(15)	75
				Charges for Service				
				175	(85)	90	(15)	75



				Total				
				Golf	CS Admin	Comm	Beach	ALL
				Fund 320	Fund 360	Services	Fund 390	FUNDS
				Operating Sources and Uses				
320	31	400	4205 Admissions and Fees			175		175
320	31	400	4240 Parcel Owner Allowance					
360	49	490	4295 Punch Card Utilization	100		(100)		(100)
390	39	990	4295 Punch Card Utilization					
925	00	00	0101 Cash	75				
				175		75	-	75
				Charges for Service				
				175	(100)	75	-	75



Example 4 Resident Accesses Beach with Picture Pass

	Debit	Credit
390 31 400 4205 Admissions and Fees		12
390 31 400 4240 Parcel Owner Allowance	12	
925 00 00 0101 Cash		
	12	12

Operating Sources and Uses
Admissions & Fees
Parcel Owner Allowance
Charges for Service

Golf	CS Admin	Comm	Beach	ALL
Fund 320	Fund 360	Services	Fund 390	FUNDS
			12	12
			(12)	(12)

Example 5 Resident Accesses Beach with Punch Card (WITH Beach Access)

	Debit	Credit
390 39 400 4205 Admissions and Fees		12
320 31 400 4240 Parcel Owner Allowance		
360 49 490 4295 Punch Card Utilization	10.20	
360 39 990 4295 Punch Card Utilization	1.80	
925 00 00 0101 Cash		
	12	12

Operating Sources and Uses
Admissions & Fees
Punch Card Utilization
Punch Card Utilization
Charges for Service

Golf	CS Admin	Comm	Beach	ALL
Fund 320	Fund 360	Services	Fund 390	FUNDS
			12	12
	(10.20)	(10.20)		(10.20)
			(1.80)	(1.80)
	(10.20)	(10.20)	10.20	

Example 6 Resident Accesses Beach with Punch Card (NO Beach Access)

	Debit	Credit
320 31 400 4205 Admissions and Fees		
320 31 400 4240 Parcel Owner Allowance		
360 49 490 4295 Punch Card Utilization		
360 39 990 4295 Punch Card Utilization		
925 00 00 0101 Cash		

Operating Sources and Uses
Admissions & Fees
Punch Card Utilization
Punch Card Utilization
Charges for Service

Golf	CS Admin	Comm	Beach	ALL
Fund 320	Fund 360	Services	Fund 390	FUNDS

Punch Cards Purchases by Venue	7/1-6/30/18		7/1-6/30/19	
Diamond Peak Ski	109,352.41	11.84%	200,380.00	21.69%
Golf Champ	26,188.90	2.83%	24,812.03	2.69%
Golf Mountain	96,487.10	10.44%	55,644.64	6.02%
Recreation	605.92	0.07%	1,127.98	0.12%
Tennis	13.15	0.00%	6,672.45	0.72%
Total Community Services Fund	232,647.48	25.18%	288,637.10	31.24%
Beach Fund	691,304.12	74.82%	590,356.73	63.89%
Total Punch Card Purchases	923,951.60	100%	878,993.83	95%
Comm Srv Fund				
85% of Comm Serv Fund Purchases	197,750.36		245,341.54	
85% of Beach Fund Purchases	587,608.50		501,803.22	
	785,358.86		747,144.76	
Beach Fund	34,897.12		43,295.57	
15% of Comm Serv Fund Purchases	103,695.62		88,553.51	
15% of Beach Fund Purchases	138,592.74		131,849.07	
	923,951.60		878,993.83	



Issues & Concerns Related to Current Practices - *(Selected)*

TOPIC	Comments
Different Treatment of Picture Passes and Punch Cards (Re - Valuation)	Ord. 7
Different Accounting for Punch Cards WITH Beach Access vs NO Beach Access	POS Systems
Different Accounting for ORIGINAL Punch Cards vs ADDITIONAL Punch Cards	Timing / Acct.
Punch Cards Allowed for Use at Venues WITHOUT REGARD to Funding Used to Acquire	Fund Transfer
Punch Card Accounting (Contra-Revenues) Seen as Fund Transfer btw CS and Beach Funds	Correct Above
Timing of Recording Revenues from ORIGINAL Punch Cards (w/Facility Fee or at "Use?")	Pre-paid or Defer
Are Picture Passes and Punch Cards a "Form of Payment" (<i>Cash Equivalent</i>) or Merely Entitle Holder to Discounts?	Policy
Relates To Existing District Pricing Structure re "Property Owner Allowances" / PC Utilization Non-Resident Rate ("Rack Rate") Resident Rate (Discounted)	Drives Budgeting and Accounting
Limitation of 3 rd -Party Point of Sale Software; lack integration with Parcel Master Database	PC Tracking

Options for Improving Budgeting and Accounting Practices

Modify District Pricing Structure to Establish Base Resident and Non-Resident Rates

- *Charges for Services to be Reflective of Different Rate “categories”*

Track Punch Card Valuation based on Allocation of Facility Fee Used to Acquire

- *Provide TWO Punch Cards for Residents WITH Beach Access with Restricted Use (CS vs Beach) – OR*
- *Track Value/Use for CS Facilities SEPARATE from Value / Use for Beach Facilities*

Eliminate Punch Cards as a “Form of Payment” – Transition to ID/ELEGIBILITY for Access at Resident Rates

- *Continue to Track Pass and Punch Card Utilization via Point-of-Sale (POS) Sub-systems*
- *NOT in General Ledger*

Eliminate Punch Card “Contra – Revenue” Accounting

- *Addresses a perceived “problem” without regard to rationale for current practice*

Next Steps

Consider Scheduling of Special Board of Trustees Meeting

Consider Timing relative to pending Review / Update of Ordinance 7

- Budgeting and Accounting FLOWS FROM how Picture Passes / Punch Cards are Acquired and Utilized

Consider Incorporating Review of District Pricing Structure

Resident vs Non-Resident Pricing

“Allowances” vs. “Discounts”

Preserve ability to document “value” of Facility Recreation and Facility Beach Fee to Residents

MINUTES

REGULAR MEETING OF AUGUST 12, 2020 Incline Village General Improvement District

The regular meeting of the Board of Trustees of the Incline Village General Improvement District was called to order by Chairman Tim Callicrate on Wednesday, August 12, 2020 at 6:00 p.m. This meeting was conducted virtually via Zoom.

A. CLOSED SESSION – TIME CERTAIN - 5:00 p.m. to 5:45 p.m.

The Board held a Closed Session to consider negotiating strategy pertaining to the Operating Engineers Local Union No. 3 (pursuant to NRS 288.220).

B. PLEDGE OF ALLEGIANCE*

The pledge of allegiance was recited.

C. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

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

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

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

D. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

Dick Warren said he wanted to talk about Item I.3 – General Business – District Fund Balances - Congratulations Staff, with respect to Fund Balances you have moved us forward to June 30, 2020; however, you seem to be unwilling to amend the FY 2021 Budget to deal with the excess fund balances after what was required to be committed for 6/30/2021 planned expenditures. And BTW Staff, you did not even do the 6/30/2020 Fund Balances correctly; for example, the Utility Fund you list as “Unaudited UNRESTRICTED Net Position at 6/30/2020 as \$14,080,153”. Really Staff? In the last paragraph on page 109, first sentence, “At its meeting of March 3, 2020 the Board took action to restrict \$9,656,890 in Utility Funds for the expressed purpose of earmarking the funds for the Effluent Pipeline Project...” Do

you review what you write before you send it out to the public, or do you just wing it? He would suggest you go back to Cliff Dobler's June 9th email where he discusses what needs to be done during FY 2021. Cliff starts with Fund Balances as of 6/30/2020; He believes he used budgeted amounts for each Fund, but you can now go back and fill in the actual Fund Balances as of 6/30/2020. But then Staff needs to deal with 2021; for each Fund you need to determine Restricted & Unrestricted requirements for each Fund, you need to determine the minimum balances for each Fund, and you need to commit the excess funds to their appropriate places. As you well know, because Cliff pointed it out to you back in June, "...the Fund balances at the end of FY 2021 will not be in accordance with the appropriate level of Fund balances required under Board Policy 7.1.0 and Board Practice 7.2.0...." The Board has approximately \$6-7M of excess funds which exceeds the appropriate levels for the General Fund and the two Special Revenue Funds. Plus the Utility Fund is substantially below the required appropriate level of Unrestricted Net Position. Staff will need to transfer excess funds from the General Fund and the Community Services and Beach Revenue Funds to the Community Services and Beach Capital Project Funds in order to meet the 5 Year Capital Plan. What is irritating is that Cliff laid this out for you 2 months ago, and here you are just fooling around with 6/30/2020 Fund Balances. Go back and just follow Cliff's format, he has done the work for you already. And Staff, Cliff doesn't get paid to do this, but you do. And Board Trustees, remember, if the FY 2021 Budget is NOT amended, you will NOT be in compliance with Board Policy 7.1.0 and Board Practice 7.2.0. Hopefully, the Board will not consciously ignore Board policies & practices. Thank you.

Cliff Dobler said that he is speaking about the Burnt Cedar pool. He is one of the citizens on the committee and that Option 1, a family pool, where he pushed for the pathway connecting the east/west is a part of Beach Master Plan. This design calls for a slightly larger pool and to be clear and entirely clear, he requested a site civil plan which was not completed. He also didn't agree to accept one estimator and he doesn't agree with a not-to-exceed design contract. He doesn't accept the \$2.7 million estimate without a reference to the source. IVGID doesn't have an inside estimator nor does it have the Staff to negotiate a contract. Site civil base plan was completed would have allowed for a good estimate to inform decision. IVGID requested information from Terracon in 2019 and Terracon provided materials which is assumed IVGID has them as they were paid. We have plenty of time to accomplish a new pool so let's do it properly as we have 14 months.

Linda Newman said when you begin with flawed facts, you reach flawed decisions. When you make bad decisions it impacts every member of our community and the consequences do not end with your terms. Your failures to do what is right by the

law, by your own policies and in the best interests of our citizens will be your legacy. This Board packet is loaded with selective and factually incorrect information. The background memo and attachments for the new Burnt Cedar Pool omits critical reports from the first consultant hired who submitted an \$840,000 estimate for CONSTRUCTION of a new Pool with contractor markup and soft costs to be added and leaps to Staff's guestimate of \$2.7 million and a new consultant's \$5.6 million for the best new concept design. And to make matters worse, although the Board has not approved any concept, does not have a site/civil base map of topography and existing conditions and schematics to determine the feasibility of the concepts and provide a foundation for the estimation of real costs for independent estimates, the General Manager, without Board approval, has determined that the project will be constructed under CMAR and has already advertised for RFQs and received responses. This project does not rise to the complexity that requires a Construction Manager At Risk. CMAR is also inappropriate as it denies the opportunity for open competitive public bidding. Although, she supports Concept 1 for a new Burnt Cedar Pool, there is no excuse for Staff to ignore best management practices. As a Board you need all the facts to make the right decisions and determine the budget and how it will be funded. After raising the Beach Fee to \$500 to provide funding of \$2.7 million for the new pool and with a surplus of \$1.5 million above the appropriate level of fund balance in the Beach operating fund, the District will be short \$1.4 million to fund Concept 1. So, where will you get the additional money in this upcoming fiscal year? Issuing a \$3, 4.5 or 6 million bond is an outrageous proposition. Why this amount of money, when in the highest price scenario, we only need \$1.4 million more? And, raising money from our beach facility fees for bonds, are always problematic. Because as we all have learned, even after a bond matures, the District never lowers the annual facility fees – it continues to collect the principal and interest no longer needed to service the bond and repurposes it for other spending. This has become known as “perpetual” bonds. Although we have a new GM, Finance Director and Chief Engineer, we still have STAFF in charge while the Board and our citizens are kept in the dark.

Margaret Martini said although Staff identified during the fiscal 2021 Budget meetings that our property owners had been overcharged \$100 for the availability of the use of our recreational facilities in fiscal year 2020 -according to the agenda, this matter cannot be resolved tonight. It can only be discussed. This really is unacceptable. \$100 per property owner may seem meaningless to a staff that proposes a \$5.6 million Burnt Cedar pool, \$425,000 for unnecessary advertising, and spends hundreds of thousands for legal fees but \$100 may be very meaningful for someone in our community that is unemployed or living on a fixed income. Or simply, someone who didn't get what they paid for. There is an easy solution: direct

staff to look at the 2020 Rec roll and issue a \$100 check to every entity that paid a Rec Fee especially when Staff is holding over \$3 million in excess money for Community Services. As for other matters on the agenda, she supports a new Burnt Cedar Pool and the first design that allows adults and children to have all of the programs and amenities our community desires. She does not support this Board making any decisions on the Burnt Cedar Pool until you have all the facts. The estimates for this pool began at \$1 million two years ago, ballooned to \$1.7 million, expanded to \$2.7 million and now floats into the stratosphere at \$5.6 million in just a matter of months. How is this possible? You need solid and verifiable information. It is not in this packet. She also supports Option 3 for the Utility Fund Rate Study. She recommends you rely upon the experience and advice of Ray Tulloch to write the scope of work for the independent consultant. Our utility fund is not only being mismanaged financially and operationally but neglecting the replacement of 6 miles of failing pipeline and the lining for the emergency effluent pond, threatens our health and safety and irresponsibly threatens to endanger Lake Tahoe. According to the GM report, the status of funding support from the US Army Corps of Engineers is still to be determined and there is no report from our expensive Federal lobbyist. A project of this magnitude can no longer wait. We need a plan, a timeline, accurate budgeting and funding for this project. Now. Then, there is the final general business item on fund balances and recommended transfers. She doesn't know how you can make sense of this as the terminology is incorrect. Please direct Staff to make all necessary corrections and provide you with accurate terminology and information.

Frank Wright said he is a candidate for the Board. Listening to the callers tonight, there is some excellent information that has been provided and is on target, everything is spectacular. Each and every one of them is working for free and doing it because they care about their community. He has done it for 10 years and has gotten a lot of push back from some of our residents. Where has the money gone? It has been overspent with consultants. When are we going to stop all this and do this the right way. Mr. Dobler could probably design this pool and do it for half of the cost. He spent a good time last week trying to get documentation on the land sales. Come to find out he didn't, Staff acted unilaterally and sold the public property. What was his punishment? There was no punishment. Our Board has to exercise oversight, and if he is elected, he will hold people accountable. If people are not held accountable, it is going to continue. Sole source projects are just wrong when you can save so much with competitive bids and build it cheaper. As we move forward, let's do it right. Let's start doing it right and stop all the crazy stuff, let's cut people who are doing things wrong and do it fast.

Rick Kimble said he uses all the recreational facilities and that he usually doesn't get involved but that something seemed egregious about a year ago and that we know this pool needs to be replaced but that he is shocked about the pool costing between \$4 and \$5 million. He also found out that IVGID switched engineers. Large swimming pools are not unique. It sounds like this one isn't that unique and not that crazy. Normal procedures would be to establish project expectations and prepare plans, seek regulation, and then go to bid with the project. Seems like a straight forward project. Use TSK for design engineering and then use CMAR. At the very least, IVGID should have one or two estimates after the site plan is completed and, if necessary, do a third estimate so as to make sure our Trustees have a firm basis to make a decision. This should be placed out to bid in a public process; number one – get a site survey which would cost around \$5,000 and number two should be to get two or three bids.

Aaron Katz said that he will be submitting a couple of written statements. Regarding the proposed rebate, he understands that Staff's interest differs from parcel owners thus he finds the recommendation an absolute insult because of the excess fund balance. If this is all, don't rebate anything. For the Burnt Cedar pool, as early as May of 2019 the projections were \$2.25 million because the 2019 budget appropriated \$800,000 and we have already paid \$800,000, then we paid \$75,000 and then another \$50,000. In 2020, we already budgeted and paid \$55,000 and in 2021 we will pay \$225,000 so we will have paid \$1.555 million – the options for costs are outrageous. Staff is proposing \$5.5 million. What about the high valued projects at the beaches? We simply can't afford it and we have to scale back the project so send this project out to public bidding. Hold the Board members to a vote on a bond and we can't bond at the beaches because it is private property. Any bond you issue, everyone and everything guarantees repayment including people without beach access guarantee it so you can't do it.

Mike Abel said he does not think that in his 20 years in Incline Village, that he has been as upset about anything as he is about the pool program now before the Board. In 2018 – GM Pinkerton hired Terracon Engineering to evaluate the swimming pool. They recommended replacement of the pool with a ROUGH ESTIMATE of about \$1 million. How does that number, and a modestly expanded project, convert to a project cost 5.5x larger than that given in a rough estimate just 1.5 years ago. Looking at pool construction costs on the internet, which are not hard to find, he comes up with a figure of about \$834,000 on a 4440 sq. ft. pool. In May of this year, Cliff Dobler, who has extensive heavy construction experience, told Staff that they should get an engineer certified site plan for this project. Staff **has not ordered** such a plan. **THIS PROJECT CANNOT PROCEED WITHOUT A SITE PLAN.** If such a site plan had been prepared the \$32,000 schematics that were

prepared by TSK could have been overlaid on the site plan and we would have had nearly final plans to go to permitting. This past Spring, did Staff go back to Terracon who have engineered over 1000 municipal pools and have them help design an expanded pool schematic? NO. Stating that Terracon was difficult to work with, our GM and staff engaged in an artful deception, whereby in March our GM put out a RFQ for a CMAR – **no-bid contract** and hired a new design firm TSK. Then Staff concealed detailed Terracon cost estimates from our Board and the public despite public record requests from Mr. Dobler. Finally, our GM and Staff neglected to inform the Board and the public that it had on July 2nd issued an RFQ for a contractor to build a pool under the CMAR exemption from bidding, and that the bidding on a contract **that you knew nothing about** closed 6 days ago. Finally, instead of preparing proper plans and opening this project to bidding by a number of contractors, Staff is proposing a CMAR exemption to the bidding process. With hundreds of public pools built and renovated each year, there is nothing unique to this project that should exempt it from the normal bidding process. Bidding on public projects is the preferred and established American system to eliminate fraud and abuse in public projects. Our Trustees have a fiduciary duty to see that our funds are spent wisely and responsibly. He urges the Board to do your duty in this regard.

Ray Tulloch said he wanted to talk about the utility study item. He would strongly urge the Board to adopt Option 3, as Options 1 and 2 are usual things and can be done with a spreadsheet. Under Option 3, you would get a proper study and a long term capital plan over 10, 20 or 30 years. Also you should include examination of the capitalization policies which are, at best, questionable. There has been over \$3 million spent on repairs that have been capitalized and that when replaced, will be written off and that is unlikely to comply with GAAP. It will also look at financing. After 44 years in the utility business, he has never seen a utility who collects it upfront as the pipeline should be funded by long term debt thus what we are doing right now is simply wrong. He would again strongly encourage the Board to adopt Option 3. Also this should not take 12 months, based on his experience, maximum of 3 to 6 months for a very small team.

Shelia Bowman-Meyer said that she and her husband have been owners and taxpayers for 7 years, they live in condo, and boat parking is not permitted. Now IVGID has taken away parking everywhere. She would like IVGID to consider doing something for the average taxpayer as we need some place to store our boats. She is proposing at Diamond Peak and that requester has to provide a proof of deed or ownership and then they would receive a sticker, sign a release on boat and trailer so as to remove liability, and that we, as boat owners, could pay a small fee. There is a lack of storage so please consider this solution. IVGID owes it to the average taxpayer and those who are unable to get affordable boat storage.

Debi Moore said she was on the community committee for the pool and we discussed what the users would want. We came up with the different options and things like removing trees, making the pool larger, and discussed the uses of the pool. Also discussed a walkway to connect the two sides of Burnt Cedar. We didn't really discuss funding or the cost of the pool rather we were just trying to set out what the community needs are for a new pool. She has heard a lot talk about looking into this more, look at the options and the plans we came up, and then she hopes that the Board can figure out the funding. She thinks it is very important that we do it and that it must be completed in one year as we can't take away the pool for two years. As to parking in Incline, parking is a real problem and having some place for overnight parking at Diamond Peak would be a great benefit to people who have visitors, etc. Many of us don't have enough parking in our condo complexes.

Yolanda Knaak said that she thinks the Staff and the General Manager have done a great job implementing COVID-19 measures at all our venues. Thank you for working on the effluent pipeline and that she is hoping that a liner can be put in instead of digging it all up. Thank you to the Audit Committee as you are doing a great job. Thank you for working on the pool as it is shocking that 50,000 gallons is leaking per month in groundwater or the lake; she thinks we should get two more estimates.

Alex Taylor said that he is a new full-time resident of Incline Village who enjoys frequenting the beaches with his children. As we are all aware, there is a public health crisis leading to severe economic dislocation caused by Covid-19. One of the simplest things our community can do to slow the spread of infection is wear masks. Yet when he goes to the beaches, hardly anyone seems to be protecting themselves or others by wearing face coverings. It might seem that masking is unnecessary as Incline's beaches are outdoors and relatively less crowded than other venues, so social distancing can be maintained. In his experience, this is decidedly not the case. He frequently finds himself with people passing within 6 feet of him, or often he and his children are unable to avoid interaction with others (his children enjoy crawfishing which sometimes attracts a crowd). Incline's schools will not be open per usual this fall despite the desperate need to get back to normal in educating our children. Seemingly innocuous interactions on the beach are undoubtedly part of the reason why. Put simply, it is time for IVGID to MANDATE mask-wearing on all public beaches at all times for all beach-goers, with the possible exception for when in the lake, and then enforce this mandate aggressively. Doing so will go a long way toward protecting our community from the deleterious effects of the global pandemic.

E. APPROVAL OF AGENDA (for possible action)

Trustee Schmitz said that she would like to have a brief discussion related to the item on Consent Calendar. Chairman Callicrate said that the item is removed from the Consent Calendar and will now be the first item on General Business. Hearing no further changes, Chairman Callicrate approved the agenda as amended.

F. DISTRICT STAFF UPDATE (for possible action)

F.1. District General Manager Indra Winquest

District General Manager Winquest went over the written submitted report and announced a couple of personnel changes; new Communications Coordinator, eliminate Recreation Supervisor position and incorporating some of those responsibilities to other Staff as part of an ongoing restricting of that department. Additionally, we have appointed a Director of Information Technology and he is in the process of formalizing what he is going to do with Parks and Recreation. Trustee Morris said, referencing agenda packet page 5, at the bottom, that a meeting was held in July and that we are a month in so is this just starting. District General Manager Winquest said that Staff is compiling the information and once that is received, they will commence. Director of Finance Navazio said that should be done by the end of the week, followed by a three to four-week review, interviews will be set up, and that Staff will provide a more updated schedule in the next General Manager's report. Trustee Schmitz said, referencing agenda packet page 5, regarding the grant funding for the pond lining, we don't have any update so who owns this matter, who is following this matter, and who is trying to bring it to closure? District General Manager Winquest said that the Director of Public Works is on the front line and that he is privy to any new information. Staff is frequently checking in with Mr. Faust and that any time there is new information, they get it to us in a timely manner. Staff will continue to try and push for some new information and Staff can also try and set up a meeting with Ms. Whitney possibly for the next Board meeting; he understands that this is extremely frustrating. Trustee Schmitz said that Ms. Whitney set our expectations so improperly. On agenda packet page 13, the broken out numbers, that she is a little curious as to how much of those funds are interest as Mr. Lowe references a meeting that you and then Chair Wong had to talk about the negotiations so was Legal Counsel involved and was there any discussion at that time about the interest amount not being the responsibility of IVGID. District General Manager Winquest said we did have

that meeting and that the North Lake Tahoe Fire Protection District (NLTFPD) Chief was there as well and that, yes, we did have the attorneys there. The same attorney represents NLTFPD that does IVGID. The conversation was more about where they were in the process and IVGID teaming up with NLTFPD to send communication to Washoe County that we were in favor of settlement rather than appeal. There has been discussion about interest. Trustee Wong said it was an informational meeting and at one point, NLTFPD tried to fight paying this and they weren't unsuccessful. If we don't want to pay the interest then we should take a look at that lawsuit. Trustee Schmitz asked if NLTFPD's attempt was basically suing to relieve the interest payment? Trustee Wong said that there trying to be relieved of the interest and that the claim was because the NLTFPD was not choosing to prolong but Washoe County was, they were trying to not pay any interest or penalties as they just wanted to pay it and be done with it. Chairman Callicrate said that he also recalls something about that and the Fire Chief coming before the Board. It has changed some many times and that this is the up side and that we must settle it. It is fortunate that IVGID and the NLTFPD have set it aside so we can get it taken care of, settle it, and move on.

F.1.a. Discussion only regarding possible rebate to individuals that pay the Recreation Facility Fee and/or the Beach Facility Fees

District General Manager Winqwest went over the submitted material. Trustee Wong said thank you for putting this together as it is really valuable information. It is important to have this conversation and that in looking at the numbers and the data, giving a refund isn't the most cost effective way to bring value to our parcel owners as a return for the period we were closed. She would like to discuss other ways and that might be when we set our rates, adding an additional 10% or extend our community weeks to provide a longer benefit and that she thinks there are other creative ways to give back the value while we were closed. Chairman Callicrate said that there is a lot of merit to these numbers and that the numbers are on the lower side and then there is the cost to issue a check. Trustee Dent said that he appreciates Staff putting this together and that the numbers are in line with what we have talked about as well as the deliverables. He doesn't know what they would look like as originally he envisioned a check or a credit and not IVGID bucks or a coupon that could be used as he likes the idea of giving a hard dollar amount. Can Staff take a look into

the cost of what that would take? The next best step is applying something on the fees and a discount. Again, he appreciates Staff putting this together and he would like to have a cost of issuing checks as he is curious what those costs would look like. Chairman Callicrate said that he too would like the actual dollar costs versus a credit on the next tax bill as that will get a ballpark on the process and that would help us if we want to go in that direction; we need some hard and fast numbers. District General Manager Winqest said that we can have the Finance Team look into a ballpark figure of issuing checks and that he doesn't know about a credit on the tax bill. Issuing a credit would be a lot cheaper and Staff will look into all of that. Trustee Schmitz thanked the Director of Finance for putting all this together and that she did some simple math and she came up with \$62.50 and that this amount would a quarter of a refund of that amount. She is concerned about the overhead cost and what the true value is that comes to the property owner. It is helpful in making a well informed decision. She was thinking it was going to be a higher amount however a substantial portion of the Recreation Fee is capital. Looking at it from an Operations perspective, we have also had to add for additional cleaning, PPE's, and an increase in our operational expenditure to deal with the COVID situation. She also reviews the weekly bill pay and the credit cards and she is seeing the expenses that are related to COVID. District General Manager Winqest said that Trustee Schmitz brings up a very good point and that Staff has had a lot of conversation. We have cut back on Staff but that savings is being eaten up with other expenses and at the Recreation Center, we have had to incur additional expenses to do our jobs and provide a clean and safe environment and that he feels that the District has done a great job. Trustee Morris said that he concurs with what his colleagues have said and that the one thing that he was concerned about is that it costs us a lot of money to return money which means spending the public's money to do that. He is concerned about that and it has already been asked about and it will be dealt with. This is really about the operational side as we still have the capital costs. He feels that we could be more generous with credit instead of cash. Chairman Callicrate said that he wanted to reiterate something about the operations at the Recreation Center and the beaches; he has been hearing nothing but compliments from the members of our community; kudos to everyone and especially the Staff at the beaches. Please pass onto to the Staff that the Board is very happy with the level and quality you have been able to maintain. Trustee

Dent said so we are talking about 2019/2020 fiscal year and that everyone needs to be aware that we don't know what is coming. We may not have a ski resort that pushes off additional revenues to fund these venues. We could be in a situation of not being able to open which we will revisit at a later time as well and that the focus is on the current fiscal year. We don't know what is coming, don't know what the winter holds and there is a lot of uncertainty. Chairman Callicrate said that is a good point and that Staff has an idea of what the Board wants to know which is the costs of the actual rebate such as mailing a check and giving a credit on the tax bill and then hold off to see what happens this year as we need to be very prudent.

F.1.b. Review with the Board of Trustees, by the District General Manager, the Long Range Calendar

District General Manager Winqest went over the long range calendar with the following being highlights:

- ✓ Rebate item will probably come back sometime in September.
- ✓ Staff is also working on a budget timeline which we will show soon on the long range calendar.
- ✓ District General Manager will probably have an update on the Ordinance 7 committee.
- ✓ Chairman Callicrate will get the edits to the District General Manager's job description on a future date on the long range calendar.

Chairman Callicrate said that there have been some comments made in regard to the Ordinance 7 committee and that he wanted it known that this is a joint effort that is not being done in vacuum as both he and the District General Manager have been working on the participants and that he wanted to thank the District General Manager for the hard work he has put in.

Trustee Schmitz said that she would like to add to the parking lot something that she has been discussing at length with the Director of Finance and that is the development of pricing policies as the District doesn't have pricing policies. The District also doesn't have discount policies or coupon policies for all of our offerings. Also, they have discussed the project summaries and how they are updated and revised and then what causes

budget revisions so she would like those two items added to the parking lot. District General Manager Winquest agreed that the pricing policy is long overdue.

Chairman Callicrate called for a break at 7:30 p.m., the Board reconvened at 7:45 p.m.

G. REPORTS TO THE IVGID BOARD OF TRUSTEES*

G.1. Board Treasurer Sara Schmitz

Board Treasurer Schmitz reported that she has been reviewing the procurement card reports and the weekly bill pays. In the process, she has been bringing things to the attention of the Director of Finance, and in some cases, there have been some charges going to incorrect cost centers. Financials haven't been updated, on the website, since the May 31 and she doesn't know why so she has brought that to the attention of the Director of Finance as well. There have been quite a few expenditures fulfilled related to COVID and that increased janitorial supplies and services has had an impact on expenses. The goal was to have a monthly Treasurer's report and monthly reports and she knows that Staff is working on updating the formats, however she hasn't seen those in any draft or template form yet and she is looking forward to seeing them but she has limited information as of right now. Chairman Callicrate said that he is hopeful that we can get that updated in the next week or so as we need to be a little more timely on those postings. Trustee Wong said with respect to the June 30 financials, it is our year end and it always takes longer to close our year end so she certainly understands why they aren't posted yet. Chairman Callicrate said that is a valid point, there is a lot going on, thus the patience of the Board and the community, in general, it is appreciated. The increase in janitorial, etc. speaks directly to what is going and that we are practicing the best practices for the safe use by our citizens.

H. CONSENT CALENDAR (for possible action)

H.1. Review, discuss and possibly authorize the reallocation of funding amongst Fiscal Year 2020/2021 Information Technology Capital Projects as follows, re-allocate \$9,300 from Windows Office License (CIP # 1213CO1803), and re-allocate \$33,700 from Server Storage and Computing Hardware (CIP #1213CO1505), to augment, by \$43,000, Windows Server Operating System (CIP #1213CO1804)

(Requesting Staff Member: Director of Information Technology Mike Gove) **[moved to General Business Item I.0.]**

I. GENERAL BUSINESS (for possible action)

- I.0. Review, discuss and possibly authorize the reallocation of funding amongst Fiscal Year 2020/2021 Information Technology Capital Projects as follows, re-allocate \$9,300 from Windows Office License (CIP # 1213CO1803), and re-allocate \$33,700 from Server Storage and Computing Hardware (CIP #1213CO1505), to augment, by \$43,000, Windows Server Operating System (CIP #1213CO1804) (Requesting Staff Member: Director of Information Technology Mike Gove) **[was Consent Calendar Item H.1.]****

Trustee Schmitz said that the reason she wanted this item discussed, and that she has no problem with what Staff is doing, but she wanted to use it to talk about the project summaries and what she and the Director of Information Technology talked about. Director of Information Technology Mike Gove said that they spoke about the two project data sheets (1803 and 1804) and that they are clones of each and were created before he got to the District. Staff has had discussions about cleaning them up and planning out for five years. Trustee Schmitz said, referencing agenda packet page 29, that because of the change of direction that you have gotten and the budget that is laid out, none of those funds are actually needed in 2021 to 2026 and as such those numbers should be replaced into our capital fund. Particularly, for 2021, \$91,000 is not needed and you are talking \$33,000 from this budget so the remaining funds should be removed from the budget for this fiscal year. So this is about talking about the data sheets and when we do have data sheets that have changes, do we need to revise the budget as well. Chairman Callicrate said that this is a good example of how we can adjust our data sheets when we have the necessary information to bring it back to our budget that we have already approved. Director of Information Technology Gove said, for 2021, Staff does not presently see the need for what is listed there nor in 2022 as it was purchased in 2020 however in 2025 it will be needed. He will ensure that he gets them corrected going forward.

Trustee Schmitz made a motion to authorize the re-allocation of funding included in the FY2020/21 budget for specific Information Technology capital improvement projects, as follows, re-allocate \$9,300 from Windows Office License (CIP # 1213CO1803), and

re-allocate \$33,700 from Server Storage and Computing Hardware (CIP #1213CO1505), to augment by \$43,000 Windows Server Operating System (CIP #1213CO1804). Trustee Dent seconded the motion. Chairman Callicrate asked for comments, receiving none, he called the question. The motion was unanimously passed.

- H.1. Review, discuss and possibly confirm the goals and objectives (insert goal and objective number(s)) to be included in preparing a scope of work for a utility study and that the goals and objectives to be included in the scope of work may be all or a combination of the following items:**

**Goal and Objective #1 - Utility Rate Setting Methodology
Goal and Objective #2 - Reserve Fund Balance Analysis
Goal and Objective #3 - Performance Management and
Asset Management Analysis**

and

Review, discuss and possibly direct Staff to proceed with a Request for Qualifications for Professional Services consistent with the approved scope of work, through public advertising, for the set goals and objectives. (Requesting Staff Members: Director of Finance Paul Navazio and Director of Public Works Joe Pomroy)

District General Manager Winqest gave an overview of the submitted material. Chairman Callicrate thanked everyone for putting together these recommendations and having had more discussions, it almost seems like Goal and Objective #3 is setting the stage. We need to be looking at the long range because these are big tickets items for our community. The pipeline is at the top of the Board's radar because if it had been done 20 years ago, it would have been worked into the process. We are looking at a much more robust plan and at the long range. Trustee Dent said that District General Manager Winqest gave a great overview and where we landed. As both of you touched on, Objective #3 gets use through the next forty years and that is something of knowing where we are going. Knowing the rates is the easy part and that by going this direction, we can give Public Works a tool and a roadmap on where we need to go. Thanks to Mr. Tulloch as he is a valuable member of that committee and helping us to get the ship heading in the right

direction. Option #3 is the best route and then we can come back into the other two items. Trustee Wong said that she has struggled with this topic ever since it was proposed mainly because she thinks our Staff does a really good job with our rates. Quite frankly, she is prepared to support #1 and #2 as it has ballooned out of portion and now we are wasting the time and the resources of our Staff and our community. Trustee Morris said that he concurs with Trustee Wong and that initially we talked about a Utility Rate study being done and that he didn't feel it was required as our team has done a good job so he doesn't see the reasoning for doing the full scale process. He doesn't see the sense in doing the whole analysis as Utilities have been doing a good job all the way through. Trustee Schmitz said that she spoke with District General Manager Winquest from the very beginning about doing the Utility Rate and reserve study. Unless we look at the big picture, we potentially could be establishing rates and reserves that don't fit with our long term needs. She is in support of looking at the big picture, looking at operational efficiencies, and doing that before we start setting rates and setting up reserves. If we don't do it, we might be missing the big picture. Chairman Callicrate said that the last time we took a big, deep dive was 22 years ago and that's why he is in support of a larger scale. He is sensitive to what both Trustee Morris and Trustee Wong have said with regards to the initial concerns. We had a more robust discussion and what we, as a District, are dealing with. He thinks that this is an opportunity to look at the bigger picture to make sure we are setting our rates and reserves and to address it so that a future Board doesn't have to inherit this. This is an opportunity to look into it, address it, and look at the financial commitment for Option 3. We do have an individual who has donated his time and his tremendous expertise and that he would like to have him explain his perspective as it is valuable insight. We are using the expertise of our Director of Public Works and his team and then the community. Again, it is an opportunity to look at the bigger picture and plan for further down the road. Trustee Morris said that he doesn't believe that there are numbers in here and do we have an estimate for what all of this might cost. District General Manager Winquest said no, we do not and that it has been talked about a little bit and that it will probably cost more than \$50,000 but that Staff can explore that and then notify the Board of Trustees. Director of Finance Navazio added that we don't have a good sense so Staff would probably recommend to do the RFP for Option #3 alone and that it will be in excess of \$50,000 but that it may not take \$50,000 to do the rate study however he does think it will be in excess of \$100,000 or in that ballpark. Trustee Wong said that the cost for the studies doesn't factor in the cost of our Staff time. Trustee Schmitz said that one of the things that a local member, Mr. Tulloch,

said are that there are significant cost savings that could be found so while we are spending money on doing this, it will be identifying improvements and efficiencies in costs. Trustee Morris said that Trustee Wong made a very good point about cost as well as Staff time. This is another consultant and here we are once again talking about another consultant and it just doesn't make sense to him. Chairman Callicrate said he takes a different tact and that is that the District has hundreds of millions of dollars in infrastructure that we are looking at and the effluent pipeline has ballooned up and we have dozens of miles of water and sewer, pump stations, water treatment, etc. So to give us a good idea of what we are going to need, and we may be under charging or over charging, he wants to make sure that once he is off the Board that we can say we looked down the road and we looked at the bigger picture. It is a costly venture and it will take time from our Staff; we have an excellent Staff and that it is an opportunity to leverage the talent in the District and have a robust overview of what we are trying to do. These are general improvements we are going to be looked at and that he doesn't want to belabor this topic. Trustee Wong said why is that we trust our Staff to provide the right information to the consultant but that we are not trusting our Staff to do their jobs? Chairman Callicrate said we have so much going on within our community with Ski Way, the beach house, the Burnt Cedar pool, etc. that Staff has said we don't have the bandwidth at a crucial time so let's work along with an external resource and come up with a great opportunity to have reserves for x amount of dollars and we can accumulate that over the years and take that opportunity now. He doesn't see it as mutually exclusive as it is about teamwork and our District will work with a consultant. He doesn't see it as a negative, he sees it as a positive. Trustee Wong said that she would like to leverage the expertise we have in house and not pay someone to duplicate the in-house expertise and go out for the expertise if we don't have it in-house. Chairman Callicrate said that we can disagree.

Trustee Dent made a motion to confirm the goals and objectives - Goal and Objective #3 - Performance Management and Asset Management Analysis are to be included in preparing a scope of work. Trustee Schmitz seconded the motion. Chairman Callicrate called the question and Trustees Schmitz, Callicrate and Dent voted in favor of the motion and Trustees Morris and Wong voted opposed to the motion; the motion was passed.

Trustee Dent made a motion to direct Staff to proceed with a Request for Qualifications for Professional Services, through public

advertising, for the set goals and objectives #3 - Performance Management and Asset Management Analysis. Trustee Schmitz seconded the motion. Chairman Callicrate called the question and Trustees Schmitz, Callicrate and Dent voted in favor of the motion and Trustees Morris and Wong voted opposed to the motion; the motion was passed.

H.2. Review, discuss and possibly select a preferred alternative for the Burnt Cedar Swimming Pool Improvement Project – Fund: Community Services; Division: Beaches; Project 3970BD2601. (Requesting Staff Member: Engineering Manager Nathan Chorey and District General Manager Indra Winquest)

District General Manager Winquest gave an overview of the submitted material. Trustee Schmitz said as it relates to this agenda item, there are things that were not included in the packet such as the leak detection report that was done in 2017, the condition assessment, who had a leak detection firm, that was done in roughly summer of 2018, and then the fixes that were made to the pool. The District paid Terracon \$14,000 for a site study analysis and coming up with cost recommendations and documents and none of those deliverables were included in this packet. She understands that the District General Manager wasn't happy but we too, as Trustees, should review this information as well as have this information in front of us. This item references Community Services and in the motion, and this is specific to the Beach Fund, and Community Services is an entirely different fund and to have that in the subject line and in the motion is inappropriate because we can't use any of that money. We don't have all of the information, which is important information, and she knows that the pool needs to be replaced and that it is unfortunate that it is not being replaced this year but that we have to make sure that we are doing the right thing for the community along with the features so there is a broad spectrum of concerns as it relates to this agenda item. Trustee Morris said with due respect to Trustee Schmitz, we should not get into the weeds. We get a detailed report from Terracon or whomever and that is why we employ experts and the fact that they say it is leaking works for him so he doesn't need to see the reports and the same thing holds for the other things that were mentioned. He doesn't believe that the Board should be down in the weeds and that what the Staff is saying is we have to replace the pool and they are telling us it is in a bad state. He doesn't think that the Board needs those details as we are where we are and we need to move forward and that is what Staff has brought forward to us. If we are going to replace the pool, that information won't change anything.

Trustee Schmitz said that is not her point. We paid Terracon for a design so we should have that as part of our review. The fixes were brought up and she doesn't know if we have done another leak analysis. The Board and the public need to have all the information and the facts to understand where we are and why our costs have gone up. Why did this end up to be a CMAR project? This is a pool and you put together the design and then you go out for competitive bids and take care of the pool. Chairman Callicrate said in looking at the recommendation, the preferred option, and we are not talking about the financials, but what is the preferred option? After we hear Staff's presentation, we will then decide how we want to proceed. He understands where Trustee Schmitz is coming from so let's not belabor that issue. Engineering Manager Nathan Chorey gave an overview of the submitted materials and the process of what we went through to get to this point. Chairman Callicrate said that Option 2 is basically keeping things where they are and cleaning it up and that this option misses out on the added decking, kiddie pool and the views of the lake. The preferred option is Option 1 and as this is laid out, it is either keep it the same or take this opportunity to turn it into an intergenerational mecca. Engineering Manager Nathan Chorey continued his overview. Trustee Morris said on Option 2 that he was not entirely certain on what he heard as Option 1 included the new pathway so does Option 2 also contain it? Engineering Manager Chorey said yes and that the existing deck layout will change and yes, Option 2 will include the path. District General Manager Winquest said, from a venue manager's viewpoint, Option 2 is an in kind replacement. The steps on the south side of the pool (which is the dark line around the deck line) would be considered a significant upgrade and that would be the only area of the deck that would be replaced. It is his opinion that on the east/west connector, we would save a lot more money by doing this as a part of this project even though it wasn't included in the original plan. It doesn't need to happen but it did get a lot of traction with the community and the Board. The group unanimously recommended that we add this to the project. Both of these options include the surface skimming system which is a huge benefit to everyone. In Option 1, it gives you a view of the lake and the mountains and incorporates some protection with the pump room as well as some separation, more deck space and it would relocate the slide. We do have a core group of Aquasizers that use this pool and they like the modern design pool. Chairman Callicrate said that the length of the pool would be reduced down to 75 feet so what is that the case? And what would it add if that was extended to 75 feet? District General Manager Winquest said that the pool is wider. Engineering Manager Chorey add that it was the recommendation of the consultant to use 25 years or 75 feet. If the pool was 8 feet longer, it would cut into the deck and that

affects the layout. Chairman Callicrate said that cuts down the potential for swim meets and that the District has said no outside people for swim meetings since it is a private beach. If the 75 feet accommodates the current pool standards that is good however he doesn't want to miss out on any future opportunities to cut it short. District General Manager Winquest said that part of it was the layout and the positioning of the pool. There was also a discussion about the 9-foot deep diving well and that was thrown around but it was dismissed by the group. He thinks that the Board will hear a little more insight from Mr. Dobler and Mr. Paris who were part of the group. Trustee Schmitz asked if you could please clarify, in looking at Options 1 and 2, if the wading pool is a totally different shape and what is the reasoning for the different shape? Also, in Option 2, if the fun features weren't available, could they be added as an option or was it because of the shapes? Engineering Manager Chorey said that these two shapes are presented for discussion and that the wading pool can change as can the fun features. We were trying to show elements and then the Board can make a decision. Trustee Schmitz said in Option 2 it appears that the wading pool is significantly bigger than Option 1 so is one bigger than the other? Engineering Manager Chorey said that the calculated square footage is a 29 square foot difference in both designs and that contributes to a significant cost. District General Manager Winquest said that the layout in Option 2 offers more room for a larger wading pool. Trustee Schmitz said that you are right and that the shape of it looks like more room and that Option 1 looks smaller. District General Manager Winquest said that a lot of these options are plug and play and we can look at what we want. Engineering Manager Chorey continued his presentation and went over the cost estimate. District General Manager Winquest said that the wading pool play equipment would require separate pump equipment which is one of the main issues of costs. The committee and Staff didn't want to recommend it but wanted to leave it in there. We have never had that feature but it would be a nice feature to have and that's why it is not included. Trustee Morris said that he wanted to check a couple of public comments – they weren't involved in pricing so this is somewhat nice. Engineering Manager Chorey said yes, that is correct and that their main objective was to identify the needs and wants of the pool. Trustee Morris said that he likes that there is a list of options and the thing that stands out to him is that the actual new swimming pool is only \$1.3 million and it is all these other things that add up. The next stage of this effort is that until we do some more detailed design, we won't know the real numbers and therefore, sometime in the future, the Board will have to make a decision. Engineering Manager Chorey said that one guarantee that he is making is that these numbers will change. This is a concept design and the

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next phase is to get a design contract, get a schematic and then with that information in hand, we are better equipped to go to firms and get pricing and that this is just about agreeing on a concept. Chairman Callicrate said that this is not allocating funds today and that this is a concept decision. He does want to hear from the two committee members. We need to look at all the opportunities and make sure we have the appropriate funding and are spending the money wisely. He really appreciates all the hard work that everyone has put in as it is a monumental project so let's do it the right way given an exceptional overview and that we will come up with the price tag. He would like to see the additions on the kiddie pool as it is an opportunity and let's not discount all the opportunities. Trustee Schmitz said as you have been working on this conceptual design and with building in Tahoe, TRPA has an incredible amount of power and typically they require a site plan so as to weigh in. She is wondering if TRPA has been provided with any of this information specifically about putting the path close to the lake and with the change, if any, of these elevations – has that been discussed as part of this conceptual design? District General Manager Winquest said we do need to go through the permitting process and we do have a pool there right now so he is not anticipating TRPA having any major issues and yes, we will have to go through that part of the process. Trustee Schmitz said so shouldn't we have a site plan so they could know that ahead of time? Engineering Manager Chorey said that Staff has had initial discussions and that we can't present until we know what we are building. That is where we presently are and TRPA will complicate the process and that is one of the arguments for the CMAR process as it gets a contractor on board early to work through those options. As this pool is on the shore of Lake Tahoe and is one of our busiest venues, TRPA is going to have an extra set of eyes on it. The contractor needs to know all of this and we need to bring the contractor on board early to collaborate. That is why it is Staff's recommendation to go with CMAR as IVGID has had that success at Diamond Peak and at the Chateau and it is not a foreign concept. They are required to bid projects in accordance with the Nevada Revised Statutes just like we would. It is a fairly open process and while you don't need to decide that tonight, you will need to decide that fairly soon. Chairman Callicrate said that you just summed up a very important piece of this as there is much more to this as this is at the water's edge. We have a great relationship with TRPA and he appreciates the work that Staff has put in. He would know like to move to the committee members. District General Manager Winquest said he would like to go to Mr. Dobler, followed by Mr. Paris and then return to Engineering Manager Chorey to wrap it all up. Chairman Callicrate said that is fine. Mr. Dobler said that the team put together the design and that he thought it was well thought

out as the fellow from the aquatics team knew his stuff. He told the Board, in his public comments, that his primary goals was that as he went through the estimate, when you start estimating and tacking on a contingency, you end up with a \$5.6 million price and \$1.6 million of that is contingency which will shrink and then it will come down with CMAR, etc. He thinks that the design is a good thing and that the connector is very important. It will be nice, just like the pathway at Sand Harbor and not really that expensive however maybe we don't need to do the sidewalk. Just to give you an example on the contingency, we had 15,000 square feet of deck and we asked the designer how much do we need. He was comfortable with 9,000 square feet but we have 15,000 square feet and so we took out a part of the deck in this estimate so he can't get too excited about it right now. The biggest risk in the whole pool is if we have this leak, water is going to go somewhere. After we pop the deck and the pool, we may have to re-compact that entire area. It is hard to estimate something when you can't look under the deck and we need to remember that this pool was built in the 1960's. If you start high and then work lower because everyone is happier with that, well, we don't know if the earthwork estimate is a good number. He doesn't appreciate Mr. Wright saying he could do it for half as he has no clue. If we do it with a CMAR contract and get them in early, we might be able to solidify it. The big number is mobilization as site work and moving trees, etc. will all tighten up so we could bring in CMAR after the site plan. The Board has to decide on an option and he thinks that Option 1 is the best option. He doesn't know why we changed the look of the kiddie pool as it seems that it was important. At some point, the Board has to select an option. Chairman Callicrate then asked Mr. Paris for his comments. Mr. Paris submitted the following as written speaking points:

Chair Callicrate and Members of the Board of Trustees, thank you for asking me to participate on this project and allowing me a few minutes to share some of my passion. Some background for those he doesn't know - 1st visit in 2004 was to Burnt Cedar and that next to the Recreation Center was where his first welcome came from our current District General Manager. He has a 35+ year professional career in Parks & Recreation and he started teaching swimming lessons at age 13. He was a 12-year competitive swimmer and he spent 4 years as a High School swim coach. He first met ADG in 1994 and he has worked with them on a renovation and 3 new installs, including up to an 18+ million aquatics family park. He doesn't know TSK but he was impressed. This committee group was one of the better ones in my career. More importantly than all that is my wife and I are 15 year

property owners in Incline, (kids went thru IMS/IHS); I know this pool is what the vast majority of Incline wants/needs and will gladly help you sell whatever funding mechanism you choose as it will be a very easy sell. The beaches are the most highly used facility in all Incline, survey after survey speaks to the value the property owners place on these amenities, a typical year will see a combined 200K visits – you’ve heard 65,000 visits to Burnt Cedar, you’ve also heard more than 300 head count in the pool daily and up to double that on the pool deck, and 400+ in swim lessons. What you may not hear unless you actually walk around the pool deck daily are the memories this facility creates in Incline families. Next to our water supply, (and thank you for that Director of Public Works), swim lessons is simply the single most significant important safety feature of IVGID - you may not know of the average 4 to 5 drowning deaths in Tahoe every summer. IVGID has not experienced one, EVER. That is a big thanks to quality swim instructors, lifeguards, and the NLTFPD with their annual elementary school safety training. Incline is perched right on the shore of Tahoe, cold water and 6200’ – someone has to take up the torch of teaching our kids how to safely navigate that challenge and IVGID has accepted that responsibility. We can’t decide to drop it now. For numerous reasons they can’t all be absorbed at the Rec Center. The concept report presented in tonight’s board packet has some overly nice words when it comes to the current pool conditions – the reality is that the Burnt Cedar pool could likely be shut down at any time. You should be very proud of the hard work your Recreation Staff has put in over the last few years to keep it operational way beyond it’s normal lifespan. Without District Staff and the Aquatics Staff, the weekly closures due to poor water quality would be daily, and ultimately the pool would be closed by the Health Department. District Staff has a great relationship with County Health and they respect IVGID’s well-earned reputation however it only takes one misstep to change that, County Health can show up at any time unexpectedly and shut everything down. Pool Manager vs Dad a former LG over pool closure – do you want this to become an HR issue? The delamination of the fiberglass coating is a bigger concern than the report states – a typical glass coating lasts about 7 years, if you’re really lucky with weather and other operational conditions you might extend to maybe 10 – the BC Pool is entering year 11 or 12? Strictly for cost considerations. And a side note about COVID – you should also be proud that your staff has been very diligent in following all protocols but also finding a way to keep this pool open at even a limited level – I’m aware of multi-

million dollar facilities that remain locked up. Remember one of the goals of this project – to eliminate the loss of 50,000 gallons of water monthly – that’s a full 7’ square box of water every day that drains somewhere, taking untold amounts of sun-screen with it. Under District General Manager and Engineering Manager’s directions and with assistance from the designers, this committee reviewed several options - fully embracing and supporting Option 1 to match the programmatic needs with recreation swim and taking into consideration the Tahoe view. This is not a renovation – this is a complete demo and new build. Think the Diamond Peak skier services building or the Chateau, if your memory can reach that far back. You did it right on those projects. My 35+ year career has taught me in public facilities you get one chance to do it right. I’ve heard it said that this gives you only 75’ of new water. Let’s just reiterate even a few of the high points of Option 1 to make it really clear for those that maybe didn’t read all the fine print - eliminating water loss and bringing pool water clarity via turnover rates up to current standards – out of the 60’s. New entrance on the west side to provide safety and security for the pump room, fully ADA and health code compliant throughout the facility and meeting standards for lap lane size – increases opportunity. Orientation to maximize view of Tahoe and of both pools (for parents) and provide additional deck space, including a designated food area with views of both pools. Orientation allows full length of pool for both depth and shallow water plus steps on shallow side provide significant improvements to both recreation swim and programs. Toddler pool improvements to meet code; increases overall usability along with the steps the full length of the main pool significantly increase use opportunities for this age group. Deck lighting allows for increases in operating season length and daily operating hours, significantly improving ROI. If you decide to go with Option 2 you do need to clarify how much deck will be removed to locate all the leakage, that could add large costs to where you may not be saving what you think you are. For costs – you’ve heard from several folks, including some very informative comments from fellow committee member Mr. Dobler – I would expect and encourage you to deep dive into a healthy debate on how to fund this project. But please remember these key points - you get what you pay for. Not anyone can build a successful public pool and you don’t want a replacement that would be what you have currently. This concept report is a first look, While ADG is the top of the top, you should expect and require more info, and as that process continues you should know

the numbers will change, and that means the potential for both up or down. The Terracon report is embarrassingly short on detail. To ask for more information before making a commitment of this sort is something you should absolutely do – however know that the Terracon report is extremely short of that info. Throw out that \$1 million figure as it really means nothing. There is overwhelming community support for the Burnt Cedar Pool and your challenge is to not opt out of this difficult discussion. You can't say it and I couldn't for 35 years, I can say it how – the Burnt Cedar Pool has a direct impact on my property value and if you don't believe that just compare homes 3 miles in either direction. Your challenge is to build something that is worthy of Incline and the massive use of this amenity. This is potentially your legacy as a board, if you decide to kick this can down the road any further just know the current facility has a potentially very short life before permanent closure.

Chairman Callicrate said he can't thank you enough for your participation as he has known Mr. Paris for many years and he loves his passion. You spoke to the importance of what we need to do so thank you and he seriously does appreciate it. This is a signature project that the Board is going to approve, etc. and this is an opportunity to do it the right way so he appreciates your help, expertise and thanks Mr. Dobler for his experience and background. It is pretty impressive to reach out to a community and have so many people weigh in. Mr. Dobler said that he is trying to encourage you to make a decision as he and District Staff are going to get a site map and a schematic and then when the CMAR guys comes in, we have got to know what we have and do we have enough money. We can't be fiddling with it and that we can't reach forward as we are going to have to start this in March. We are short \$1.325 million and we have to know damn well after the schematic is done. Engineering Manager Chorey said that we will have a scope of work in two weeks and then we can begin the design followed by a presentation of the design along with a cost estimate. District General Manager Winquest said aren't we waiting until the site work is completed? Engineering Manager Chorey said we have requested a proposal. Chairman Callicrate said we have a Board situation where we have heard a tremendous presentation for a very critical aspect of what we are trying to do as a Board and as a community and asked if we have an opportunity to move this forward? What do we want to do and does someone want to make a motion? Did we have enough information brought to us to move forward? He is tired of waiting on this and he would like to act. Trustee Morris said that he is definitely ready to make a motion in support of Option 1. Trustee Wong said that she has a

recommendation and that is that she knows that Option is without the kiddie pool and without shade structures and that she would like to start the process with all of the recommendations in Option 1 before we start cutting. Value engineering and scope creep has served us better and we could accomplish things that are within the Beach Master Plan. Trustee Dent asked what the elevation was of the existing pool deck? Engineering Manager Chorey said his guess is 6,235 feet. Trustee Dent said it looks to be foot feet under the lake so we probably need to look at the cost of doing dewatering which it doesn't look like our estimate includes it anywhere. District General Manager Winquest said that he will get with the consultant and ask them to look at that as he isn't sure if it is four feet under the lake. We should also have a topographical site survey as well so we will look into that. Trustee Dent said that overall he likes the design and thinks that the boardwalk is a no brainer. The costs are super, super inflated and it looks like we were given a very big number. As we get a plan, we will need to sharpen that pencil and figure out what it is and be within budget. He doesn't see the advantage of going with CMAR for this process as it seems like we are paying a fee to a contractor to manage a contractor that they are going to hire plus \$150,000 in costs for IVGID staff and is this a bandwidth thing because we have other things going on within the District? Engineering Manager Chorey said no, it is not about bandwidth and rather it is just a preferred delivery method. This is a complex project as there is dewatering, constructing on the shore zone, traffic control, pedestrian control, etc. It is one of the busiest venues and it will be a signature project. We need to succeed and getting a contractor with a proven track record who is experienced with estimating. They will weigh in at each phase with final construction documents. It has to be a one season construction project and that is another reason to have a contractor that we have full faith in. There could also be schedule benefits and then there is our success at Diamond Peak which is a proven track record. Other entities use this process and everyone speaks highly of the delivery method. Trustee Dent said given the bidding climate, and seeing a downturn, it seems like it is in the best interest of the District to design something, put it together and then see who ends up with the project. TRPA is going to do what they do and when we are going to have to build to that and they will want the shoreline to look a certain way. Managing people or having a busy venue, he doesn't see how CMAR changes that in thinking it through he just doesn't see the benefit to CMAR especially during a super competitive bidding environment. Engineering Manager Chorey said that the staging area for this project will grow and contract and thus having them on board and working with them will be important because otherwise you have to state it in the scope of work and

therefore it is a complicated enough project to warrant the CMAR process. Trustee Schmitz said that anytime you do anything you should do a bidding process. Engineering Manager Chorey said it is a part of the process. Mr. Dobler said that by accident, he is looking for a couple of estimators and he ended up talking to Travis Coombs of Core Construction and he would be one of the contractors that you would get through the RFQ. The other estimator that he talked to said no and that he asked him the number one question – what are you getting out of it. He replied that they will get hired back by the municipality so they are willing to take a lesser profit and that yes, they do bid out all the subcontractors. We don't have the bandwidth in Engineering and this person is the construction management company. There are a construction management company and they will be bidding the project out so you will might get a lower bid that other way but you are taking on that associated risk. One subcontractor goes bid, it delays the contract and then there are liquidated damages that are paid every day. They want to do a good job because they want to come back and do more work. He is not for it or against it, it just makes a lot of sense as they want to do a good job because the municipality will hire you back a second time. Trustee Schmitz said on Option 1, she is concerned about the smaller size of the wading pool and having a lot of decking. The decking is such an expensive piece, and referencing agenda packet page 94, we have got the steps so she is curious as to whether the group ever talked about this area or maybe having a picnic area outside the pool area? Engineering Manager Chorey said it wasn't discussed at that level of detail and the focus was on the concept; there will be opportunities to value engineer as there is quite a bit of decking. The first phase was to arrive at a conceptual plan and Design Workshop is part of the team so we will have pretty pictures to show you the design. Trustee Schmitz asked if there was landscaping included in this budget? Engineering Manager Chorey said yes, there is landscaping in there. Mr. Paris said regarding the toddler pool that they were focusing on the other one and just giving a little more room in front of the pump room and in either of these two designs, ADA will be met which is a big thing to remember. It meets some needs that you have out there and that the size of the pool deck is where Incline can be different from anyone because the extra space is valued. Trustee Schmitz said that she just wants to make we aren't undercutting the little kids and toddlers as she remembers taking her daughter and enjoying that type of pool. If the experts say it is big enough then it is big enough and let's make sure that the toddler pool is the right size. Mr. Paris said that the steps add another complete area for that age group. Chairman Callicrate said with Option 1 or 2 are we able to add in those other amenities and how would that be worked in? Mr. Paris said yes,

you can add in on either option. District General Manager Winquest agreed and said they can be added into either option. Chairman Callicrate is one easier than the other or are they both the same? Engineering Manager Chorey said that they are both about the same in general terms and play equipment could be added. Mr. Paris said, in general terms, you can put the toddler pool in either option. Trustee Schmitz said this ties to a comment that Trustee Dent made and lake level and depth level. In Option 2, it might pose more issues the way it is positioned right now so we need to understand that aspect before we make a decision. Chairman Callicrate said what about 20 or 30 feet above the lake; Mr. Paris discussed about a pool floating. Trustee Schmitz said there is a misunderstanding as she was not asking about the current location as the question was more tied to Trustee Dent, Option 1 and reorienting and asking if we need to understand the lake level? Mr. Paris said that Aquatic Design Group knows their business so the expert needs to make that decision and that, in 2008, it was not a problem. Engineering Manager Chorey said it is always an unknown especially with groundwater so we do need to resolve this before selecting an option; 6,243 feet is the pool level which is 14 feet about high water. Trustee Schmitz asked about the current pool decking? District General Manager Winquest said that it is not an issue but it is a question that needs to be answered and it doesn't prevent the Board from making an option choice as it will be built into the design and it doesn't prevent the Board from choosing Option 1. Trustee Morris said like what we learned about the Tennis Center, we can decide what we want.

Trustee Morris made a motion to accept Option 1 with the wading pool play equipment and no fixed shade structures. Trustee Wong seconded the motion and said that the comment by Trustee Schmitz was not an appropriate reference with Community Services.

Chairman Callicrate asked if there was a division of beaches within Community Services? District General Manager Winquest said the Board should include all aspects which include the lighting. Mr. Dobler said that here is what is the problem – he doesn't know who drafted this but they took it from the chart of accounts and beaches and Community Services were separated and that is because the chart of accounts hasn't been changed. It has to be from the Beach Fund and it cannot be in the Community Services fund so that needs to be understood. The legal aspects of it has to be done by resolution. Director of Finance Navazio said that this project is included in the CIP as a beach funded project and it consistent with how the Board has been taking action. The recommendation could proceed with Burnt

Cedar and reference the project number and focus on the option and then Staff can bring back and clarify the funding and accounting. District General Counsel Nelson said that he agrees as the Board is not obligating any funds which is important to get clarification on which alternative. Chairman Callicrate asked if the Board needed a motion amendment or can we move forward? District General Counsel Nelson said it is a reference to a fund and not an obligation and that can be dealt with when this is brought back to obligate funds. Trustee Morris said that he would like to have the record include the project number rather than the other descriptor. District General Counsel Nelson said that doesn't change the motion.

Hearing no further comments, Chairman Callicrate called the question and the motion was passed unanimously.

Chairman Callicrate thanked everyone for their efforts and input. Engineering Manager Chorey asked for clarity on the CMAR process and should Staff continue or abandon. Chairman Callicrate said that there is an opportunity offline to discuss that question as he doesn't want to cloud the issue so let's touch base on this in the next day or so. District General Manager Winquest agreed to take it offline.

At 10:25 p.m., Chairman Callicrate called for a 5-minute break; the Board reconvened at 10:30 p.m.

H.3. Review, discuss and possibly take all or part of the following six (6) actions related to the District's Fund Balances. (Requesting Staff Member: Director of Finance Paul Navazio)

- a. **Acknowledge receipt of an update on Unaudited Fund Balances as of June 30, 2020.**
- b. **Authorize additional reservation of \$1,912,767 in unexpended utility rate revenue collected during Fiscal Year 2019/2020 in support of the District's Effluent Export Pipeline Project.**
- c. **Authorize commitment of \$1,360,000 in available fund balance in the General Fund for anticipated settlement of the property tax dispute filed against Washoe County et al, Nevada State Board of Equalization and the Department of Taxation by the Village League to Save Incline Assets, Inc. (Case No. CV03-06922)**

- d. **Authorize the District's General Manager to direct the District's Director of Finance to reflect allocation of estimated FY2019-20 year-end Community Services Special Revenue Fund fund balances as follows:**
 - i. **Reflect commitment of \$5,594,546 in support current year FY2020-21 Capital Improvement Projects, and**
 - ii. **Affect transfer of additional \$1,100,000 in Community Services Special Revenue fund balance to the Community Services Capital Fund(s) in support of future priority capital improvement projects.**
- e. **Outline and possibly set future agenda items in order to designate additional available fund balances in support of specific future Capital Improvement Projects in conjunction with the Board's ongoing refinement of the District's Capital Improvement Plan priorities for Fiscal Year 2020/2021 through 2024/2025.**

Director of Finance Navazio gave an overview of the submitted materials. Trustee Morris said that he feels comfortable with all of this as we have talked about this and understand the nomenclature and trying to keep us all on board. He understands the valid comment on getting our terminology consistent moving forward and that he would like to put off item e as Staff can bring back that item. Chairman Callicrate said he agrees. Director of Finance Navazio said that the only purpose is that a. through d. is not the end all and be all.

Trustee Morris made a motion as follows:

- a. Acknowledge receipt of an update on Unaudited Fund Balances as of June 30, 2020.
- b. Authorize additional reservation of \$1,912,767 in unexpended utility rate revenue collected during Fiscal Year 2019/2020 in support of the District's Effluent Export Pipeline Project.
- c. Authorize commitment of \$1,360,000 in available fund balance in the General Fund for anticipated settlement of the property tax dispute filed against Washoe County et al, Nevada State Board of Equalization and the Department of Taxation by the Village League to Save Incline Assets, Inc. (Case No. CV03-06922)

- d. Authorize the District's General Manager to direct the District's Director of Finance to reflect allocation of estimated FY2019-20 year-end Community Services Special Revenue Fund fund balances as follows:
 - i. Reflect commitment of \$5,594,546 in support current year FY2020-21 Capital Improvement Projects, and
 - ii. Affect transfer of additional \$1,100,000 in Community Services Special Revenue fund balance to the Community Services Capital Fund(s) in support of future priority capital improvement projects and that there may be additional actions in the future.

Trustee Wong seconded the motion. Chairman Callicrate asked for any further comments, hearing none, he called the question and the motion was unanimously passed.

J. APPROVAL OF MINUTES (for possible action)

J.1. Meeting Minutes of July 22, 2020

Chairman Callicrate asked for any changes, hearing none, the minutes were approved as submitted.

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

Trustee Morris said that this coming Friday he shall be attending the Washoe County Debt Commission meeting.

L. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

Margaret Martini passed on her opportunity to speak.

Yolanda Knaak said you did a great job and one thing on the refund, do it through Washoe County and have it come across on our tax bill as a credit.

Frank Wright said he is a candidate for the Board, will there be an environmental study for the pool? He is concerned about the 7-foot depth. Overall, a pretty productive meeting and the members of the community who chimed in, did a good job. Moving forward, doing pretty good.

Cliff Dobler said he has a few comments on the packet – the Recreation Fee refund, giving coupons to use the facilities is not a good way to go as it is favoring people who use the facilities. He is amazed that Trustees Morris and Wong, on the rate study and the reserves, after 4 or 5 years, blew through \$5 million and now \$2.5 million in the hole because of contracts that have been overpaid and for you people to sit there as cheerleaders, he is going to send you some pom poms to say use Staff. To Trustee Wong, not knowing what the cost is and to make a statement like that, he finds appalling.

Mike Abel said that he made some comments on the chat room on Livestream that he wanted to read into the record. Bidding on the public projects is the preferred method on public projects, this CMAR is a pile of crap in his humble opinion. The Board hasn't even considered a new way of building pool – stainless steel. The most environmental friendly and might last over 100 years. IVGID staff hasn't even mentioned stainless steel, it is a new world out there that has to be taken into consideration and you may have to pay more which will may very well be worth it. Mr. Paris is incorrect, personally measured the pool 82 feet-1-1/2 inch; 25 meters long. Trustee Dent, good for you on refusing CMAR. There are several projects that are being built that are similar in perception. Staff has already issued that he has artful disclosed and why haven't they mentioned it? Covering his butt and he should be fired. Hope the Board's goes ahead with Option 1, 25 meters long, because it is the standard length and he would support it with proper public bidding.

M. ADJOURNMENT (for possible action)

The meeting was adjourned at 10:58 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 Paul Smith: IVGID Board of Trustee's Testimony dated 12 August 2020

Submitted by Aaron Katz: Written Statement to be included in the written minutes of this August 12, 2020 regular IVGID Board meeting – Agenda Item I(2) – Possible selection of a preferred improvement option for the Burnt Cedar beach swimming pool capital improvement project (“CIP”) and its funding

Submitted by Aaron Katz: Written Statement to be included in the written minutes of this August 12, 2020 regular IVGID Board meeting – Agenda Item F(1)(a) – Possible rebate of a portion of 2019-20's Recreation (“RFF”) and Beach (“BFF”) facility fees based upon Staff's inability to make the public's recreation/beach facilities available to be used by those owners/occupants of assessed parcels

Submitted by Aaron Katz: Written Statement to be included in the written minutes of this August 12, 2020 regular IVGID Board meeting – Agenda Item I(2) – Possible selection of a preferred improvement option for the Burnt Cedar beach swimming pool capital improvement project (“CIP”) and its funding

IVGID BOARD OF TRUSTEE'S TESTIMONY

12 August 2020

My name is Paul Smith and I live in Tyrolian Village HOA in Incline Village.

Incline Village has several large HOA's that maintain their own water and sewer distribution and collection systems. These systems represent no cost or liability for IVGID. All systems connect directly with the IVGID system at the boundary line of the HOA.

HOA's currently pay a full water and sewer development fee. Not one fee, even though these HOA's have a single meter, but rather a separate fee for each and every unit in the HOA. The HOA built and maintains the piping distribution of water and the collection of sewerage among its units.....but IVGID charges each unit the same water and sewer development fee as a single family home in Incline that has full IVGID service directly to the house meter.

For my HOA this IVGID development fee added to the water and sewer bill amounts to over \$6000 a month or \$72,000 per year. Additionally, each of the 226 owners in my HOA also pay HOA fees for system piping repair bills plus putting away reserves for future repairs and replacements to the water and sewer lines that IVGID has no liability and does not maintain.

HOA owners currently pay the full fare but get half service from IVGID. This study should highlight this inequity and correct the billing process going forward.

I request that under each "goal" being considered this evening that you insist on these additions as part of the future study:

Goal and Objective #1 - Utility Rate Setting Methodology

Any rate setting methodology must address the setting of rates for the services received. Those services will of course include water and sewer but must also account for the reduced piping and infrastructure costs associated with HOA's.

Goal and Objective #2 - Reserve Fund Balance Analysis

When doing the reserve fund balance analysis the study must focus on what IVGID is responsible to build and maintain and how those costs must be spread over the entire user community. Some users get to the door service and some do not. Those that do not get to the door service should not pay 100% of the development charges.

Goal and Objective #3 - Performance Management and Asset Management Analysis

If IVGID is serious about planning for fifty years out; then include in this analysis a cost of bringing all HOA and other private systems 100% into the IVGID repair and maintenance system. I believe, however, that once any correct analysis is done of the existing private systems that the huge cost will so frighten IVGID that the Board will leave them private and gladly offer a reasonable discount to recognize the high cost to each private system operator to keep a correct distribution system running.

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS AUGUST 12, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM I(2) – POSSIBLE SELECTION OF A PREFERRED IMPROVEMENT OPTION FOR THE BURNT CEDAR BEACH SWIMMING POOL CAPITAL IMPROVEMENT PROJECT (“CIP”) AND ITS FUNDING

Introduction: Here staff tell the IVGID Board and the public that “in 2018 Terracon Consultants, Inc. was retained to evaluate the pool shell and deck at the Burnt Cedar Beach Swimming...and Wading Pool(s and that) their findings (we)re presented in (a) ‘Swimming Pool Evaluation Study,’ dated December 4, 2018¹...Based upon Terracon Consultants, Inc.’s findings, they recommended a plan of action (which) include(s) the following:

1. Swimming pool replacement including perimeter overflow gutter system;
2. Wading pool replacement or spray pad in lieu of wading pool;
3. Pool deck replacement including rails and anchors and deck drains; (and,)
4. ADA compliance of Pool and deck area.”²

Although the Terracon evaluation initially included an August 6, 2019 cost estimate of \$840,314.32 plus an additional \$135,015.11 for equipment and 12% to 15% for design³, we are told that “IVGID staff (have chosen to) no longer rel(y) on this estimate for budgeting purposes” because Terracon “neglected to provide the complete cost of reconstruction.”⁴

Apparently as early as May 22, 2019, if not before, staff were able to come up with a projected \$2,250,000 cost for replacement of the current Burnt Cedar pool and adjacent toddler wading pool⁵. The 2019-20 budget appropriated \$800,000 for the project with the expectation that for 2020-21 the remaining estimated \$1,450,000 would be appropriated⁵. Of note, even today, the Project Summary for this CIP evidences the same \$2,250,000 number augmented by an additional \$225,000 for staff management and an additional \$225,000 for construction reserves (see page 51 of the 8/12/2020

¹ See pages 52-62 of the packet of materials prepared by staff in anticipation of this August 12, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/0812_-_Regular_-_Searchable.pdf (“the 8/12/2020 Board packet”)].

² See page 44 of the 8/12/2020 Board packet.

³ See page 59 of the 8/12/2020 Board packet. A copy of that estimate is attached as Exhibit “A” to this written statement.

⁴ See page 45 of the 8/12/2020 Board packet. Actually,

⁵ See page 9 of the approved 2019 5 Year CIP (https://www.yourtahoeplace.com/uploads/pdf-ivgid/5_Year_Capital_Improvement_Plan_Summary_-_As_of_5.22.19.pdf), This page with an asterisk next to the appropriated and projected expense is attached as Exhibit “B” to this written statement.

Board packet). And of further note, this means local property owners assessed the Beach Facility Fee (“BFF”) actually paid this \$800,000 which is now part of the current balance for this fund.

Meanwhile our current GM, Indra Winqest, decided to create “a community group of...staff (and)...interested stakeholder...residents...to evaluate the existing condition (of the subject pool), understand project objectives, and develop conceptual design options for pool reconstruction...Based on input received...the Design Team⁶ produced the ‘Burnt Cedar Swimming Pool Improvement Project - Aquatic & Architectural Design Report’ (‘the Design Report’⁷) to document their findings.”⁴

The Design Report proposes “two (2) conceptual design options (In-Place⁸ and Rotated⁹) for the Burnt Cedar Swimming Pool Improvement Project to address the identified issues and stated project goals. Both options...include a pathway to connect the east and west sides of Burnt Cedar Beach [this improvement is identified in the IVGID Beaches Recreation Enhancement and Opportunities Plan¹⁰ (at an estimated cost of \$500,000-\$600,000)”¹¹]. According to staff, “constructing the pathway as part of this project will allow the designer to integrate the pathway in to the final design and take advantage of a contractor mobilized on site.”¹⁰

According to staff the estimated total project cost for option #1 is \$5,623,480¹². The estimated total project cost for option #2 is \$4,296,932¹². And the 2020-21 budgeted cost for this project (CIP Project #3970BD2601) is allegedly \$2,925,000¹³. But the actual 2020-21 budget approved by the Board and submitted to the Nevada Department of Taxation for this project *appropriated only \$225,000 to this project*¹⁴, and this represents *design costs only*¹⁵.

⁶ Consisting of four “(4) IVGID staff members...one (1) IVGID Trustee, and the TSK...design team.”⁴

⁷ See pages 80-107 of the 8/12/2020 Board packet.

⁸ See pages 93-94 of the 8/12/2020 Board packet.

⁹ See pages 95-96 of the 8/12/2020 Board packet.

¹⁰ See page 47 of the 8/12/2020 Board packet.

¹¹ See page 61 at https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Beach_Enhanc_Opportunities_Plan_Feb_2016.pdf.

¹² See pages 47-48 and 98 of the 8/12/2020 Board packet.

¹³ See page 48 of the 8/12/2020 Board packet.

¹⁴ See page 44 of the 2020-21 Budget (go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/FINAL_IVGID_2020.2021_APPROVED_BUDGET_FORM_4404LGF.pdf) and page 51 of the packet of materials prepared by staff in anticipation of the Board’s July 22, 2020 meeting [“the 7/22/2020 Board packet {the Five (5) Year Capital Improvement Plan on Nevada Department of Taxation Form 4411LGF (https://www.yourtahoeplace.com/uploads/pdf-ivgid/H.1._-_General_Business_-_Indebtedness_and_5-Year_Capital_Plan.pdf)}”].

¹⁵ See page 51 of the 8/12/2020 Board packet.

Moreover, this assertion doesn't take into account that those assessed the BFF have already funded \$1,187,000 of the project's cost (see discussion below). And staff concludes that "funding to support either of the options presented in this report will require *additional funding*, beyond what is currently projected, through either: a) continuing to collect the current \$500 Beach Facility *beyond FY2020/21*; b) increas(ing) the (BFF) beyond the \$500 level established for this year; c) (and/or) pursu(ing) debt financing for all or a portion of the cost of the pool renovation project (which)...spreads the cost of th(is CIP) over the useful life of the asset."¹⁶

Contesting some or all of the foregoing facts and the proposals advanced by staff are the purposes of this written statement.

Staff's Contract With Terracon¹⁷: On or before October 17, 2018¹⁸ our previous GM entered into a contract with Terracon, without Board approval. The contract provided that Terracon would be compensated "on a time and materials basis, with the not to exceed amount (of)... \$15,500."¹⁹ According to the scope of work associated with this contract¹⁸, Terracon was retained to:

1. "Visual(ly) evaluat(e)...existing pool shells to determine prospective cause(s) of differential settlement, if any;
2. "Develop recommendations for additional destructive or non-destructive testing; and,
3. "Geophysical(ly) inspect...the exposed pool deck, pool shells, walls and floors.

Although there is no indication of the cost incurred with Terracon, Judy Miller has gone to OpenGov and determined that from/to fiscal year 2018-19 and 2019-20, Terracon was paid \$25,000. For 2018-19 the Board budgeted and local property/dwelling unit owners assessed the BFF actually paid \$75,000 towards these/other services assigned to this project²⁰. Apparently an additional \$50,000 was spent on these/similar services in addition to the \$25,000 to Terracon because according to page 101 of the 2019-20 Budget²¹, there was no carry forward for this project.

¹⁶ See page 49 of the 8/12/2020 Board packet.

¹⁷ "A full-service engineering consulting firm that provides aquatic design, pool structural, and pool electrical engineering services in house. Our aquatics team has designed over 1,000 commercial pool projects and possesses the experience and expertise to complete the Project and the scope of work described herein" (see page 59 of the 8/12/2020 Board packet).

¹⁸ See page 52 of the 8/12/2020 Board packet.

¹⁹ See page 74 of the 8/12/2020 Board packet.

²⁰ See page 112 of the 2018-19 Budget (https://www.yourtahoeplace.com/uploads/pdf-ivgid/IVGID_Annual_Budget_FY2018-19_03122019.pdf).

²¹ Go to https://www.yourtahoeplace.com/uploads/pdf-ivgid/2019-20_Operating_Budget.pdf ("the 2019-20 Budget").

For 2019-20 the Board budgeted and local property/dwelling unit owners assessed the BFF actually paid an additional \$55,000 towards these services²². And apparently all of the budgeted \$55,000 was in fact spent on these/similar services because according to page 44 of the 2020-21 Budget, there was no carry forward for this project.

Staff's Contract With Tate Snyder Kimsey (TSK) Architects ("TSK"): On or about June 3, 2020, our GM entered into a contract with TSK²³, without Board approval. The contract provided that TSK would be compensated "on a time and materials basis, with the not to exceed amount (of)... \$15,500."²⁴ According to the scope of work associated with this contract²⁵, TSK was retained to:

1. "Anal(yze)...existing (project) studies and reports completed to date;"
2. "Site/facility review;"
3. "Meet with 4-5 individuals as selected by IVGID to determine the scope and design direction for pool renovations;"
4. "Discuss...and Document...requirements and anticipated durations from the regulatory agencies;
5. "Provide Concept Design Options to reflect findings and recommendations from the earlier analysis and public outreach efforts;" and,
6. "Develop...(a) Concept Design Cost Estimate."

Staff's Third Party Beneficiary Contract With Aquatic Design Group ("ADG"): On or about May 12, 2020 TSK entered into a contract with ADG²⁶ on IVGID's behalf. The contract provided that ADG would be compensated "on a time and materials basis, with the not to exceed amount²⁴ (of)...\$12,500 (plus)...an allowance of \$4,000...for reimbursable expenses."²⁷ According to the scope of work associated with this contract²⁸, ADG was retained to:

1. "Visit the project site and meet with staff to determine facility program needs and other issues to be addressed;"

²² See page 100 of the 2019-20 Budget.

²³ See pages 63-75 of the 8/12/2020 Board packet.

²⁴ See page 74 of the 8/12/2020 Board packet.

²⁵ See page 71 of the 8/12/2020 Board packet.

²⁶ See pages 76-79 of the 8/12/2020 Board packet.

²⁷ See pages 77-78 of the 8/12/2020 Board packet.

²⁸ See pages 76-77 of the 8/12/2020 Board packet.

2. "Complete a site investigation document existing conditions, areas of concern and site opportunities for (the) swimming pool modernization project;"
 3. "Prepare a written site assessment report outlining observations and opportunities;"
 4. "Prepare a series of potential options for consideration by (IVGID), that c(ould) be used during public workshop meetings;"
 5. "Participate in outreach and workshop meetings as required;"
 6. "Participate in Agency outreach for pool modernization needs;"
 7. "Based upon selected swimming pool option, (ADG) shall prepare a basis of design document for use by (IVGID) that describes the pool characteristics, programmatic capabilities, and design intent for pool systems;"
 8. "Prepar(ation of) swimming pool plan view(s) for use in concept design package;"
- and,
9. Submit(tal of)...an estimate of probable construct."

So in Addition to the \$225,000 Budgeted For this Project in 2020-21, Hopefully the Reader Sees That Property Owners Assessed the BFF Have *Already* Paid at Least an Additional \$1,187,000 Towards This Project!

In Addition to an Astronomical Price Tag, Staff Proposes *Reducing* the Length and Possibly (Depending Upon Option #1 or #2) Expanding the Width of a New Replacement Main Pool, and Expanding the Size of the Wading Pool: The current main pool appears to measure "25 meter(s)²⁹ by 42 foot (3,445 SF total) with a maximum depth of approx. 10 feet...and an adjacent round wading pool (with)...a diameter of approx. 24 feet and a depth of approx. 2 feet."³⁰ In contrast option #1 proposes a "new 75 feet x 52 feet (3,900 SF total) Rec Pool," and a "new (rectangular) 32 feet x 24 feet (800 SF total) Wading Pool in new location(s)³¹. Option #2 proposes a "new 75 feet x 44 feet (3,300 SF total) Rec Pool," and a "new (round) 35 feet diameter (829 SF total) Wading Pool in new location(s)³². Thus both options are *shorter* than our current pool, option #2 is roughly the same width as our current pool, and option #1 is roughly 10 feet wider than our current pool.

²⁹ This converts to 82.021 feet (approximately 82 feet, 2 inches).

³⁰ See page 84 of the 8/12/2020 Board packet.

³¹ See page 93 of the 8/12/2020 Board packet.

³² See page 95 of the 8/12/2020 Board packet.

In Addition to an Astronomical Price Tag, Staff Propose Relocating at Least One of the Two New Pools³³ to a Slightly “New Location.”

In Addition to an Astronomical Price Tag, Staff Propose Including a “New Pathway Connecting Parking to Burnt Cedar Beach” (Depending Upon Option #1 or #2) at a Cost Enhancement of Nearly \$1 Million:

In Addition to an Astronomical Price Tag, Staff Have Already Begun to Retain the Costly Services of a Construction Manager at Risk Contractor (“CMAR”): At page 49 of the 8/12/2020 Board packet staff tell the Board and the public that “the actual project costs will be provided by (the)... CMAR project delivery method (NRS 338.1685)...to (allegedly) provide greater insight into the construction costs during the design phase and obtain the best possible project value.”

This provision of the NRS is terribly confusing, seems too susceptible to conflicts of interest, and opens the door to the CMAR financially benefitting to a public body’s detriment for doing nothing more than his/her job. For instance, it places too much power in the hands of a third party CMAR. NRS 338.16985(1) instructs that “a (CMAR) who enters into a contract for the construction of a public work...is (the person) responsible for contracting for the services of any necessary subcontractor, supplier or independent contractor necessary for the construction of the public work and for the performance of *and payment* to any such subcontractors, suppliers or independent contractors.”

NRS 338.1696(1) instructs that “if a public body enters into a contract with a (CMAR) for preconstruction services...after the public body has finalized the design for the public work...sufficient to determine the provable cost (in other words, *prior to* actually determining the provable cost)...the public body *shall* enter into negotiations with the (CMAR) for a contract to construct the public work...for: (a) the cost of the work, plus a fee, *with a guaranteed maximum price*; (b) a fixed price; or (c) a fixed price plus reimbursement for overhead and other costs and expenses related to the construction of the public work or portion thereof.” In other words, *there is no opportunity to let the cost of the work out to public bidding*, and the public body is obligated to negotiate with the CMAR for his/her/its performance of the work.

NRS 338.1697 instructs that “a contract...for a guaranteed maximum price may include a provision that authorizes the CMAR to receive all or part of any difference between the guaranteed maximum price set forth in the contract and the actual price of construction of the public work, if the actual price is less than the guaranteed maximum price.”

If anyone actually believes that a CMAR isn’t going to cover his/her hiney by negotiating an excessive guaranteed maximum price with the expectation of pocketing that excess, I have a couple of bridges to sell you.

³³ Option #1 proposes a new pool in a new location with a new orientation³¹. Option #2 proposes a new pool in the existing location/orientation³².

ADG's "Preliminary Opinion of Probable Costs" For a CMAR Are Projected to Total an Unbelievable \$1,023,638: Take a look at page 99 of the 8/12/2020 Board packet³⁴. Here ADG estimates the probable costs for this project. Look at the top of the "Option #1 Fully Burden(ed) Construction Costs" column. There you will see a footnote 3. Now look for the asterisk towards the bottom of the page next to footnote 3. There you will see that this footnote reads: "Base Improvements include costs of approx. 29% for (Escalation, CMAR Contingency, General Conditions, Overhead & Profit, Insurance & Bonds)." Given the column has *already* included a \$593,925 "estimating contingency" (see the asterisk next to item 1.25), this 29% surcharge is in essence almost entirely devoted to the cost of a CMAR.

Construction Manager as an Agent ("CMA"): Given the represented reason for securing a CMAR is nothing more than "provid(ing) greater insight into...construction costs during the design phase," I don't understand why staff hasn't suggested use of a Construction Manager as an Agent which is essentially a CMAR without the alleged "risk" portion. Putting aside the fact our "in house" staff may not be competent to administer prosecution of this project, NRS 338.1718 provides for CMAs who must be: "(1) licensed...contractor(s)...(2) hold a certificate of registration to practice architecture, interior design or residential design...(3) be licensed as a professional engineer" [see NRS 338.1718(1)(a)]. Once we find a CMA we're comfortable with, he/she

"May enter into a contract with a public body to assist in the planning, scheduling and management of the construction of a public work without assuming any responsibility for the cost, quality or timely completion of the construction of the public work" [see NRS 338.1718(1)(b)].

Moreover, to avoid any conflict of interest, NRS 338.1718(1)(b) goes on to instruct that,

"A construction manager as agent who enters into a contract with a public body pursuant to this section may not:

- (1) Take part in the design or construction of the public work; or
- (2) Act as an agent of the public body to select a subcontractor if the work to be performed by the subcontractor is part of a larger public work."

In other words, a CMA can do everything a CMAR can do without securing a guaranteed maximum price.

Moreover, take a look at the project summary for this project³⁵. Staff have proposed reimbursing themselves \$225,000 for unreimbursed construction management staff time. And look at

³⁴ This page is attached as Exhibit "C" to this written statement.

³⁵ See page 51 of the 8/12/2020 Board packet.

ADG's "Preliminary Opinion of Probable Costs." Item 2.4 represents a \$136,603 payment to IVGID for "management costs." I don't know about you, but if we're going to pay anyone for construction management, I would much rather it be to a truly professional CMA rather than our staff!

Given the District Doesn't Have the Money to Complete Either Option, Staff Cavalierly Propose Bonding: Listen to page 49 of the 8/12/2020 Board packet:

"Funding to support the Burnt Cedar Swimming Pool Project will require additional funding, beyond what is currently provided for in the Beach (CIP). The current plan, including the one-year flip of Facility Fee from Community Services Fund to Beach Fund is now estimated to result in an estimated year-end excess fund balance within the Beach Fund of \$4.4 million, available to support priority Beach capital projects. Funding to support either of the options presented in this report *will require additional funding, beyond what is currently projected*, through either: a) continuing to collect the current \$500 Beach Facility beyond FY2020/21; b) increase the (BFF) beyond the \$500 level established for this year; (and/or, c) pursue debt financing for all or a portion of the cost of the pool renovation project. A typical funding plan for projects such as the Burnt Cedar Pool Improvement Project would include a debt financing component that spreads the cost of the capital improvement over the useful life of the asset." In other words, *BONDING!*

The District Needs to Learn to Scale Back the Breadth of the CIPs it Tackles, and Staff Should be Instructed Accordingly: It's not just the \$5,394,749 of funding staff requests¹³. Again, listen to page 49 of the 8/12/2020 Board packet:

"The costs stated above *are estimated costs* based on conceptual design exhibits. As we proceed through final design, the actual project costs will be provided by the Construction Manager at Risk Contractor (CMAR) Contractor."

Translation: ***The ultimate cost of this project could very easily top the \$5,394,749 of funding staff requests***¹³.

And What About the Other High Valued CIPs the Board Contemplates at the Beaches? It's not just the Burnt Cedar Pool. What about the proposed Beach House Restaurant at Incline Beach? Given the estimates for this CIP range anywhere from \$3.5-\$5 million, add the \$5,394,749 million or more staff recommend for the Burnt Cedar Pool project¹³, and it very soon becomes apparent we simply cannot afford to be maintaining what we already have!

Thus Before Going Down This Road, Are Board Members Going to Adhere to Their Campaign Promises of First Seeking Voter Approval Before Incurring New General Obligation Debt? NRS 350.020(1) instructs that:

“Except as otherwise provided by subsections 3 and 4, if a municipality proposes to issue or incur general obligations, *the proposal must be submitted to the electors of the municipality.*”

Given NRS 350.020(4) is inapplicable to this discussion, NRS 350.020(3) instructs that:

“If payment of a general obligation of the municipality is additionally secured by a pledge of gross or net revenue of a project to be financed by its issue³⁶, and the governing body determines, *by an affirmative vote of two-thirds of the members elected to the governing body*, that the pledged revenue will at least equal the amount required in each year for the payment of interest and principal, without regard to any option reserved by the municipality for early redemption, *the municipality may, after a public hearing, incur this general obligation without an election.*”

Given every recreation general obligation bond issued by the District in recent memory has been additionally secured by a pledge of the Recreation Facility Fee (“RFF”), and I presume so will the current contemplated bond, are Trustees Callicrate, Dent and Schmitz going to vote to dispense with the election requirement notwithstanding each has pledged *not to do so*?

The District Cannot Bond the Subject Beach CIP Because NRS 318.015(2) Prohibits Use of “the Provisions of...chapter (NRS 318)...to Provide a Method For Financing the Costs of Developing Private Property:” We’ve had this discussion before. Since at least three courts have determined the beaches to be private property [*Wright v. Incline Village General Improvement District*, 597 F.Supp.2d 1191, 1197 (2009); *Kroll v. Incline Village General Improvement District*, 598 F.Supp.2d 1118, 1126-28 (2009); and, *Wright v. Incline Village General Improvement District*, 665 F.3d 1128,1137-38 (9th Cir. 2011)], and, NRS 318.015(2) prohibits IVGID from issuing general obligation bonds (“GOBs”) pursuant to NRS 318.275(1)(b) [“a district may borrow money and issue the following securities to evidence such borrowing...general obligation bonds”] and NRS 318.325(1)(a) and (b) [“a board of any district may issue on its behalf and in its name at any time...the following types of securities in accordance with the provisions of the Local Government Securities Law, except as otherwise provided in subsection 2 (not applicable here): (a) general obligation bonds and other general obligation securities payable from general (*ad valorem*) property taxes; (and, b) general obligation bonds and other general obligation securities...the payment of which securities is additionally secured by a pledge of and lien on net revenues”], the District may not issue GOBs to improve the beaches.

Furthermore, since GOBs are guaranteed by the full, faith and credit of the GID which issues them [“municipal securities issued hereunder and constituting general obligations shall pledge the full

³⁶ NRS 318.197(1) states that a GID “board may fix...rates, tolls or charges other than special assessments...and pledge the revenue for the payment of any indebtedness or special obligations of the district.”

faith and credit of the municipality for their payment, (and) shall so state" {350.590(2)}, as are all its assets, ***how can IVGID issue securities guaranteed by those in our community without beach access?***

While We're Looking For Potentially *Other* Unnecessary Fat in ADG's "Preliminary Opinion of Probable Costs," How About the \$593,925 "Estimating Contingency:" Line 1.25.

While We're Looking For Potentially *Other* Unnecessary Fat in ADG's "Preliminary Opinion of Probable Costs," How About the \$455,343 "IVGID Contingency:" Line 2.2.

Pull Our Staff Off This Project, Engage a Truly Professional Pool Designer so We Need Not Worry About Contingencies, Scope the Project the Right Way the First Time, and Eliminate a CMAR, and All Total We May be Able to Reduce the Cost of This Project by a Mind Blowing \$2,209,509:

Conclusion: This entire episode exposes one of IVGID's seminal problems. We simply don't have the population nor tax base to warrant the "big eyes" recreational facilities some of us covet. And to add to our dilemma, we accept a grossly overpaid and over benefited staff which is incapable of operating those facilities at a financial break even or on a positive cash flow basis. Which requires the involuntary subsidy of the RFF, BFF and allocated central services cost transfers from the Community Services and Beach Funds to the General Fund. We simply cannot afford a \$5.4 million replacement Burnt Cedar pool.

Staff had best start doing its job of letting major CIP projects such as these out to public bid. And scaling back by-and-large "pie-in-the-sky" wants which serve little purpose other than to unnecessarily increase costs.

And to those asking why our RFF/BFF are as high as they are, and never seem to go down, now you have another example of some of the reasons why.

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

EXHIBIT "A"

Terracon

Burnt Cedar Beach Pool - Incline Village, NV
 *PRELIMINARY Opinion of Probable Construction Cost

8/6/2019

<u>ITEM</u>	<u>COST</u>	
Pool Estimate (1) Gutter	\$751,769.88	
Deck Equipment	\$72,855.56	
Loose Equipment	\$6,555.56	
Maintenance Equipment	\$7,694.44	
Safety Equipment	\$1,438.89	
Bulkhead (4')	\$0.00	
Bulkhead (6')	\$0.00	
Timing System	\$0.00	
<i>Pool Subtotal</i>		\$840,314.32
Pool Estimate (2) Skimmer	\$720,766.58	
Deck Equipment	\$65,355.56	
Loose Equipment	\$6,555.56	
Maintenance Equipment	\$7,694.44	
Safety Equipment	\$1,438.89	
Bulkhead (4')	\$0.00	
Bulkhead (6')	\$0.00	
Timing System	\$0.00	
<i>Pool Subtotal</i>		\$801,811.03
Pool Estimate (3)	\$130,809.55	
Deck Equipment	\$3,222.22	
Loose Equipment	\$0.00	
Maintenance Equipment	\$472.22	
Safety Equipment	\$511.11	
Bulkhead (4')	\$0.00	
Bulkhead (6')	\$0.00	
Timing System	\$0.00	
<i>Pool Subtotal</i>		\$135,015.11
TOTAL EQUIPMENT COST ESTIMATE (inflation & general contractor mark up not included)		\$1,777,140.45

The Consultant has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. Soil conditions and structure methods can have large impact on project cost. Opinion of probable cost include typical structural design approaches, the consultant defers to the structural consultant for added cost if additional structure enforcement are dictated by project Geotechnical Report. Cost also are indicative of the typical General Contractor and Pool Contactor relationship. Specifics on constructor methods and associated cost will have to be study by outside firms. Opinions of probable cost are representative only of the Consultant's judgment as a design professional familiar with the construction industry. The Consultant cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from its opinions of probable costs.

EXHIBIT "B"



5 Year Capital Improvement Plan Summary - As of 5.22.19

Department	Project Number	Project Title	Project Manager	2020	2021	2022	2023	2024	Total
	4886LE0001	Fitness Equipment	Recreation Center Manager	44,200	45,000	47,250	49,000	-	185,450
	4899BD1305	Paint Interior of Recreation Center	Buildings Superintendent	15,500	-	15,500	-	15,500	46,500
	4899BD1801	Paver install Front Walkway at Recreation Center	Buildings Superintendent	82,500	-	-	-	-	82,500
	4899LV1721	2012 15-Passenger Van #667	Fleet Superintendent	-	-	45,800	-	-	45,800
	4899OE1607	Recreation Center Printer Copier Replacement 980 Incline Way	IT Analyst	-	20,000	-	-	-	20,000
	Total			419,700	69,000	362,550	496,500	404,840	1,746,590
Community Services Shared	4999OE1399	Web Site Redesign and Upgrade	Marketing Manager	-	80,000	-	-	-	80,000
	Total				80,000				80,000
		Total Community Services Less Master Plan Implementation		7,184,800	4,010,054	6,681,680	4,311,900	3,045,340	24,734,574
		Total Community Services With Master Plan Implementation		7,184,800	4,010,054	6,944,680	5,914,900	3,924,227	27,979,461
Beaches									
Beaches	3970BD2601	Burnt Cedar Swimming and Toddler Pool Improvements	Engineering Manager	800,000	1,450,000	-	-	-	2,250,000
	3972BD1301	Pavement Maintenance, Ski Beach	Senior Engineer	11,000	6,000	8,500	15,000	256,000	296,500
	3972BD1501	Beaches Flatscape and Retaining Wall Enhancement and Replacement	Senior Engineer	55,000	55,000	55,000	55,000	55,000	275,000
	3972BD1707	Burnt Cedar Dumpster enclosure	Senior Engineer	10,000	35,000	-	-	-	45,000
	3972FF1704	Beach Furnishings	Parks Superintendent	-	7,000	21,000	-	-	28,000
	3972LI1201	Pavement Maintenance, Incline Beach	Senior Engineer	-	6,500	5,000	7,500	16,500	35,500
	3972LI1202	Pavement Maintenance, Burnt Cedar Beach	Senior Engineer	6,000	6,000	17,500	7,500	310,000	347,000
	3972RS1701	Replace Playgrounds	Principal Engineer	-	30,000	100,000	100,000	-	230,000
	3973FF1204	Incline Beach Kitchen	Food and Beverage Director	-	-	7,260	-	-	7,260
	3974FF1101	Burnt Cedar Beach Kitchen	Food and Beverage Director	-	-	6,800	-	-	6,800
	3999BD1702	Resurface Burnt Cedar Pool Patio Deck	Buildings Superintendent	-	29,100	-	-	-	29,100
	3999BD1703	Replace Ski Beach Entrance Gate	Buildings Superintendent	-	-	-	-	19,500	19,500
	3999BD1708	Ski Beach Bridge Replacement	Senior Engineer	-	-	-	120,000	-	120,000
	3999DI1706	Burnt Cedar Beach Backflow Device Replacement	Engineering Manager	-	-	-	45,000	-	45,000
	Total			887,000	1,529,600	221,060	350,000	657,000	3,764,660
	Total w/o DP Master Plan			12,913,245	10,306,104	10,664,240	9,887,260	11,008,590	54,771,449
	Total w/ DP Master Plan			12,913,245	10,306,104	11,917,240	10,990,260	11,697,477	56,016,316

EXHIBIT "C"

DESIGN OPTIONS 1 AND 2 - COMBINED

ITEM		DESCRIPTION		QTY	UNIT	UNIT PRICE	OPTIONAL FULLY ITEMIZED CONSTRUCTION COSTS	Breaker Pool 40'x70' (2.00 SF)	Lapset Pool in Pools Existing	Profit on Deck Area and Associated Drains (2017)	No Site Lighting	Larger Washing Pool	Remove Washing Pool Equipment	No Shrink Specchere	ACTUAL FULLY ITEMIZED SUBSTRUCTURE COSTS
1.1	Pool Deck (Durable)	1	100.00	1	100.00	\$	100.00								96,750
1.2	Steel Framing (Aluminum)	1	100.00	1	100.00	\$	100.00								96,750
1.3	Utility Allowance	1	50.00	1	50.00	\$	50.00								51,000
1.4	Submittals	1	100.00	1	100.00	\$	100.00								77,000
1.5	Material Takeoff	1	100.00	1	100.00	\$	100.00								1,024,200
1.6	Site-Swimming Pool (24'x100' (2,400 SF))	1	2,400	1	2,400	\$	2,400								3,000
1.7	Swimming Pool Deck Task	1	300.00	1	300.00	\$	300.00								3,000
1.8	Pool Deck	1	300.00	1	300.00	\$	300.00								3,000
1.9	Washing Pool (10'x10')	1	100.00	1	100.00	\$	100.00								18,750
1.10	Washing Pool (Intermittent Dry Equipment)	1	100.00	1	100.00	\$	100.00								13,500
1.11	Washing Pool (Continuous Dry Equipment)	1	100.00	1	100.00	\$	100.00								13,500
1.12	Washing Pool (Continuous Dry Equipment)	1	100.00	1	100.00	\$	100.00								13,500
1.13	Grass/Gravel	1	100.00	1	100.00	\$	100.00								13,500
1.14	Pool Deck	1	100.00	1	100.00	\$	100.00								13,500
1.15	Deck Equipment	1	100.00	1	100.00	\$	100.00								13,500
1.16	Pool Area Fencing	1	100.00	1	100.00	\$	100.00								13,500
1.17	Professional Building Upgrade	1	100.00	1	100.00	\$	100.00								13,500
1.18	Landscaping	1	100.00	1	100.00	\$	100.00								13,500
1.19	Tree and Rock Removal	1	100.00	1	100.00	\$	100.00								13,500
1.20	Site Lighting	1	100.00	1	100.00	\$	100.00								13,500
1.21	Retension Pool Side (New)	1	100.00	1	100.00	\$	100.00								13,500
1.22	Shade Structure (New)	1	100.00	1	100.00	\$	100.00								13,500
1.23	Pool Complete Walk-Way & Gravel	1	100.00	1	100.00	\$	100.00								13,500
1.24	Construction Related	1	100.00	1	100.00	\$	100.00								13,500
1.25	Existing Contingency	15%	100.00	1	100.00	\$	100.00								13,500
1.26	Construction + Existing Contingency	15%	100.00	1	100.00	\$	100.00								13,500
1.27	TOTAL CONSTRUCTION COSTS					\$	5,623,480								4,266,932
SOFT COSTS															
2.1	Location (Mileage) (Travel)	0%				\$									
2.2	MGD Contingency	10%				\$									
2.3	Permit & Fee	0.1%				\$									
2.4	MFD/Improvement Cost	7%				\$									
2.5	Architectural & Engineering	10%				\$									
2.6	TOTAL SOFT COSTS					\$									
3.0	TOTAL ESTIMATED PROJECT COST					\$	5,623,480								4,266,932

Notes:
 1. Deck Equipment includes pool covers, pool cover, neck, Regard's deck, line, line line reels, utility equipment etc...
 2. Mechanical Building Upgrade may be necessary to increase the pool turnover and improve water quality using existing current pool. Need will be confirmed during final design.
 3. Base Improvement includes Cost of Approx. 20% for (Excavation, CHAK, Contingency, General, Contingency, Demolition & Profit, Insurance & Bond)

Excludes:
 Furniture, Tables, Chairs, Umbrella, etc...

WRITTEN STATEMENT TO BE INCLUDED IN THE WRITTEN MINUTES OF THIS AUGUST 12, 2020 REGULAR IVGID BOARD MEETING – AGENDA ITEM F(1)(a) – POSSIBLE REBATE OF A PORTION OF 2019-20’s RECREATION (“RFF”) AND BEACH (“BFF”) FACILITY FEES BASED UPON STAFF’S INABILITY TO MAKE THE PUBLIC’S RECREATION/BEACH FACILITIES AVAILABLE TO BE USED BY THOSE OWNERS/OCCUPANTS OF ASSESSED PARCELS

Introduction: Here staff have come back to the IVGID Board with their proposals for some type of rebate of 2019-20’s RFF/BFF in response to the Board’s request on May 27, 2020¹. Because staff represents that “each fee...is allocated by the Board...in specific amounts to support...venue operations, capital improvements, and debt service,”² they recommend the Board “focus on the operating component of each respective fee...for (the) purpose of considering potential credits.”³ Given staff have “estimate(d) the proportion of each venue’s (non-)availability through fiscal year 2019/20 in comparison to a typical (non-pandemic) season (due to)...curtailment of facility access...from a high of 23.1% for the Recreation Center...to 0% for the District beaches,”⁴ their “estimate...of (an) appropriate credit for the operating component of facilities paid by property owners based upon curtailment of facility access ranges from \$29.86...to \$42.84.”⁵ And if “both the operating and capital project component(s) of the Facility Fee(s)” are included for credit purposes, the range increases to \$77.05... to \$118.30.”⁶ Finally, staff represent that “it should be noted that additional administrative costs to process property-owner credits would also be incurred, depending on the form of credit provided and the process required to administer the credit program.”⁷ Contesting these factual averments are the purposes of this written statement.

Estimated Actual General, Community Services and Beach Fund Balances as of June 30, 2020: according to the District’s final 2020-21 budget filed with the State Department of Taxation⁸ (“the

¹ See page 17 of the packet of materials prepared by staff in anticipation of this August 12, 2020 meeting [https://www.yourtahoepalace.com/uploads/pdf-ivgid/0812_-_Regular_-_Searchable.pdf (“the 8/12/2020 Board packet”)].

² See page 18 of the 8/12/2020 Board packet.

³ See page 19 of the 8/12/2020 Board packet.

⁴ See pages 19-20 of the 8/12/2020 Board packet.

⁵ See page 20 of the 8/12/2020 Board packet.

⁶ See pages 20-21 of the 8/12/2020 Board packet.

⁷ See page 20 of the 8/12/2020 Board packet.

⁸ See https://www.yourtahoepalace.com/uploads/pdf-ivgid/FINAL_IVGID_2020.2021_APPROVED_BUDGET_FORM_4404LGF.pdf.

2020-21 Budget”), were: \$3,765,586 in the District’s General Fund⁹, \$13,333,953 in the District’s Community Services Special Revenue Fund¹⁰, and \$2,159,262 in the District’s Beach Special Revenue Fund¹¹; for an unbelievable whopping total of \$19,258,801! Essentially all of these balances have been built up from the collection of excess RFFs/BFFs. Remember, spending assigned to the District’s General Fund exceeds revenues. For 2019-20, estimated actual revenues totaled \$3,717,000⁹, and expenses totaled \$4,614,000¹². The difference was subsidized by a combined \$1,367,400 of transfers⁹ [labeled “allocate(ed)...central services...costs”] from the District’s Utility (\$353,700), Community Services (\$903,200) and Beach (\$110,500) Funds¹³. But since expenses assigned to the District’s Community Services (\$25,403,086 for 2019-20¹⁴) and Beach (\$2,200,741 for 2019-20¹¹) Funds exceed revenues (for 2019-20, \$18,405,000 assigned to the District’s Community Services Fund¹⁰, and \$1,581,125¹¹ assigned to the District’s Beach Fund); one of those expenses in each of those funds is an allocated central services transfer to the District’s General Fund; all of the overspending in the District’s Community Services Fund is subsidized by the RFF¹⁰; and, all of the overspending in the District’s Beach fund is subsidized by the BFF¹¹; in essence, essentially all of the allocated central services transfers into the District’s General Fund are funded by the RFF/BFF.

Given the Excessive and Thus Unnecessary Run Up in Fund Balances Over the Last Several Years, There is No Need For a 2020-21 RFF/BFF: Remember, for 2020-21 the RFF per parcel/dwelling unit owner totals \$230 (for a total of \$2,706,990), and the BFF per parcel/dwelling unit owner totals \$500 (for a total of \$3,874,000)¹⁵. And according to staff, \$215 per parcel/dwelling unit owner (for a total of \$1,763,646) subsidizes operational overspending in the Community Services Fund, and \$85 per parcel/dwelling unit owner (for a total of \$658,580) subsidizes operational overspending in the Beach Fund¹⁵.

Moreover, Staff Have *Not Been Truthful* With the Board and the Public Over the Last Several Years in Representing That Excessive RFFs/BFFs Have Been Required: Listen to the District’s Finance Director, Paul Navazio, in his May 21, 2020 memorandum to the Board:

⁹ See Schedule B-9 at page 8 of the 2020-21 Budget.

¹⁰ See Schedule B-12 at page 11 of the 2020-21 Budget.

¹¹ See Schedule B-14 at page 13 of the 2020-21 Budget.

¹² See Schedule B-10 at page 9 of the 2020-21 Budget.

¹³ See page 114 of the District’s 2019-20 Budget [https://www.yourtahoepalace.com/uploads/pdf-ivgid/2019-20_Operating_Budget.pdf (“the 2019-20 Budget”).]

¹⁴ See Schedule B-13 at page 12 of the 2020-21 Budget.

¹⁵ See page 9 of the 2020-21 Budget.

“Each year, the District establishes an annual Recreation Facility Fee and Beach Facility Fee to be collected from property owners within the District through a levy placed on the property tax bill and collected on behalf of the District by the Washoe County Treasurer's Office. These fees are established based on the revenues *required* to support debt, capital expenditure and operations for the District's various recreation and beach facilities. These revenues, combined with service charges collected by the District for facility use and program activities serve to (financially) support the operations of the District funded by the Community Services Fund and Beach Fund, respectively.”¹⁶

Note the italicized word *required*. This comes from ¶11¹⁷ of the “report (prepared by staff) for the collection on the county tax roll of (2020-21) recreation standby and service charges [aka the Recreation...and Beach Facility Fee(s)]”¹⁸ which recites,

“The amount of moneys *required* for the fiscal year extending from July 1, 2019, to June 30, 2020, has been determined by this Board to be about \$5,783,115 for the Recreation Facility Fee and \$968,500 for Beach Facility Fee for the proper servicing of said identified bonds and for the administration, operation, maintenance and improvement of said real properties, equipment and facilities.”

Yet as we have seen, \$5,783,115 of RFFs were not required as represented because the beginning Community Services Fund balance increased by \$2,688,484 from \$10,645,469 to \$13,333,953¹⁰. And the beginning Beach Fund balance increased by \$432,287 from \$1,378,091 to \$1,810,378¹¹. And \$1,367,400 of allocated central services cost transfers to the General Fund were not required as represented because the beginning General Fund balance increased by \$1,242,800 from \$2,522,786 to \$3,765,586⁹.

Like I said, **Staff Have *Not Been Truthful* With the Board and the Public Over the Last Several Years Insofar as the RFFs/BFFs Required!**

Therefore a Recommended “\$29.86...to \$42.84”⁵ Per Parcel/Dwelling Unit Owner Credit For the Operating Component of Facilities Paid by Property Owners is a Disrespectful Slap in the Face:

As is a Recommended “\$77.05...to \$118.30”⁶ Per Parcel/Dwelling Unit Owner Credit For “Both the Operating and Capital Project Components of” Facilities Paid by Property Owners:

¹⁶ See pages 102-103 of the packet of materials prepared by staff in anticipation of the Board’s May 27, 2020 meeting [https://www.yourtahoeplace.com/uploads/pdf-ivgid/BOT_Packet_Regular_5-27-2020.pdf (“the 5/27/2020 Board packet”).]

¹⁷ See page 114 of the 5/27/2020 Board packet.

¹⁸ See pages 111-116 of the 5/27/2020 Board packet.

Conclusion: Given the level of staff untruthfulness and unnecessarily excessive RFFs/BFFs over the last several years, if there is to be a 2019-20 RFF/BFF credit, it needs to be substantial. I therefore recommend what I and others recommended at the Board's May 27, 2020 meeting¹⁹; the full \$830 combined RFF/BFF!

And to those asking why our RFF/BFF are as high as they are, and never seem to go down, now you have another example of some of the reasons why.

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

¹⁹ See pages 8-12 of the minutes of that meeting [pages 71-75 of the packet of materials prepared by staff in anticipation of the Board's June 30, 2020 meeting ["the 6/30/2020 Board packet" (https://www.yourtahoeplace.com/uploads/pdf-ivgid/0630_-_Regular_-_Searchable_.pdf)] and page 109 of the 6/30/2020 Board packet.